Introduction

The following interim Management's Discussion & Analysis ("Interim MD&A") of CHAR Technologies Ltd. (the "Company" or "CHAR") for the three months ended December 31, 2018 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management's discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended September 30, 2018. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since date of the Annual MD&A.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual consolidated financial statements for the years ended September 30, 2018 and 2017, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the three months ended December 31, 2018, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of February 26, 2019, unless otherwise indicated.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from the offices of the Company or on SEDAR at www.sedar.com.

Description of Business

CHAR is a cleantech development and services company, specializing in biocarbon development (activated charcoal "SulfaCHAR" and solid biofuel "CleanFyre"), custom equipment for industrial air and water treatment, and providing services in environmental management, site investigation and remediation, engineering, and resource efficiency.

The Company continues to be listed on the Exchange trading under the symbol YES.V. The Company's head office address is 12 Banigan Drive, Toronto, Ontario, M4H 1E9.

Operations

CHAR's acquisition of the Altech Group has expanded the operations of the Company. Altech Environmental Consulting Ltd. ("Altech Environmental") continues to service its clients through engineering, energy and audit consulting services, which includes resource efficiency services as well as emissions review and reduction strategies. Altech Environmental, also services clients with site investigation and remediation work. Altech Technology Systems Inc., which has been rebranded as CharTech Solutions Inc., continues to provide innovative, custom equipment to help clients reduce their air and water emissions, with a particular focus on food & beverage manufacturers, the mining industry, organics and other waste processors, as well as clients in varied industrial areas.

CHAR also continues to focus on developing and commercializing CHAR's principal product, SulfaCHAR. The Company has received the three tranches of funding from the SD Natural Gas Fund (supported by Sustainable Development Technology Canada ("SDTC") and the Canadian Gas Association ("CGA") to execute on a project to build and operate a 1-tonne per day SulfaCHAR production system, which allowed the company to produce commercial quantities of SulfaCHAR. Commissioning was completed and operation began in the first quarter of fiscal 2019. The SD Natural Gas Fund is providing a $750,000 non-repayable grant toward the project from SDTC and the CGA. In addition, the Ontario Centres of Excellence is providing a $1,000,000 non-repayable grant toward the project following the same milestones and payment schedules as the SD Natural Gas Fund.

On October 22, 2018, the Company announced that it had successfully commissioned the equipment used to produce SulfaCHAR. The commissioning of the equipment signified the commencement of milestone 3 of the Company's SD Natural Gas Fund (supported by SDTC and the CGA) project. The system is now operational and is producing commercial quantities of SulfaCHAR and pilot quantities of CleanFyre.

Operational Highlights

Corporate

Release from Escrow

On October 7, 2018, the following common shares were released from escrow:

	October 7, 2018 release
CPC Escrow Agreement	903,750
Qualifying Transaction Escrow Agreement	1,310,802
Value Escrow Agreement	633,334
Total	**2,847,886**

Private placement – flow-through shares

On December 31, 2018, CHAR closed 1,147,619 flow-through shares at a price of $0.21 per share for gross proceeds of $241,000. The net proceeds from the non-brokered private placement are intended to be used for continued technology development.

Trends

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. During the quarter, equity markets in Canada showed signs of improvement, with equities increasing significantly during this period. Strong equity markets are favourable conditions for completing a public merger or financing. Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations. See "Risk Factors" below.

Restatement

The Company identified certain errors in its consolidated financial statements for the year ended September 30, 2017. In according with IAS 20, Government Grants must be recognized as income over the period necessary to match the grants with the related costs, for which they are intended to compensate, on a systematic basis. The Company recognized in the consolidated statements for the year ended September 30, 2017 $237,759 as grant income (2016: $351,227) for grants related to SulfaCHAR production system which was under construction at September 30, 2018 and 2017. As a result, the funds received as grant income should be deferred as deferred grant income until the completion of construction. The grant income should be recognized on the same basis as the amortization of the related assets.

Furthermore, it was identified that the holdback of 10% for the SulfaCHAR production system related to the grant funds received as at September 30, 2017 of $65,443 was not recognized in the financial statements as an asset. As the Company is expecting to complete the project on time and the grants have been approved or paid, the Company believes that the holdback back related to the SDTC and OCE grants should be recorded as government grant receivable with a corresponding increase the deferred grant income.

The consolidated financial statements have been restated for the adjustments discussed above, as at September 30, 2017 and the year then ended as detailed in the following tables:

Statement of Financial Position – September 30, 2017	As previously reported ($)	Adjustment ($)	As restated ($)
Amounts receivable	339,083	65,443	404,526
Total current assets	1,218,466	65,443	1,283,909
Total assets	2,960,592	65,443	3,026,035
Deferred grant income	631,451	654,429	1,285,880
Total current liabilities	807,697	654,429	1,462,126
Deficit	(2,040,800)	(588,986)	(2,629,786)
Total shareholders' equity	2,152,895	(588,986)	1,563,909
Total shareholders' equity and liabilities	2,960,592	65,443	3,026,035

Commitment

The Company is obligated to spend $241,000 by December 31, 2019. As at December 31, 2018, $241,000 remains to be spent as part of the flow-through funding agreement for shares issued in December 2018. The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's renewable energy and energy efficiency projects to flow-through participants. The Company indemnified the subscribers for any related tax amounts that become payable by the subscribers as a result of the Company not meeting its expenditure commitments.

The Company has entered into operating lease agreements as follows:

i) Corporate offices expiring on Sep 30, 2019. Future lease payments for fiscal 2019 amount to $56,250.

ii) Kiln building location expiring on Dec 11, 2020. All lease payments have been prepaid.

Transactions with Related Parties

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

	Three Months Ended December 31, 2018	Three Months Ended December 31, 2017
Marrelli Support Services Inc. ("MSSI")(i)	$6,000	$6,000
DSA Corporate Services ("DSA")(ii)	$2,397	$2,744
1456087 Ontario Inc. ("1456087")(iii)	$15,000	$15,000
Merko-Nicholson Inc. ("Merko-Nicholson")(iv)	$15,000	$15,000

(i) The Chief Financial Officer of the Company is a senior employee of MSSI. As at December 31, 2018, MSSI was owed $nil (September 30, 2018 - $2,311). These amounts are included in accounts payable and accrued liabilities.

(ii) DSA is affiliated with Marrelli Support through a common officer. DSA provides corporate secretarial services. As at December 31, 2018, DSA was owed $1,248 (September 30, 2018 - $907). These amounts are included in accounts payable and accrued liabilities.

(iii) 1456087 is a company controlled by James Sbrolla, a director of the Company. 1456087 provides consulting services to the Company.

(iv) Merko-Nicholson is a company controlled by the Chief Operations Officer of the Company. Merko-Nicholson provides consulting services to the Company.

Remuneration of directors and key management of the Company was as follows:

	Three Months Ended December 31, 2018	Three Months Ended December 31, 2017
Salaries	$55,816	$18,750
Share based payments	$nil	$1,031

Financial Highlights

Financial Performance

The Company's net loss totaled $278,918 for the three months ended December 31, 2018, with basic and diluted loss per share of $0.01. This compares with a net loss of $260,439 with basic and diluted loss per share of $0.01 for the three months ended December 31, 2017. The increase in net loss of $18,479 was primarily attributable to:

- During the three months ended December 31, 2018, the Company realized gross profit of $265,612 compared to $nil for the three months ended December 31, 2017. The increase in gross profit is mainly derived from the operations of Altech and the commencement of sales of Sulfachar.
- During the three months ended December 31, 2018, the Company recognized $150,428 of grant income commensurate with the commissioning of the kiln.
- Consulting fees decreased by $32,652 for the three months ended December 31, 2018 compared to the three months ended December 31, 2017. The decrease is attributable to the utilization of in-house resources rather than using external consultants.
- Depreciation increased by $182,696 for the three months ended December 31, 2018 compared to the three months ended December 31, 2017. The increase is attributable to commencing depreciation on the kiln and building following its commissioning in October 2018.
- During the three months ended December 31, 2018, office expenses increased by $308,799 over the 2017 comparative period due to the increase corporate overhead from the acquisition of Altech. Office expenses include salaries, rent, insurance, travel and administrative services.

Cash Flow

At December 31, 2018, the Company had cash of $224,913 compared to $283,200 at September 30, 2018. The decrease in cash of $58,287 from September 30, 2018 resulted from the following:

Operating activities were affected by non-cash items of depreciation of $184,720, amortization of $32,699, accretion of $330, deferred income of $37,161 and deferred grant income of $149,250. The net change in non-cash working capital balances of $6,095 because of a decrease in amounts receivable of $23,332, a decrease in work-in-progress of $54,031, an increase in prepaid expenses of $5,970 and an increase in accounts payable and accrued liabilities of $65,298.

The Company spent $153,107 for the purchase of property and equipment for its production facility.

The Company received $241,000 from the issuance of common shares and $100,305 from a bank overdraft offset by $5,000 repayment of its line of credit.

Liquidity and Financial Position

The Company's total assets at December 31, 2018 were $5,201,117 (September 30, 2018 - $5,395,109) against total liabilities of $2,878,532 (September 30, 2018 - $3,005,916). The decrease in total assets of $193,992 resulted from the use of funds during the day to day operations offset by proceeds from the private placement. The Company has sufficient current assets to cover its existing liabilities of $1,501,874 at December 31, 2018.

The activities of the Company have been financed by private placements of securities, the exercise of warrants and options and its initial public offering.

The SD Natural Gas Fund project includes a $750,000 non-repayable grant from SDTC and a $1,000,000 non-repayable grant from the Ontario Centres of Excellence. The project builds on the previous research and development work conducted by CHAR. The project is split into 3 milestones. The first milestone, which is the design and fabrication of a 1-tonne per day SulfaCHAR production system is completed. The second milestone, which is the commissioning and initial operation of the 1-tonne per day SulfaCHAR production system is completed. The third and final milestone, which is testing of the use of SulfaCHAR for gas cleaning and agricultural applications, is budgeted to require capital expenditures by CHAR of $175,000. The completion of phase 2 of this project now allows the Company to produce commercial quantities of SulfaCHAR, and is an important next step in the commercialization of SulfaCHAR. The Company also received approval for approximately $1 million from the Government of Ontario through LCIF for the commercialization of CleanFyre. The Company has received an initial payment of $531,193. The next payment will be disbursed on the successful completion of the next milestone, which is production and testing of CleanFyre.

During fiscal 2019, the Company's corporate head office costs are estimated to average approximately $370,000 per quarter. Head office costs include professional fees, reporting issuer costs, consulting fees, salaries and general and administrative costs.

The Company's cash at December 31, 2018 will not be sufficient to fund its remaining development budget of $235,000 and corporate head office costs of $1,110,000 for fiscal 2019. The Company is estimated to earn revenue of $2,200,000 for fiscal 2019 and is able to access additional funds through its line of credit.

See "Risk Factors" and "Caution Note Regarding Forward-Looking Statements" below.

Critical accounting judgments and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Critical areas of estimation and judgments in applying accounting policies include the following:

Going concern
The consolidated financial statements have been prepared in accordance with IFRS on a going concern basis, which assumes the realization of assets and discharge of liabilities in the normal course of business within the foreseeable future. Management uses judgment in determining assumptions for cash flow projections, such as anticipated financing, anticipated sales and future commitments to assess the Company's ability to continue as a going concern. A critical judgment is that the Company continues to raise funds going forward and satisfy their obligations as they become due.

Deferred taxes
The calculation of deferred taxes is based on assumptions which are subject to uncertainty as to timing and which tax rates are expected to apply when temporary differences reverse. Deferred tax recorded is also subject to uncertainty regarding the magnitude of non-capital losses available for carry forward and of the balances in various tax pools. By their nature, these estimates are subject to measurement uncertainty, and the effect on the financial statements from changes in such estimates in future period could be material. Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income. Deferred tax assets are reviewed at each statement of financial position date and adjusted to the extent that it is no longer probable that the related tax benefit will be realized.

Useful lives of property and equipment and intangibles
The Company reviews the estimated useful lives of property and equipment and intangibles with definite useful lives at the end of each year and assesses whether the useful lives of certain items should be shortened or extended, due to various factors including technology, competition and revised service offerings. During the period ended December 31, 2018, the Company was not required to adjust the useful lives of any assets based on the factors described above.

Business combinations

In a business combination, all identifiable assets, liabilities and contingent liabilities acquired are recorded at their fair values. One of the most significant estimates relates to the determination of the fair value of these assets and liabilities. For any intangible asset identified, depending on the type of intangible asset and the complexity of determining its fair value, an independent valuation expert or management may develop the fair value, using appropriate valuation techniques, which are closely to the assumptions made by management regarding the future performance of the assets concerned and any changes in the discount rate applied.

Investment tax credits recoverable
Investment tax credits are recorded based on management's estimate that all conditions attached its receipt have been met. The Company has significant tax credits recoverable and expects to continue to apply for future tax credits as their research and development activities remain applicable. Therefore, the estimates related to the recoverability of these tax credits are important to the Company's financial position.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the consolidated statement of loss and comprehensive loss in the periods which they become known.

Share-based payments
The Company estimates the fair value of convertible securities such as warrants and options using the Black-Scholes option-pricing model which requires significant estimation around assumptions and inputs such as expected term to maturity, expected volatility and expected dividends.

Change in accounting policies

IFRS 9, Financial Instruments ("IFRS 9")

The Company adopted all of the requirements of IFRS 9 as of October 1, 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 utilizes a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. The change did not impact the carrying value of any financial assets or financial liabilities on the transition date.

The following is the Company's new accounting policy for financial instruments under IFRS 9:

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by- instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table summarizes the classification and measurement changes under IFRS 9 for each financial instrument:

Classification	**IAS 39**	**IFRS 9**
Cash	FVTPL	FVTPL
Term deposit	FVTPL	FVTPL
Amounts receivable	Loans and receivables (amortized cost)	Amortized cost
Bank overdraft	Other financial liabilities (amortized cost)	Amortized cost
Accounts payable	Other financial liabilities (amortized cost)	Amortized cost
Line of credit	Other financial liabilities (amortized cost)	Amortized cost

The Company did not restate prior periods as it recognized the effects of retrospective application to shareholders' equity at the beginning of the 2018 annual reporting period, which also includes the date of initial application. The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit nor to the opening balance of accumulated comprehensive income on October 1, 2018.

(ii) Measurement

Financial assets and liabilities at amortized cost - Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL - Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of net (loss) income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of net (loss) income in the period in which they arise.

Financial assets and liabilities at FVTOCI - Financial assets and liabilities carried at FVTOCI are initially recorded at fair value and transaction costs are capitalized in the consolidated statements of financial position. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTOCI are included in the accumulated other comprehensive income in the period in which they arise and will be transferred into the consolidated statements of net (loss) income in the period in which the instrument is sold.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of net (loss) income, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets - The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of net (loss) income.

Financial liabilities - A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expired. For financial liabilities, IFRS 9 retains most of the IAS 39 requirements and since the Company did not have any financial liabilities designated at fair value through profit or loss, the adoption of IFRS 9 did not impact our accounting policies for financial liabilities.

IFRS 15, Revenue from Contracts and Customers ("IFRS 15")

IFRS 15 was issued in May 2014. The objective of this new standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability. This new standard contains principles that an entity must apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity recognizes revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The Company adopted this new standard on October 1, 2018 using the modified retrospective method. The Company applied this standard retrospectively only to contracts that were not completed at the date of initial application.

The Company concluded that the main areas of impact relate to the allocation of the transaction price to the various performance obligations under the contracts and the timing of revenue recognition for sales arrangement that contain customer acceptance clauses. The adoption of the new standard had no material impact on the Company's consolidated financial statements.

Future accounting pronouncements

Standards issued but not yet effective up to the date of issuance of these consolidated financial statements are listed below. This list is of standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective.

IFRS 16, Leases ("IFRS16") was issued by the IASB on January 13, 2016. The Company will be required to adopt IFRS 16 in its financial statements for the annual period beginning on October 1, 2019. The new standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors. Management is currently evaluating the potential impact, if any, that the adoption of IFRS 16 will have on the Company's financial statements.

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Investors in the Company's securities should consider each of the risks identified under the heading "Risk Factors" in the Company's Annual MD&A for the fiscal year ended September 30, 2018 available on SEDAR at **www.sedar.com**. In addition to the risks identified therein, additional risks not presently known to the Company may arise from to time and may cause a material adverse effect on the Company and any investment in the Company. Investors are cautioned not to rely upon any forward-looking statements in this Interim MD&A as such statements are subject known and unknown risks.

Caution Note Regarding Forward-Looking Statements

Certain statements contained in this Interim MD&A and in certain documents incorporated by reference in this Interim MD&A, contain "forward-looking information" for the purposes of applicable Canadian securities laws (the "forward-looking statements"). All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements, including those risk factors identified below in the section "Risk Factors". The forward-looking statements in this Interim MD&A speak only as of the date of this Interim MD&A unless an alternative date is specified in such statement. Certain forward-looking statements contained in this Interim MD&A relate to the Company's ability to continue its business activities and to execute on its business plan as currently anticipated. These forward look-statements as well as the other forward-looking statements contained herein, are based upon certain material assumptions, including the Company's expectation that its costs will remain consistent with the costs currently anticipated and that financing through equity raises, debt financing or a combination thereof will continue to be available to the Company and on terms anticipated and reasonably acceptable to the Company. The risk factors identified in the "Risk Factors" section below may cause such assumptions and/or the forward-looking statements to be untrue.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please see the "Risk Factors" section included in this Interim MD&A. Readers are cautioned that actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Interim MD&A.

The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the unaudited condensed consolidated interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed consolidated interim financial statements; and (ii) the unaudited condensed consolidated interim financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited condensed consolidated interim financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.