This management's discussion and analysis ("MD&A") of the operating results and financial position of Netcents Technology Inc. (the "Company") is for the nine months period ended July 31, 2016 compared with the nine month period ended July 31, 2015. Together with the interim financial statements and related notes, the MD&A provides a detailed account and analysis of the Company's financial and operating performance for the year. The Company's functional and reporting currency is the Canadian dollar. This MD&A should be read in conjunction with the Company's October 31, 2015 audited financial statements and other corporate filings available at www.sedar.com ("SEDAR"). Management is responsible for the consolidated financial statements referred to in this MD&A, and provides officers disclosure certifications filed with securities commissions on SEDAR. The Audit Committee reviews the interim consolidated financial statements and MD&A, and recommends approval to the Company's Board of Directors.

The MD&A should be read in conjunction with the interim financial statements of the Company and related notes, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Refer to Note 2 and 3 of the October 31, 2015 audited financial statements for disclosure of the Company's significant accounting policies.

This MD&A is current as at October 6, 2016.

Forward Looking Information

Certain statements contained in this document constitute "forward looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", "forecast", "estimate", "expect" and similar expressions as they relate to the Company or its management, are intended to identify forward-looking statements. Such statements reflect the Company's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward- looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward- looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments except as required by law.

The consolidated financial statements have been prepared on a going concern basis which presumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future. The ability of the Company to continue as a going concern is dependent upon obtaining ongoing financing and there can be no assurance that the Company will be able to raise any capital through any type of offering or similar financial arrangement. For more information on the Company, investors should review the Company's continuous disclosure filings that are available under the Company's profile at www.sedar.com.

BACKGROUND

Historical Development of the Business

The Company is an electronic online Payment Service Provider (or "**PSP**"). The Company offers clients and merchants online services for managing electronic payments by a variety of payment methods through its processing platform. The Company transaction platform utilizes clearing services by running on the Banking Platform.

The Company was incorporated in 2006 and spent the first few years developing a number of beta versions of its transaction processing platform. In early 2010 a final version was developed that was robust enough to simultaneously handle multiple transactions from multiple merchants and be able to scale. Subsequent to this, an agreement with the Royal Bank of Canada was signed in April 2010. This agreement enables the Company transaction platform to integrate into and run on the Banking Platform. This integration provides The Company with the market reach and transaction capabilities to work with every major Bank and Credit Union in Canada. The Company works to ensure it meets the standards of all compliance and regulatory bodies such as, but not limited to; the Canadian Payment Association ("the CPA"), NACHA as well as the rules and standards which govern "know-your-customer" requirements, anti-money laundering laws and anti-terrorism.

From 2010 until 2012 The Company began to integrate their software with a number of merchants and/or charities including: Swimco.com, the Alberta Diamond Exchange, GregBuck.ca, Globalstormit.com, ThatChannel.com, The Princess Margaret Hospital Foundation, The Canadian Cancer Society, Mental Health, The Canadian National Institute for the Blind, The Sick Kids Foundation and The Heart & Stroke Foundation. From 2013 until the present, The Company has continued to evolve and implement changes to its business model including a comprehensive redevelopment and upgrade of the Company' platform which was recently completed in early 2015 to ensure that The Company' platform was compliant with recently improved and updated protocols associated with the Banking Platform provider. The Company platform is functional but not as yet producing revenue.

The Company had previously sought to enter into a transaction with On4 Communications Inc. ("**On4**"), however the transaction was never completed. The Company entered into a binding letter of intent with On4 on or about November 3, 2011. Under the terms of the letter of intent, On4 was to acquire 100% of the issued and outstanding common shares of The Company on a 2:1 basis. As part of the transaction, On4 was required to restructure debt that On4 had accumulated; however this restructuring could not be finalized and the parties mutually agreed to terminate the binding letter of intent on or about November 11, 2014. A termination agreement was executed, which released The Company of any and all financial or legal obligations to On4. The Company and On4 no longer have any business relationship, and no transaction is contemplated.

Reverse Take Over and Listing on the Canadian Securities Exchange

On February 10, 2016, the Company completed an amalgamation between the Netcents Systems Ltd. (Privco), UWO Consulting Ltd. ("UWO"), 1018758 B.C. Ltd. ("Pubco") and 1887217 Alberta Ltd. ("SubCo"). SubCo is a wholly-owned subsidiary of Pubco and Pubco was a wholly-owned subsidiary of UWO. Pursuant to the amalgamation agreement, the following took place:

•Pubco applied to have its shares listed in the Canadian Securities Exchange ("CSE");

•Pubco and SubCo amalgamated to form an amalgamated corporate entity continuing on as Netcents Technology Inc. and continue as one corporation under the Business Corporations Act of Alberta;

•the issued and outstanding common shares and share purchase warrants of the Company was exchanged for common shares and warrants of PubCo on the basis of one share or warrant of the Company for 0.706 shares or warrants of PubCo; and

•Netcents Technology Inc. issued 1,010,549 common shares to UWO's shareholders.

NATURE OF THE BUSINESS

The Company is engaged in software development for the payment processing industry and holds all intellectual property. The intellectual property developed by the Company consists of copyright in the development of its technology, as well as trade secrets and marks associated with the company. The Company protects its intellectual property through the use of confidentiality provisions in its agreements with employees and contractors, and the assignment of all work products created by the employees and contractors to the Company.

The Company is a consumer focused payment platform that when fully developed will provide consumers with multiple payment options. As the platform evolves, it will allow for cash, credit cards, debit cards, gift cards, crypto-currencies, as well as Loyalty/Rewards transactions. The Company is functional and can facilitate the transfer of cash from a users account, into their The Company account. From there, users can buy goods and/or services online. The Company account holders can also transfer funds to other The Company account holders. Or, if they choose to, they can purchase Bitcoins which can be used to buy goods and services. The Bitcoins can also be sold and the user can transfer the net proceeds back into their The Company account.

The Company platform offers merchants a convenient and secure method of receiving payments from customers who prefer to pay through electronic methods. Utilizing the Banking Platform and the ACH network The Company connects businesses and their customers to facilitate payments. The Company works to meet the standards of all compliance and regulatory bodies.

The Company platform is also integrated with Automatic Clearing House ("ACH") Network. ACH is an electronic network for financial transactions in the United States. Rules and regulations that govern the ACH network are established by National Automated Clearing House Association ("NACHA") and the United States Federal Reserve. The NACHA manages the development, administration, and governance of the ACH Network, the backbone for the electronic movement of money and data in the United States. It is funded by the financial institutions it governs.

The benefits of using ACH payment Processing is that during an ACH payment, the customer's account is debited, and the funds are credited to the business, merchant or trader's bank account. Both the government and the commercial sectors use ACH payments. Businesses increasingly use ACH online to have customers pay, rather than via credit or debit cards[1]. The Company believes that offering clients the ability to pay through ACH payment will make their business more attractive to customers who do not use credit cards or have reached the limit on their cards. All such consumers need is a valid checking or savings account to access the ACH Network.

Security

The Company Platform protects The Company account holders from fraud and ID Theft. When using the Company platform the consumer's bank account number/credit card numbers are not transmitted over the Internet.

Funds are Pre-verified and Validated in real-time

Once the account holder has set up their The Company account, they can transfer funds from their bank account to their The Company account. The bank then verifies the funds in the users account prior to any funds being transferred out. Once the funds are verified, the account holder may transfer the funds out without any delay. When a purchase is made, funds are validated in real-time. The process eliminates merchant charge backs as well as the requirement for merchants to provide collateral or keep a reserve.

No Transmission of Personal Data

When a The Company transaction occurs, there is no personal ID or account information attached to the transaction. This lack of personal information prevents online fraud and ID theft. All customer data (personal and/or account related) remains protected and secure behind the banks firewall and encryption. Mail fraud is also eliminated as no paper statements are issued. The Company platform logs all transaction activity and the system maintains a complete audit trail of all transactions, financial and otherwise. There is a daily reconciliation of all The Company consumer and merchant activity is conducted at the close of each business day. The Company is also able to place thresholds on user's accounts so as to monitor transactions by type, location and volume so as to ensure compliance with, Know Your Customer (KYC) Anti-money Laundering (AML) and Anti-terrorism guidelines.

Digital authorization required

The Company further protects its users by not "reaching" into a user's bank account without the user's authorization. A The Company account is a separate and secure entity to which the user deposits funds for payment. Payment to a merchant after completion of a transaction is authorized by the Company account holder for that amount and that amount only. Additional funds cannot be removed from a The Company account without the account holder's digital authorization.

Transactions

The Company platform is functional, but not currently earning revenue. The Company users are able to:

- transfer monies (Fiat money) from their bank account to their The Company account,
- choose to either buy products and/or services online,
- transfer monies to other parties, and,
- purchase or sell cryptocurrencies.

All transactions occur within the Company environment so users do not have to access other sites or platforms to complete their intended transaction. As the current The Company platform is not credit card based, it is secure from fraud and ID theft resulting from credit card based transactions. The Company is integrated with Cointrader (a Bitcoin exchange - cointrader.net) which is wholly owned by NewNote Financial Corp. (CSE: NEU). This integration has allowed users to simultaneously view balances in both their cash (Fiat) and cryptocurrency accounts and be able to use cash to purchase additional cryptocurrencies or sell their cryptocurrencies and transfer the cash back to their accounts in real time. All cryptocurrency transactions are facilitated on the Cointrader platform, and The Company fulfills the role of the payment processor.

Despite enabling users to purchase or sell cryptocurrencies, The Company is not a BitCoin exchange: While the Company platform allows The Company account holders (or users) to see their Bitcoin balances in the users designated exchange, at no time during the transaction does The Company take ownership or liability for any Bitcoin or cryptocurrency regardless of which exchange is being used. Bitcoin or cryptocurrency does not ever enter the Company transaction environment. All registration of Bitcoins, holding of Bitcoins, and settlement of the transaction remains with the respective exchange.

The Company's platform aims to provide merchants and consumers a secure way to purchase, sell, transfer, and transact in stores, online or mobile devices with the currency of their choice. The Company currently provides its products and services (its payment platform) to customers. However, it does not have revenues as of the date of this Prospectus. The platform is fully operational and available to process payments.

Principle Products or Services

The Company is an online electronic Payment Service Provider. The Company offers a payment platform that offers multiple payment and financial services in a single web-based application that is easy to access, simple to setup and effective in its use. The Company' network builds on and utilizes the existing financial infrastructure of bank accounts to create an efficient cost effective payment solution. The Company delivers a product ideally suited for any size business, online merchants and consumers currently underserved by traditional payment mechanisms.

It is anticipated that The Company' revenues will be generated primarily from transaction fees paid by both the merchant and the consumer. Merchant fees are lower than what current payment providers charge, thus making The Company an attractive additional payment option.

As a Payment Service Provider (PSP), The Company' application software is currently able facilitate the following types of transactions:

- Transfer funds from their bank account to their The Company account,
- allows The Company account holders to transfer funds to another The Company account holder(s),
- allows The Company account holders to purchase goods and services online from merchants,
- transfer cash from their The Company account to purchase crypto-currencies
- sell crytpto-currencies (Bitcoins) and transfer the cash back in their The Company account or bank account
- integrate with existing merchant processing systems;

The Company is currently developing further platform functionality:

- Peer to peer money transfer, via social media. It is anticipated this integration should be completed by December 1, 2015.
- Integration with a company enabling The Company account holders to pay for products and service using either Loyalty/Rewards points or coupons.

How the Platform Works

The platform has been designed to deal with issues of the "here and now" as well as bridge the gap to the "future" of cybercurrency based transactions. Since The Company is not a credit card based Payment Service Provider (PSP) platform, many of the inherent shortcomings are avoided or eliminated. The Company transaction platform utilizes the clearing services and runs on the Banking Platform. The Company transaction platform architecture is designed to minimize risk on a number of levels and is subject to Anti-Money Laundering and Anti-Terrorism regulations with respect to the activities of its Internet payment gateway and as such compartmentalizes, or segments the transaction process. A schematic overview of the platform architecture is depicted to the left.

RECENT DEVELOPMENTS

On August 4, 2016, the Company announced a strategic partnership between the professional services firm and the online payment service provider.

On July 5, 2016, the Company announced its partnership with Bitstamp Ltd., Europe's largest bitcoin exchange.

On June 22, 2016, the Company announced its initiative to integrate with PayPal Holdings Inc.

On May 12, 2016, the Company appointed John Kanwisher and Phillip Shum to its newly formed advisory board (May 4, 2016 news release announcement).

On April 27, 2016, the Company released its mobile application for its payment platform on Google Play and iTunes store.

On April 11, 2016, the Company announced it has developed a proprietary digital wallet that accepts multiple currencies, both fiat and digital.

On March 23, 2016, the Company completed it integration with the DigitalXDirect platform with DigitalX Limited.

On March 21, 2016, the Company announced it has signed a service agreement with an international remittance company.

Results For the Nine Months Ended July 31, 2016

The Company's losses for the nine months ended July 31, 2016 were $1,446,795 (2015 - $163,707 loss). The significant loss over the prior period was primarily due to stock-based compensation expense related to a current period option grant and a one-time listing fee expense related to the listing and amalgamation of the Company. In addition, consulting fees increased due to the onboarding of additional consultants for various aspects of business operation, increased software development expense and increased investor relation activity as the Company is fully trading on the CSE.

Results For the Three Months Ended July 31, 2016

The Company's losses for the three months ended July 31, 2016 were $104,043 (2015 - $251,860 loss). The significant loss in the prior period was primarily due to consulting fees with an offset against settlement of debt which did not occur in the current period.

Summary of Quarterly Results

	July 31, 2016	April 30, 2016	January 31, 2016	October 31, 2015
	$	$	$	$
Net profit (loss)	(104,043)	(1,104,330)	(238,422)	(1,231,105)
Basic profit (loss) per share	(0.00)	(0.05)	(0.00)	0.00

	July 31, 2015	April 30, 2015	January 31, 2015	October 31, 2014
	$	$	$	$
Net profit (loss)	(251,860)	(134,558)	(132,888)	(295,812)
Basic loss per share	0.00	0.00	0.00	0.013

Liquidity and Capital Resources and Results of Operations

The Company had negative working capital of $914,353 at July 31, 2016 (2015 - $696,030 deficit) and cash and cash equivalents of $1,029 (2015 - $47,877).

The Company has incurred losses since inception and as at July 31, 2016 has an accumulated deficit of 5,535,931.

On December 10, 2014, the Company completed a private placement and issued 1,900,000 common shares at a price of $0.10 per share for proceeds of $190,000.

On May 4, 2015, the Company issued 3,062,220 common shares to third parties for services rendered. The estimated fair value of the shares at the time of issuance was $0.10 per share. The Company recorded consulting fees of $306,222 in connection with this issuance. 2,000,000 of the common shares were issued to a director of the Company.

On May 4, 2015, the Company issued 3,000,000 common shares to the Company's chief executive officer for services rendered. The estimated fair value of the shares at the time of issuance was $0.10 per share. The Company recorded consulting fees of $300,000 in connection with this issuance.

On May 4, 2015, the Company issued 3,000,000 common shares to the Company's president pursuant to his employment agreement (note 7). The estimated fair value of the shares at the time of issuance was $0.10 per share. The Company recorded consulting fees of $300,000 in connection with the issuance, of these shares of which $225,000 was recorded prior to October 31, 2014 and $75,000 during the year ended October 31, 2015.

On May 4, 2015, pursuant to a consulting and services agreement that was effective January 1, 2015, the Company issued 7,143,000 common shares to third parties for services rendered. The estimated fair value of the shares at the time of issuance was $0.10 per share. The Company recorded consulting fees of $714,300 in connection with the issuance. 850,000 of the common shares were issued to a director of the Company.

On May 4, 2015, the Company issued 20,000 common shares to a third party to satisfy an obligation to issue shares.

On May 4, 2015, the Company issued 291,667 common shares on conversion of a loan with a balance of $35,000 (note 5).

On May 4, 2015, the Company issued 620,161 units on the conversion of a convertible loan of $50,000 plus accrued interest that was issued during the year ended October 31, 2013 (note 5). Each unit consisted of one common share and one warrant. Each warrant allows the holder to purchase one additional common share at an exercise price of $0.10 per common share for a period of two years.

On July 6, 2015, the Company completed a private placement and issued 1,700,000 units at a price of $0.25 per unit for proceeds of $425,000. Each unit consists of one common share and one share purchase warrant. Each warrant allows the holder to purchase one additional share at a price of $0.50 per common share for a period of 12 months.

On December 23, 2015, the Company completed a private placement and issued 1,332,000 units for gross proceeds of $333,000. Each unit consisted of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of $0.50 per share for a period of 12 months.

During the period ended July 31, 2016, the Company issued 250,000 shares (issued) to a third party for services that were rendered previous to October 31, 2015. These shares were recorded in shares to be issued at their estimated fair value of $0.10 per share. In addition, the Company issued 285,175 common shares to certain investors that had previously invested in the Public Company in anticipation of the completion of the proposed transaction and another 40,000 common shares to settle loans payable in the amount of $30,000.

Off-Balance Sheet Arrangements

At July 31, 2016, the Company had no off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Transactions With Related Parties

Transactions with related parties for these periods are as follows:

	July 31, 2016	July 31, 2015
Consulting fees incurred to officers and directors of the Company*	$ 224,000	$ 157,500
Professional fees paid or accrued for the Chief Financial Officer**	21,000	-
Interest accrued on loan due to the Company's president**	-	3,000
Consulting fees paid in shares to the President of the Company***	-	75,000

*Comprising Clayton Moore, Gord Jessop and Robert Meister
**Comprising Ryan Cheung.
***Comprising Gord Jessop.

Included in accounts payable and accrued liabilities as at July 31, 2016 is $254,180 (October 31, 2015: $192,776) to a director and the CEO of the Company (Clayton Moore). These amounts are unsecured, non-interest bearing with no fixed terms of repayment (note 4). On October 30, 2015, the Company's CEO agreed to defer the Company's obligation to repay the balance at that time to the earlier of April 30, 2017 and the date that the Company is adequately funded to pay the amount due, in full or in part, as determined in the sole judgment of the Company's Board of Directors. The Company has classified the balance as current.

Included in accounts payable and accrued liabilities as at July 31, 2016 is $7,000 (October 31, 2015: $7,000) due to a relative of a director and the CEO of the Company (note 4). This amount is unsecured, non-interest bearing with no fixed terms of repayment.

Included in accounts payable is $15,750 owing to the Chief Financial Officer (Ryan Cheung) of the Company for the period ended July 31, 2016. The balance owing is for professional services rendered.

Included in loans payable as at July 31, 2016 is $88,770 (October 31, 2015: $94,164) plus accrued interest of $16,270 (October 31, 2015: $16,270). The lender was appointed as president of the Company during the year ended October 31, 2014. The loan is not secured. $60,000 of the loan bears interest at 10% per year and was repayable on May 14, 2013. Effective July 1, 2015, the Company's president agreed that interest would stop accruing on the loan. The remainder of the loan is non-interest bearing with no fixed terms of repayment (note 5). Also due to the president at July 31, 2016 is $161,500 (October 31, 2015: $90,416) included in accounts payable and accrued liabilities. On October 30, 2015, the Company's president agreed to defer the Company's obligation to repay balances owing to him at October 31, 2015, to the earlier of April 30, 2017 and the date that the Company is adequately funded to pay the amount due, in full or in part, as determined in the sole judgment of the Company's Board of Directors. The Company has classified the balance as current.

(c) Commitments with related parties

Pursuant to an employment agreement effective January 1, 2014, the Company will remunerate the president (Gord Jessop) of the Company as follows:

- Salary of:
    - $5,000 per month for the 12 month period ended December 31, 2014;
    - $7,500 per month for the 12 month period ended December 31, 2015; and
    - $12,000 per month thereafter;

- Common share issuances:
    - 750,000 shares on or before March 31, 2014 (issued);
    - 750,000 shares on or before June 30, 2014 (issued);
    - 750,000 shares on or before September 30, 2014 (issued); and
    - 750,000 shares on or before December 31, 2014 (issued).

In the event that the president is terminated without cause, the Company must continue paying the salary of the president for a period of 18 months.

Pursuant to an employment agreement effective January 1, 2014, the Company will remunerate the Chief Executive Officer (Clayton Moore) of the Company as follows:

- Salary of:
    - $10,000 per month for the 24 month period ended December 31, 2015; and
    - $15,000 per month thereafter;

In the event that the CEO is terminated without cause, the Company must continue paying the salary of the president for a period of 18 months.

Proposed Transactions

There are currently no material proposed transactions being pursued or negotiated by the Company.

New standards not yet adopted

New standard IFRS 9 “Financial Instruments”

This new standard is a partial replacement of IAS 39 “Financial Instruments: Recognition and Measurement”. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The proposed effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018.

The Company has not early adopted this revised standard and is currently assessing the impact that it will have on its financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company’s financial statements.

Financial Instruments and Other Risks

Financial risks

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company’s primary exposure to credit risk is on its cash. Substantially all of the Company’s cash are deposited in bank accounts held with major banks in Canada. As the majority of the Company’s cash is held by the same bank there is a concentration of credit risk. This risk is managed by using major Canadian banks that are high credit quality financial institutions as determined by rating agencies. The Company has assessed credit risk as low.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company’s normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents. The Company assesses liquidity risk as high.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company’s liabilities are either non-interest bearing or pay interest at fixed rates. Therefore, interest rate risk is not considered significant.

Foreign Currency Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not have any financial instruments denominated in foreign currencies and is therefore not exposed to foreign currency risk.

The Company's objectives when managing capital are:

i. to ensure that the Company will continue as a going concern so that it can continue to provide services to its customers and offer a return on investment to its shareholders; and
ii. to maintain a capital structure which optimizes the cost of capital while providing flexibility and diversity of funding sources and timing of debt maturities along with adequate anticipated liquidity for future growth.

The Company defines capital that it manages as the aggregate of its cash and share capital.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will make changes to its capital structure as deemed appropriate under the specific circumstances. The Company's investment policy is to invest only in investment grade, highly liquid money market and fixed income securities with less than one year maturity.

At July 31 2016, the Company is not subject to any externally imposed capital requirements. The Company's overall strategy with respect to management of capital remains unchanged from the prior year.

Capital Management

The Company manages its cash and common shares as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue its strategic plan. The Company manages and performs regular review of financial information. The Company does not have any externally imposed capital requirement to which it is subject.

There was no change in the Company's approach to capital management during the year.

Management's Responsibility for Financial Statements

The Company's management is responsible for presentation and preparation of the interim financial statements and the Management's Discussion and Analysis.

The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

The financial statements and information in the MD&A necessarily include amounts based on informed judgments and estimates of the expected effects of current events and transactions with appropriate consideration to materiality. In addition, in preparing the financial information we must interpret the requirements described above, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information.

The MD&A also includes information regarding the impact of current transactions and events, sources of liquidity and capital resources, operating trends, risks and uncertainties. Actual results in the future may differ materially from our present assessment of this information because future events and circumstances may not occur as expected.

Outstanding Share Data

As at the date of this document, the total issued and outstanding common shares are 28,663,070. Also outstanding were options to acquire 2,110,000 common shares and 437,834 share purchase warrants.