

NASS VALLEY GATEWAY LTD.

Form 51-102F1

Management's Discussion and Analysis of Financial Results

For the nine months ended September 30, 2015

Containing information up to and including November 24, 2015

Management Discussion and Analysis ("MD&A") is intended to help the reader understand the financial statements of Nass Valley Gateway Ltd. ("NVG" or the "Company"). The information herein should be read in conjunction with the condensed interim consolidated financial statements for the nine months ended September 30, 2015 and 2014. The condensed interim consolidated financial statements for the nine months ended September 30, 2015 and 2014 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The following discussion may contain management estimates of anticipated future trends, activities or results. These are not a guarantee of future performance, since actual results could change based on factors and variables beyond management control. All monetary amounts are in Canadian dollars unless otherwise stated.

This MD&A is the responsibility of management. The Board of Directors carries out its responsibility for the review of this disclosure directly and through its audit committee comprised exclusively of independent directors. The audit committee reviews and approves this disclosure prior to its publication, pursuant to the authority delegated to it by the Board of Directors.

The reader is encouraged to review the Company's statutory filings on www.sedar.com ("Sedar") and to review general information.

Current market conditions

With the exception of a few special market segments like the cannabis market uptrend and certain Internet Technology sectors, the current global financial conditions are still not very favorable for junior companies and are still having a negative impact on raising the necessary capital in order to compete and keep the Company in good standing. Access to public financing for small-cap companies has significantly diminished, especially for companies with projects in the development stage. If the current conditions continue, the companies' ability to operate will be adversely impacted and the trading price of their shares could continue to be under a downward pressure.

Highlights and Subsequent Events

The following are highlights of events occurring during the nine months ended September 30, 2015 and subsequent thereto:

Financing

During the nine months ended September 30, 2015 the Company received \$55,500 and \$33,750 through the exercise of share purchase warrants and stock options respectively.

On September 15, 2015 the Company announced in a news release the closure of a non-brokered private placement having received subscriptions for 3,500,000 common shares or \$350,000. As at October 09, 2015, all funds had been received and a treasury order issued.

During the nine months ended September 30, 2015, the Company borrowed \$Nil from Insiders. As at September 30, 2015, the balance of the outstanding loans is \$Nil. Due to the high interest in the Company's "SRH" project, as described below, certain options and warrants were exercised enabling the Company to repay its outstanding debt in full.

Description of business and overall performance

The Company was incorporated on October 25, 2005 under the British Columbia Business Corporation Act. The Company became a reporting issuer on February 26, 2007 and the common shares of the Company were listed on the Canadian Securities Exchange ("CSE") on March 9, 2007 under the trading symbol 'NVGL', which was changed in September 2008 to "NVG" as a consequence of the new trading symbol system adopted by the CSE. As of October 5, 2007, the Company's common shares are co-listed on the "Open Market" of the Frankfurt (Germany) Stock Exchange and are trading under the symbol "3NVN". The Company's common shares are also traded on the Third Market Segment called Freiverkehr on the Berlin-Bremen Stock Exchange.

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Between 2010 and 2012, the Company acquired the rights to two green-technology systems, an emission-free energy-converting and waste disposal system and a wood drying technology, for its subsidiaries Global Environomic Systems Corp. ("GSC") and M-Wave EnviroTech Inc. ("MWE"), respectively and started also negotiations for the exploration and development of geo-thermal energy via its subsidiary Nass Energy Inc.

In order to keep its focus and financing efforts for green energy technologies separate from its mining and exploration activities and concentrate solely on the commercialization of the technologies, Nass Valley transferred its rights of its option to the Kirkland Lake exploration properties into its subsidiary Kirkland Precious Metals Corp. ("KPM") and completed a Spin-Off of KPM into a separate reporting exploration company via a Plan Arrangement.

Nass Valley announced in a news release issued on October 16, 2014, that it had entered into a letter agreement granting the Company the exclusive right to acquire a corporation actively involved in the medicinal cannabis industry. The LOI which was subject to a "Due Diligence Period" was extended past the original date of December 04, 2014 to allow the financiers additional time to raise the agreed upon financing. The LOI was terminated on Feb 10, 2015.

On May 27, 2015 the Company announced in a news release that it had entered into a letter agreement ("LOI") granting the Company the exclusive right to acquire S.R. Haddon Industries Ltd ("SRH") which is actively engaged in research and development of transdermal delivery systems through a third party and plans to first develop patches suitable for the delivery of tetrahydrocannabinol ("THC") and cannabidiol ("CBD").

The LOI was followed up on Jul 07, 2015 with the announcement that the Company had signed the Definitive Agreement with SRH. As a consequence of this agreement and upon approval by the Regulatory Authorities Nass Valley Gateway Ltd. will not only change its name to S.R. Hadden Industries Ltd. ("HDD") but also its business and corporate structure.

Under the agreement and prior to the effective date a non-brokered private placement ("PP") will have to be closed. The PP will consist of up to 4,000,000 units at \$0.10 per unit, whereby one unit will consist of one common share and one share purchase warrant ("Warrant") exercisable within one year after the approval of the PP, at a price of \$0.20 per Warrant.

In a news release dated September 15, the Company announced that it had closed the PP consisting of 3,500,000 units.

The Company filed a Form 2A Listing Statement with the CSE in regard to the acquisition of HDD as it is considered a RTO and a fundamental change in the direction of the Company. The Company has supplied several responses to specific questions from the CSE and as at November 24, 2015 the Company is awaiting the approval of the Exchange Commission or is prepared to supply additional clarifications.

Enviro-X System

Triggered by the SRH-Transaction commencing on the Effective Date, including HDD's future business orientation, Nass Valley's current Board of Directors exercised its right under the Definitive Agreement to approve the transfer of the ownership of its inactive subsidiary Global Environomic Systems Corp. ("GSC") to an affiliated company.

M-Wave System

As the Company's pilot drying unit based on the M-Wave System was totally destroyed due a disastrous fire in September 2013, the company decided to dissolve all existing joint venture partnerships and keep the subsidiary for the time being as a non-active entity which may at one point entirely be dissolved.

Results of operations**The nine months ended September 30, 2015 compared to the nine months ended September 30, 2014**

Net loss and comprehensive loss for the nine months ended September 30, 2015 amounted to \$71,969 (loss per share - \$0.00) compared to \$86,941 (loss per share - \$0.00) in the previous year. As the Company is still in the developmental stage, no revenue was generated. The decrease in loss of \$14,972 was mainly due to:

- (i) A decrease in administrative services of \$18,376 from expenses of \$2,126 in 2014 to a recovery of expenses of \$16,250 in 2015 due to the shared cost of the salary of the Corporate Secretary;
- (ii) a decrease of \$8,616 in interest expenses from \$13,922 in 2014 to \$5,306 due to the Company settling part of the debt to Merfin with its common shares in 2014 and repaying the remainder of the debt in in the third quarter of 2015;
- (iii) an increase in share based payments of \$31,864 from \$2,729 in 2014 to \$34,593 mainly due to stock options granted on April 28, 2015;
- (iv) a decrease in wages and salaries of \$9,377 from \$33,758 in 2014 to \$24,381 due to the lay-off of the Corporate Secretary because of financial constraints;
- (v) a decrease in rent of \$1,983 from \$4,683 in 2014 to \$2,700 due to the move of the offices and sharing the offices with 2 affiliated companies;
- (vi) a decrease in investor relations of \$2,249 from \$9,240 in 2014 to \$6,991 due to inability to pay investor relations because of financial constraints;

Selected annual information

	Years Ended December 31		
	2014	2013	2012
	\$	\$	\$
Total revenues	-	-	-
General and administrative	120,246	198,495	347,053
Loss for the year	(139,171)	(198,495)	(340,249)
Loss per share – basic	(0.01)	(0.01)	(0.02)
Loss per share – diluted	(0.01)	(0.01)	(0.02)
Total assets	23,827	18,941	29,441
Total long –term liabilities	-	-	-
Shareholder's equity (deficiency)	(120,814)	(231,297)	(64,826)
Cash dividends declared - per share	-	-	-

NASS VALLEY GATEWAY LTD.**Form 51-102F1****Management's Discussion and Analysis of Financial Results****For the nine months ended September 30, 2015****Containing information up to and including November 24, 2015****Selected quarterly information**

Three months ended	2015			2014				2013
	Sept 30 2015	Jun 30 2015	Mar 31 2015	Dec 31 2014	Sep 30 2014	Jun 30 2014	Mar 31 2014	Dec 31 2013
Total assets	267,007	25,175	\$27,068	\$23,827	\$40,078	\$34,826	\$ 27,090	\$ 18,941
Working capital (deficiency)	261,311	(153,999)	(136,329)	(123,814)	(305,397)	(285,252)	(246,911)	(234,297)
Shareholders' equity	264,311	(150,999)	(133,329)	(120,814)	(302,397)	(282,252)	(243,911)	(231,297)
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss	(71,969)	(52,196)	(12,515)	(52,226)	(20,696)	(38,683)	(27,566)	(44,113)
Earnings (loss) per share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)

Third Quarter Result

During the quarter ended September 30, 2015, the Company incurred a loss of \$71,969 compared to a loss of \$86,941 for the comparative period. The decrease in net loss is attributable to the decrease in operational activities.

Significant movements in operating and administrative expenses for the three-month period ended September 30, 2015 include a recovery of administrative services of \$8,750 (2014 - \$5,453), professional fees of \$14,365 (2014 - \$Nil), transfer agent and filing fees of \$3,758 (2014 - \$2,842), and wages and salaries of \$13,128 (2014 - \$11,252), Share based payments of \$12,582 (2014 - \$148), loan interest expenses of \$870 (2014 - \$5,494), rent of \$900 (2014 - \$1,561).

Liquidity

The Company's working capital and deficit positions at September 30, 2015 and December 31, 2014 were as follows:

	September 30 2015	December 31 2014
Working capital (deficiency)	\$ 261,311	\$ (123,814)
Deficit	3,298,360	3,226,392

The cash positions at September 30, 2015 and December 31, 2014 were \$239,624 and \$11,654 respectively.

The Company's financial condition is contingent upon management being able to raise additional funds to continue the research and development of transdermal delivery systems through a third party and plans to first develop patches suitable for the delivery of tetrahydrocannabinol ("THC") and cannabidiol ("CBD") upon approval of the CSE.

While the Company will seek to maximize recoveries and reduce operating costs, estimates and assumptions influencing these parameters at the research and development stage may prove incorrect. Incorrect assumptions may result in material differences between estimated and actual results. The Company has no way to predict the future price and the ability to sell the developed products. As a result, revenue derived from future operations, if any, will be impacted.

The Company has historically relied upon equity financings and loans from related parties to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipates it will need additional capital in the future to finance ongoing operations and development, such capital to be derived from the exercise of outstanding stock options, warrants and/or the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future development of its projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions.

In recent months, the securities markets in the world and in Canada have experienced high volatility in price and volume and companies, particularly in junior technology industry, have experienced unprecedented decline in their share prices which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in the Company's share prices will not occur or that these fluctuations will not affect the ability of the Company to raise equity funding, and if at all, without causing a significant dilution to its existing shareholders. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Capital resources

At September 30, 2015, the Company had a share capital of \$2,860,080 (December 31, 2014: \$2,769,580), representing 28,251,977 (December 31, 2014: 27,346,977) common shares without par value, and an accumulated deficit of \$3,298,360 (December 31, 2014: \$3,226,391). The shareholder's equity amounted to \$264,311 (December 31, 2014: -\$120,814).

Additional disclosure for venture issuers without significant revenue

Additional disclosure concerning the Company's general and administrative expenses and resource property costs is provided in the Company's Statement of Operations, Comprehensive Loss and Deficit included in its condensed interim consolidated financial statements for the ninth months ended September 30, 2015 and 2014 which are available on SEDAR at www.Sedar.com.

Related party transactions

During the nine months ended September 30, 2015, the Company entered into the following transactions with related parties.

Key Management personnel compensation

No remuneration was paid during the nine months ended September 30, 2015 and 2014 to any key management personnel except the salary to the Corporate Secretary whose salary is shared in equal parts with Mineral Hill Industries Ltd. and Kirkland Precious Metals Corp., companies with common directors and officers.

Other related party transactions

The amounts outstanding to (from) related parties were as follows:

	September 30, 2015	December 31 2014
Due to related parties:	\$	\$
Merfin Management Limited ("Merfin"):	-	88,455
Mineral Hill Industries Ltd.	-	225
	-	88,680

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The amount outstanding due from related party was as follows:

	September 30 2015	December 31 2014
Kirkland Precious Metals Corp.	\$ (5,904)	\$ (5,904)
Global Environomic Systems Corp.	(135)	(135)
	\$ (6,039)	\$ (6,039)

	September 30 2015	December 31 2014
Amounts outstanding to related parties included in accounts payable		
Mineral Hill Industries	-	1,788
Dieter Peter (Chief Executive Officer)	-	-
	-	1,788

These transactions are measured at exchange amounts, which are the amounts of consideration negotiated, established and agreed to by the related parties. The amounts are non-interest bearing with no formal terms of repayment.

Advances from related party

The Company entered into loan agreements with Merfin Management Limited ("Merfin"), a private company with a common director for a loan totaling \$Nil having repaid the loan in the third quarter ending September 30, 2015. Under the terms of agreements, the amount was unsecured and bore interest at 8.50% per annum. During the nine months ended September 30, 2015, the Company incurred a further \$4,940 (Dec 2014: \$8,191) in interest on the outstanding loans.

Off Balance Sheet Arrangements

The Company doesn't have any off balance sheet arrangements.

Directors and Officers

Dieter Peter	President, Chief Executive Officer and Director (Mineral Hill Industries Ltd)
Melvin Stevens	Director (until October 16, 2015)
Andrew von Kursell	Interim Chief Financial Officer and Director (Mineral Hill Industries Ltd)
Eric Peter-Kaiser	Director (appointed Apr 24, 2015)
Milo Filgas	Director (elected at the AGM on October 16, 2015)
Mike Kelm	Corporate Secretary (appointed on September 30, 2013)

Outstanding share data as at November 24, 2015:

	Number outstanding	Exercise Price	Expiry Date
Common shares	28,251,977		
Common shares issuable on exercise:			
Stock options *	248,329	\$0.10	November 8, 2015
Stock options *	305,000	\$0.10	September 30, 2015
Stock options	548,500	\$0.10	April 28, 2018
Warrants	11,450,000	\$0.10	May 1, 2016
Warrants	1,363,042	\$0.10	July 25, 2019

On November 06, 2015 the Board of Directors passed a resolution to extend all stock options currently issued and in good standing by the number of calendar days equal to the trading halt since August 18, 2015.

Future Developments

The Company will now focus primarily on completing the research and development of transdermal delivery systems (the "SRH-Project") through a third party and plans to first develop patches suitable for the delivery of tetrahydrocannabinol ("THC") and cannabidiol ("CBD").

Risks and Uncertainties

The Company is engaged in advanced research and development projects. The Company's financial success will be dependent upon the successful closing of the private placement and subsequently the commercialization of its transdermal delivery systems and other medicinal cannabis products. These activities involve significant risks which may not be eliminated even with experience and knowledge.

The following are some of the key risks and uncertainties identified; however, there may be other risks and uncertainties that have not been listed:

- Cost related to disclosure requirement is a financial burden for a company without any revenue;
- An increasing competition to any new project the company may and is in the process of acquiring;
- No assurance about the economic viability of the project the Company is acquiring;
- Additional costs may be incurred, such as availability of experts related to the acquisition, development and marketing of new products.
- Additional expenditures will be required to establish permits and patents;
- There can be no assurance that the business plan will succeed in whole or in part;
- There are various government and environmental regulations that must be followed by the Company, which are changing constantly for most production projects, and the renewal of permits from provincial, territory, First Nations may be required.

Critical accounting estimates

The preparation of the Company's financial statements requires management to use estimates and assumptions that affect the reported amounts of assets and liabilities as well as expenses.

(i) *Stock Based Compensation*

The Company uses Black-Scholes option pricing model to determine the fair value of awards for stock options granted to employees, officers, directors and consultants. These estimates are based on historical information and accordingly cannot be relied upon to predict the future behavior. These estimates are set out in Note 6(c) to the financial statements

(ii) *Financial Instruments*

The carrying values of the financial instruments have been estimated to approximate their respective fair values.

(iii) *Income Taxes*

The provision of income taxes is based on judgements in applying income tax law and estimates about timing, likelihood and reversal of temporary differences between accounting and tax basis of the assets and liabilities

Financial instruments

The Company's financial instruments consist of cash, amounts receivable from related parties, amounts payable, amounts payable to related parties and loans payable to related party. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Credit risk

The Company is not exposed to significant credit risk, being in the development stage. Amounts receivable from related parties and amounts due to related parties are described in Note 7 to the financial statements.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipates it will need additional capital in the future to finance ongoing development of its technology, such capital to be derived from the exercise of outstanding stock options, warrants and/or the completion of other equity financings. The Company has limited financial resources, has presently no source of operating income and has no assurance that additional funding will be available to it for future development of its projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions. In recent years, the securities markets in Canada have experienced wide fluctuations in prices which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Changes in Accounting Policies

The Company adopted the following accounting policies effective January 1, 2013:

IFRS 7 Financial Instruments: Disclosures, requires entities to provide additional information about offsetting of financial assets and financial liabilities that will enable users of financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with an entity's recognized financial assets and recognized financial liabilities, on the entity's financial position. The adoption of this IFRS did not impact the Company's consolidated financial statements.

IFRS 10 Consolidated Financial Statements, requires an entity to consolidate an investee when it has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. IFRS 10 replaced SIC-12, Consolidation-Special Purpose Entities, and parts of IAS 27, Consolidated and Separate Financial Statements. The adoption of this IFRS did not impact the Company's consolidated financial statements.

IFRS 11 Joint Arrangements, requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31 Interests in Joint Ventures and SIC-13 Jointly Controlled Entities - Non-monetary Contributions by Venturers. The adoption of this IFRS did not impact the Company's consolidated financial statements.

IFRS 12 Disclosure of Interests in Other Entities, establishes disclosure requirements for interests in other entities, such as subsidiaries, joint arrangements, associates, and unconsolidated structured entities. The standard carries forward existing disclosures and also introduces significant additional disclosure that address the nature of, and risks associated with, an entity's interests in other entities. The adoption of this IFRS did not impact the Company's consolidated financial statements.

IFRS 13 Fair Value Measurement, is a comprehensive standard for fair value measurement and disclosure for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. The adoption of this IFRS did not require any adjustments to the valuation techniques used by the Company to measure fair value and did not result in any measurement adjustments as at January 1, 2013.

IAS 1 Presentation of Financial Statements, has been amended to require entities to separate items presented in other comprehensive income ("OCI") into two groups, based on whether or not items may be

recycled to net income in the future. Entities that choose to present OCI items before tax will be required to show the amount of tax related to the two groups separately including prior year comparatives. The adoption of this IFRS did not impact the Company's consolidated financial statements.

IAS 28 Investments in Associates and Joint Ventures, as a consequence of the issue of IFRS 10, IFRS 11 and IFRS 12, IAS 28 has been amended and will provide the accounting guidance for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The amended IAS 28 will be applied by all entities that are investors with joint control of, or significant influence over, an investee. The Company applied this new standard in the consolidated financial statements.

The following standard will be effective for annual periods beginning on or after January 1, 2014:

IAS 32 Financial Instruments: Presentation, In December 2011, the IASB issued an amendment to clarify the meaning of the offsetting criterion and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. Earlier application is permitted when applied with corresponding amendment to IFRS 7.

IAS 34 Financial Instruments: Interim Financial Reporting. Certain information, in particular the accompanying notes, normally included in the consolidated annual financial statements prepared in accordance with IFRS have been omitted or condensed. Accordingly, these condensed financial statements do not include all the information required for full annual statements.

IAS 36 Impairment of Assets, in May 2013, the IASB issued amendments to IAS 36 which restricts the requirement to disclose the recoverable amount of an asset or CGU to periods in which an impairment loss has been recognized or reversed. The amendments also expand and clarify the disclosure requirements applicable when an asset or CGU's recoverable amount has been determined on the basis of fair value less cost of disposal. The amendments are effective for annual periods beginning on or after January 1, 2014 and should be applied retrospectively.

IAS 39 Financial Instruments: Recognition and Measurement, in June 2013, the IASB issued a narrow scope amendment to IAS 39. Under the amendment, there would be no need to discontinue hedge accounting if a hedging derivative was novated, provided that certain criteria are met.

IFRIC 21 Levies, in May 2013, the IASB issued IFRIC 21, an interpretation of IAS 37 - *Provisions, Contingent Liabilities and Contingent Assets* ("IAS 37"), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past activity or event ("obligating event") described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014.

The extent of the impact of adoption of these standards and interpretations on the consolidated financial statements of the Company has not been determined.

The following standard will be effective for annual periods beginning on or after January 1, 2018:

IFRS 9 Financial Instruments, in November 2009, as part of the IASB project to replace IAS 39 *Financial Instruments: Recognition and Measurement*, the IASB issued the first phase of IFRS 9 *Financial Instruments*, that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities.

Forward-Looking Statements

The statements made in this MD&A that are not historical facts contain forward-looking information that involves risk and uncertainties. All statements, other than statements of historical facts, which address the Company's expectations, should be considered forward-looking statements. Certain forward looking

information should also be considered future-oriented financial information ("FOFI") as that term is defined in NI 51-102. The purpose of disclosing FOFI is to provide a general overview of management's expectations regarding the anticipated results of operations and capital expenditures. Such statements are based on management's exercise of business judgment as well as assumptions made by and information currently available to management. When used in this document, the words "may", "will", "anticipate", "believe", "estimate", "expect", "intend" and words of similar import, are intended to identify any forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company and its subsidiaries may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors.

The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. You should not place undue reliance on these forward-looking statements. These statements reflect our current view of future events and are subject to certain risks and uncertainties as contained in the Company's filings with Canadian securities regulatory authorities. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, our actual results could differ materially from those anticipated in these forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of any unanticipated events. Although we believe that our expectations are based on reasonable assumptions, we can give no assurance that our expectations will materialize. The forward-looking statements made in this MD&A describe our expectations as at November 24, 2015.

"Dieter Peter"

On behalf of the Board

Dieter Peter

Chief Executive Officer

November 24, 2015