Management's Discussion and Analysis
For the Year Ending

December 31, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussion is a review of activities and results for the nine months ending December 31, 2014 written as of April 28, 2015. This commentary should be read in conjunction with the annual financial statements and notes included in that report. Certain statements in this report may constitute forward-looking statements; such statements involve risks, uncertainties and other factors which may cause actual results, performance or achievements of the Company to be materially different from any future results implied by such forward looking statements. All amounts are stated in Canadian dollars unless otherwise noted.

Additional information related to the Company is available online from the SEDAR website (www.sedar.com) or from the Company's website (www.novra.com)

Background

Novra Technologies Inc. ("Novra" or the "Company") offers premium broadband receivers/routers and applications for satellite and terrestrial broadcast markets. Novra's products are value priced, standards-compliant and enable delivery of Internet, multi-media files, weather data, video (IP-TV) and audio streams using the Internet Protocol (IP) over DVB/MPEG digital TV broadcasts. Novra has three product families: DVB-IP encapsulators, satellite and terrestrial broadband receivers and a multimedia distribution and management system for digital signage and captive audience networks. Novra's products are sold worldwide through sales agents, resellers, solution integrators and service provider partners.

In the global satellite market, our broadband receivers and encapsulators are component parts for a variety of satellite based delivery systems and applications. Novra's marketing and sales strategies include provision of evaluation units for testing and qualification by major international satellite operators; customizing our products for specific customer-driven applications such as reception of weather information, DTH (Direct To Home TV) for multi-dwelling sites or Video-on-demand for the hospitality industry, as well as the development of partnerships and reseller agreements with system integrators, total solution providers and satellite equipment resellers.

NovraLink, Novra's digital signage offering, is a complete solution designed for the management and delivery, from a central location, of audio and video media to digital signs, in-store TV, kiosks and captive audience networks. Novra's competitive advantage is in its ability to supply the complete end-to-end solution, especially if a satellite delivery infrastructure is used. However Novra's digital signage solution is completely flexible and is not dependent on the method of data transmission. NovraLink can operate over satellite, terrestrial broadband, cell phone infrastructure, terrestrial wireless and just about any other data distribution medium. Novra is developing strategic partnerships with solutions providers and audio/visual integrators who can work with Novra to bring turnkey solutions to markets around the world.

Overall Performance

In February 2014 Novra announced that it had agreed (subject to Novra's due-diligence) to acquire two US based technology companies. Wegener Communications, a publically traded US based communications technology company located in Atlanta GA and Westport Research and Associates, a private company based in Kansas City, MO.

Since the announcement, Novra has worked closely with Wegener to help it restructure most of its debt and assist with inventory purchases and marketing. Westport also had changes made to it operational and ownership structure and it is in a much better position to be acquired by Novra. We expect these acquisitions to complete within the next 6 to 8 months.

Novra also agreed to become a low margin supplier to Wegener Communications, and as part of this agreement, Novra was given an option to purchase up to 15,000,000 Wegener shares at $0.03 each. This stock option was to expire on September 30, 2014 but in July 2014 the option expiry date was extended to December 31, 2015. For this reporting period this option has generated unrealized loss of $1,125,216 which is reflected in our reported results.

Wegener and Westport have each been in business for over 30 years and they both have large and stable clients, mostly in North and South America. Wegener's and Westport's hardware and software are used in the delivery by satellite and internet of multi-media files for applications such as business radio and digital signage. Both of these companies have extensive feature-rich software control systems used by their clients to manage content delivery, scheduling and insertion of ads or local content for radio stations and radio service providers. Novra's objective is to combine with these two communications companies with complementary products and create a technology company with over 450,000 installed devices worth many tens of millions of dollars in 40 countries.

Despite challenging world economic conditions in the past couple of years, we continue to see positive results from our considerable engineering and marketing efforts in the last few quarters. Novra's products have been selected and proposed for a number of major projects which we are anticipating will generate higher 2015 receiver sales compared to our 2014 receiver sales. We are in discussions with government and military organizations to customize and expand our products to meet requirements as they replace existing infrastructure and move to new technologies

In 2014, Novra's receivers were selected for two major satellite networks upgrades. One of these upgrades is for the hospitality industry where Novra has delivered over 1,000 of our S75 receivers for this client in 2012/13. In Q4 we received an initial order from this client for over 1,500 for our new S300CA receivers with some shipped in Q4 of 2014 and the rest in the first half of 2015. The second project was for a large US investment bank and Novra received the order in Q2 and shipped in Q3. We are very proud that Novra's technology has been selected for these large prestigious clients. This is indicative of Novra's reputation and reliability in delivering best of class technology.

During this reporting period, Novra's sales increased by 54% to $1,887,048 (2013 $1,229,289) with gross margin equal to 43% (2013 46%) of sales and income from operations of $186,770 (2013 loss of $23,122). During this reporting period our General and Administration expenses were about $25,000 higher, primarily due to approximately $50,000 in costs associated with the anticipated acquisitions of the US companies.

During this reporting period our net income from operations was a gain of $186,770 (2013 loss of $23,122). We had a net income loss of $897,659 (2013 gain of $1,178,850), which includes an unrealized foreign exchange gain of $33,702 (2013 $7,183) and an unrealized loss on the Wegener stock options of $1,125,216 (2013 gain of $934,751). We expect the Wegener options will continue to distort our reported results as the stock value changes in the market and the options' expected life duration is updated. Our net income without the Wegener option for this reporting period was a gain of $227,557 (2013 loss $12,945).

Highlights for reporting period

- Term sheet for the acquisition of Wegener Communications was negotiated and is currently in place and the acquisition is expected to be completed in the next 6 to 8 months.
- As a result of recent changes within Westport, a new acquisition term sheet is currently being negotiated. It is expected that the acquisition of Westport will be completed within 6 to 8 months.
- An initial order was received to modify our S300 receivers for integration into a portable communications system for the US military. As a result of the success of this project the client is proposing our products for a larger military project and a follow-on order was received in Q1 2015
- Evaluation of Novra's S300 for a digital cinema application in Japan is continuing.
- A large US based investment bank selected and installed over 750 of Novra's S300CA receivers in all of their offices for their secure IP-TV backbone.
- Novra received an initial order for over 1,500 for our S300CA receivers from a large US based hospitality service provider of interactive media and connectivity services. We expect additional orders from this client and other European clients in the hospitality services in 2015 and 2016.
- Novra receivers were selected by system integrators in the US and Asian Pacific and proposed for several large networks. We are anticipating orders from these opportunities in 2015.
- Our A75 was selected for a US based network and an order was received and shipped in Q2 2014. A follow-on order is expect in 2015.
- Our IP-Encapsulator sales were higher than expected for this reporting period as a number of Encapsulator orders came in from our North American, Japanese and Indian clients and we expect additional IPE orders in 2015.
- Continued expansion of an apartment IPTV network deployment in Japan. In this reporting period we delivered 600 receivers and we have received a follow-on order for another 600 receivers for delivery in the first half of 2015.
- Our receivers were selected for two Digital Signage networks in South Africa in 2011. We are continuing to receive follow-on orders as these networks are expanded. We also received an initial order in Q4 2015 for a new network in Nigeria.
- Increased interest and on-going evaluations of our S300 family of receivers by international clients.
- Currently our S300 is being evaluated to replace of a competitor's receivers for an existing Japanese satellite network. We expect an order in the first half of 2015.
- In 2011, Novra's S300 receivers are installed across China for a low data rate news broadcasting application. We have received follow-on orders in 2014 and expect additional orders in 2015.
- Initial orders of our S300 by the Indian and USA clients for new weather related pilot projects.
- Japan Meteorological Agency selected Novra's receivers for the reception of their weather services and we expect additional orders in 2015 in weather related applications.
- The European weather service is switched from DVB-S to DVB-S2 on Jan 1, 2015 and Novra's S300 an approved receiver. For this reporting period we received orders from clients across Europe, Africa and Middle-East for this service and continue to receive orders (at a slower pace) in 2015.
- Development of Novra's new high-reliability rack mount multi-receiver unit with redundant power supplies. We shipped our first major order of this new product in Q1 2014 for an Australian client.

Satellite Receivers

We continued to see our clients delay their major satellite infrastructure projects due to the difficult global economic conditions in the US and Europe. We continue to receive small orders for evaluation units of our DVB-S2 receivers for new satellite networks, replacement of existing networks and for new satellite IP-TV applications.

DVB-S2 is a new Digital Video Broadcasting standard used by satellite operators to increase satellite traffic throughput by up to 30% over the older DVB-S standard. Although the S200 and S300 are both DVB-S2 receivers, the S300 has much higher performance specifications than the S200 and it sells for a price premium of approximately 30% in low quantities. Demand for DVB-S2 receivers will continue to increase as satellite operators begin to offer DVB-S2 services and many satellite networks are upgraded.

Novra has established itself as a reliable supplier that can deliver large orders on time and budget and still maintain a very high product quality level under difficult global manufacturing conditions. The majority of our sales for this reporting period reflect our existing and new clients selecting Novra's satellite receivers to either replace existing DVB-S receivers or expand their current networks using our DVB-S2 receivers for a future migration path to DVB-S2.

Our newest DVB-S2 receiver, the S300-CA, uses Conditional Access (CA) smart cards to enable our clients to receive encrypted satellite data which is distributed to network servers using IP or is distributed as live streaming video (television) using IP-TV services. IP-TV is the distribution of digital television over Internet Protocol (IP). In this reporting period, we shipped over 675 of our high-end S300-CA receivers for a large US based investment bank.

Novra has over 70,000 receivers operating in various satellite networks around the world, of which over 45,000 are used to provide IP-TV services. The majority of these IP-TV installations are located in businesses, hotels or multi-dwelling units, each serving from several to hundreds of individual viewers or subscribers. We estimate that approximately 600,000 to 700,000 IP-TV viewers or subscribers globally receive their TV service through networks that incorporate our receivers. Our sales in the IP-TV area have been consistently increasing over the past 3 years.

Some examples of global applications which use our receivers:

- In Japan our S75s and S200s are used to distribute IP-TV in over 35,000 apartment blocks. Most of these receivers have been operating 7/24/365 over the past 8 years in environments where during the summer temperatures reach over 65 degrees Celsius. We received an order to add 600 receivers to this network 2014 and we also received a follow-on order for first half of 2015.

- One of our European clients uses our receivers as part of their IP-TV based hotel entertainment system. This client has purchased over 5,000 of our receivers for high-end hotels across Europe and the Middle-East.

- A North America hotel entertainment operator is using Novra's receivers to deliver video content, replacing a competitor's product. This project will take several years to complete and will require a few thousand of our receivers. In Q4 2014, we received an order for over 1,500 S300CA receivers to be deliver by end of Q2 2015. Follow-on orders are expect in the 2nd half of 2015.

- Novra's S300 receiver was selected by a major US television broadcaster to replace a competitor's product and upgrade their satellite feeds to their affiliates across the US to DVB-S2. This demonstrates the reliability of our products and the confidence that major corporations have in our receivers for business-critical applications.

- European clients are using our receivers in the distribution of High Definition Digital TV to homes.

- In Australia our receivers are used by a major radio operator to push radio content to remote radio stations. This order was shipped in this reporting period.

- In North America our receivers were selected again in 2011 by the National Oceanographic and Atmospheric Agency's (NOAA) weather service as the preferred receiver to receive their new DVB-S2 service. These receivers are installed in all of NOAA's offices and have also been purchased by many of their clients. We expect additional receiver orders from NOAA's clients.

- Other US based clients (government and private corporations) are using our receivers to deliver encrypted satellite based corporate IP-TV across their national facilities. We expect this area will grow over the next 18 to 24 months.

- In Canada our DVB-S2 receivers are used in the distribution of encrypted educational content to 700 schools in Saskatchewan.

- In South America our receivers are used to deliver IP-TV to government and educational facilities. We expect additional sales in this region as we move forward.

- Australia's defense department is using our encapsulators and DVB-S2 receivers and is currently evaluating our various products for additional applications.

- In Africa, our receiver products are used by the banking industry, satellite service operators and internet providers. We have received additional orders for this region in this reporting period and expect these orders to continue in 2015.

ATSC Terrestrial Receivers

Novra's A75 receiver is an ATSC based receiver, which meets the standards used by North American broadcasters to broadcast digital High Definition TV. The A75 can be used by broadcasters to utilize the unused bandwidth resulted from switching to digital TV broadcasting. Sales for our A75 receivers have been much lower than expected because the private sector has not started to fully utilize the unused bandwidth with new applications. We continue to see inquiries and evaluation requests for our A75 but we are not expecting any significant sales in this area for the next 8 to 12 months.

Novra currently has a number of US based networks where the A75 is being used. For example, the state of Kentucky implemented a significant public health communications system using Novra's A75 receivers. This system consists of more than 240 locations spread throughout the state where the A75 receivers are used to link schools and hospitals. Another example is the city of Las Vegas, which operates a network using our A75 receivers to provide public schools, hospitals, fire departments and police departments with wireless data infrastructure based on the ATSC standard.

For this reporting period A75 sales were not significant.

Digital Signage Products

Sales for our digital signage solutions were lower than anticipated for this reporting period because of the economic conditions. In 2014, we received an order for a pilot project for a new digital signage network for gas stations. It is expected that a full roll-out to the remaining 35 gas stations to begin later in 2015.

In North America, our digital signage solutions are installed in hundreds of locations such as banks, retail venues, health clinics, corporate head-offices, car dealerships, and shopping malls. Our North American digital signage installations currently consist of over 600 media players with over 1000 screens.

Marketing and R&D

Our marketing efforts have been on targeting service providers and solution integrators and expanding our international reseller network. We continue to see an increase in the number of requests from various international integrators and service providers to become resellers of our receiver products. Our main marketing focus is to continue the expansion of our reseller network and systems integrator relationships in the USA, Europe and the Far East.

Novra will continue with its research and development to enhance our existing family of satellite and terrestrial receivers along with continued enhancements to our NovraLink products, which are targeted for digital signage applications and entertainment (music and video) services for the hospitality industry. The design enhancements implemented on these products are intended to improve performance, add new functionality and reduce the cost of manufacturing.

Our S300 receivers greatly enhance the satellite communications throughput for satellite operators. In 2014, we completed the development of a rack-mount multi-receiver product with dual power supplies to meet the demanding requirements for the broadcasting and IP-TV industries. Our main research and development focus for 2014 was in the development and enhancement of our newest family of our DVB-S2 receivers and associated software products.

Our new High Definition media players for Digital Signage applications, based on the Android operating system, became available in 2014.

Our main R&D focus for 2015 is in the following areas.

1. Develop additional functionality for our IP-TV solutions through software development.
2. Expand the capabilities of our existing DVB-S2 receivers by building operational support software to allow our clients to easily integrate our receivers into their environments.
3. Develop a new family of receivers (S400) with an extensive list of features including solid state storage, support of latest data compression algorithms, extensive network management features and communications speeds of more than 2 times our current products. These new receivers will be available in 2015 with very competitive prices.
4. Develop new ATSC receivers for the North American market based on the latest technologies.
5. Develop a DVB-T2 receiver for the European and Far East markets.
6. Complete the development of a new software based IP-Encaptulator.

Results from Operations

Amounts are in Canadian Dollars	**Year ended December 31**		
	2014	2013	2012
Sales	**$1,887,048**	$1,229,289	$1,163,836
Cost of Sales	**1,066,789**	663,788	680,260
Gross Margin	**$820,259**	$565,501	$483,576

During this reporting period, Novra's sales were $1,887,048 (2013 $1,229,289) with gross margin equal to 43% (2013 46%) of sales and income from operations of $186,770 (2013 loss of $23,122) which include a foreign exchange gain of $320,234 (2013 $329,707). The reason for the lower margins is that part of our sales in this reporting period are to Wegener at very low margins. Without the sales to Wegener our margins would have very similar to our 2013 margins for the same reporting period.

For this reporting period we had a net income loss $897,659 (2013 income of 1,178,850), which includes an unrealized foreign exchange gain of $33,702 (2013 $7,183) and an unrealized loss on the Wegener stock options of $1,125,216 (2013 gain of $934,751). We expect the Wegener options will continue to distort our reported results as the stock value changes in the market and the options' expected life duration is updated. Our net income without the Wegener option for this reporting period was a gain of $227,557 (2013 loss $12,945).

For this reporting period we did have above average requests from our clients to purchase our DVB-S2 products for evaluation and even though the global economic conditions continue to be difficult, our receiver sales (delivered and booked) for this reporting period remain strong. We expect our higher-end S300 sales to continue to increase as a number of our clients will be expanding or replacing their current networks which should result in our S300 receiver sales being higher than those in 2014.

Sales of our digital signage solutions were lower than average for this reporting period. We expect our digital signage sales to strengthen in 2015.

Our receiver sales opportunities are generally increasing as our products continue to be accepted in the industry. Our receivers are used by US, Canadian and internationally based integrators for various government and private telecommunications projects within North America and throughout the world. We have sold and shipped well over 70,000 receivers worldwide.

Operating Costs

Amounts are in Canadian Dollars	**Year ended December 31**		
	2014	2013	2012
Amortization of equipment	**$ 6,378**	$ 8,058	$8,579
Business Development and Marketing	**160,507**	142,311	210,780
Corporate and Investor Relations Services	**12,832**	13,405	13,873
Directors' Fees and Expenses	**17,643**	17,518	18,746
Foreign Exchange	**(320,234)**	(329,707)	114,871
General and Administrative	**308,605**	284,496	281,610
Research and Development	**414,012**	421,474	414,933
Bad debt (recovery)	**33,746**	31,068	(90,836)
	$ 633,489	$588,623	$972,556

The company's operating expenses for the reporting period were $633,489 (2013 $588.623), which consist mainly of salaries paid to the employees of Novra for research and development, administration, customer support and marketing of its product. We continue to expense all of our research and development costs. The company had a foreign exchange gain of $320,234 (2013 $329,707). If you exclude foreign exchange and bad debt expense (recovery), the company's operating expenses were about 4% higher for this reporting period $919,977 (2013 $877,262) due to expenses relating to the anticipated Westport and Wegener acquisitions.

Net Comprehensive Income (Loss)

Amounts are in Canadian Dollars	**Year ended December 31**		
	2014	2013	2012
Net Comprehensive Income (Loss)	**$(897,659)**	$1,178,850	$(502,913)

In this period, Novra had a Net Income loss of $897,659 or $0.0401 per share compared to a Net Income gain of $1,178,850 or $0.0527 per share in 2013. We expect the Wegener options will continue to distort our reported results as the stock value changes in the market and the options' expected life duration is updated.

Liquidity and Capital Resources

The Company anticipates that it will continue to invest in research and development. However, it is anticipated that research, development and engineering costs will not increase significantly as the Company expands its business development and marketing efforts. The Company is currently estimating that salaries,

benefits and general and administrative fees, including the costs of research and development and marketing and business development, will aggregate approximately $110,000 per month.

On December 31, 2014 Novra had cash position of $788,516, which includes a $200,000 GIC, and a line of credit balance of $730,000. The company also had accounts payable and accrued liabilities of $552,253 and accounts receivable, inventory and prepaid expenses of $1,129,339. In comparison, on December 31, 2013, Novra had a cash position of $660,909, which includes a $200,000 GIC, and a line of credit balance of $280,000, accounts payable and accrued liabilities of $684,328 and accounts receivable, inventory and prepaid expenses of $718,226.

Novra has given a one year loan of $100,000USD to Wegener Communications in return for an unsecured promissory note. This note is due September 24, 2015 and bears interest at a rate of 4% per annum.

Novra entered into an unsecured promissory note of $250,000 with InfoMagnetics Technologies Corporation. This note was due February 27, 2015 and bears interest at a rate of 4% per annum. On February 27, 2015 a new promissory note was signed to extend the original promissory note until August 31, 2015.The new note is unsecured and bears interest at a rate of 4% per annum.

Novra has a loan repayment agreement with Crocus Investment Fund (Crocus). Under the terms of this agreement, every September starting in 2011 Novra is required to make yearly payments to Crocus of $120,000, which includes principal and interest, until the loan is paid in full. The interest rate on the loan is 7.5%. Novra is current with its payment to Crocus. We anticipate that our future sales will cover our cash requirements.

Quarterly Information

For the three months ending December 31, 2014, Novra's sales were $487,674 (2013 $111,209) and net income from operations of $95,210 (2013 loss of $179,911), which includes a foreign exchange gain of $144,360 (2013 $114,308). We recorded a net income loss of $273,020 (2013 gain of $214,671), which includes an unrealized foreign exchange loss of $34,636 (2013 gain of $49,398) and an unrealized loss on stock options of $340,893 (2013 gain of $342,005).

The following table summarizes quarterly financial results and major operating statistics for Novra Technologies Inc. for the last eight quarters.

Amounts are in Canadian Dollars	**Dec 30/14**	**Sept30/14**	**Jun 30/14**	**Mar 31/14**
Revenue From Continuing Operations	**487,674**	**517,225**	**413,012**	**469,137**
Net Earnings (Loss)	**(273,020)**	**5,688**	**(575,321)**	**(55,006)**
Per Share	**(0.012)**	**0.0003**	**(0.026)**	**(0.003)**

Amounts are in Canadian Dollars	Dec 31/13	Sept30/13	Jun 30/13	Mar 31/13
Revenue From Continuing Operations	111,209	192,545	645,165	280,370
Net Earnings (Loss)	214,671	580,919	329,223	54,037
Per Share	0.010	0.026	0.015	0.002

Share Capital

	December 31, 2014		December 31, 2013	
	Number of Shares	**Amount**	Number of Shares	Amount
Balance, beginning of period/year	**22,387,993**	**$ 6,056,729**	22,387,993	$6,056,729
Issued during the period/year for cash	**-**	**-**	-	-
Balance, end of period/year	**22,387,993**	**$6,056,729**	22,387,993	$ 6,056,729

Stock Options

The company has no outstanding Options.

Warrants

The company has no outstanding warrants.

Commitments

The company lease expired January 31, 2013 and a new 5 year lease was signed. Its total commitment is as follows:

2015	$97,508
2016	$82,312
2017	$82,628
2018	$9,181

STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET EFFECTIVE

The following new standards, amendments and interpretations, which have not been early adopted by the company, have not yet been assessed to determine the impact, if any of adoption on the Company's financial statements:

Amendments to **IFRS 9:** Financial Instruments (Effective for periods beginning on or after January 1, 2015)

IFRS 15: Revenue from Contracts with Customers (Effective for periods beginning on or after January 1, 2017)

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

The CEO has evaluated the effectiveness of the company's disclosure controls and procedures and assessed the design of its internal control over financial reporting as of December 31, 2014, pursuant to the requirements of National Instrument 52-109.

The CEO has concluded, based on this evaluation, that the company's disclosure controls and procedures are effective, and that the design of internal control over financial reporting provides reasonable assurance regarding the reliability of the company's financial reporting and the preparation of the company's financial statements for external purposes.

Operating Risks and Uncertainties

Novra is subject to a number of risk factors including competition, availability of financing for operating or capital needs and general economic conditions. In addition, Novra's business is focused on a market niche and hence its operations are subject to a high level of uncertainty and risk. As Novra's target market is evolving, it is difficult to predict the size of the market, or the future growth rate, if any. There can be no assurance that the market for Novra's products will emerge to a profitable level or be sustainable. If the market fails to develop, develops more slowly than expected or becomes saturated with competitors, or if

Novra's products do not achieve or sustain market acceptance, Novra's proposed business, results of operations and financial condition will be materially and adversely affected.

Risks associated with our business & operations also include of the following:

We cannot be sure we will be able to identify emerging technology and market trends, enhance our existing technologies or develop new technologies in order to effectively compete in the satellite communications and Digital Signage industries. The satellite communications industry is characterized by rapid technological changes and product life cycles, pressure to provide improved solutions at increasingly lower prices and frequent introduction of new technologies and products to meet market requirements. To increase sales, our products must meet the needs of our customers and potential customers and must be competitively priced. Additionally, there must be sufficient interest in and demand for our products. If we do not develop these new technologies and products in a timely and cost effective manner, or if others develop new technologies before us, we will not achieve profitability and we may not be able to participate in selling these new technologies or products.

We have no intellectual property protection. Our success and ability to compete are dependent, in part, upon proprietary technology. Due to the rapid technological change in our markets and since our technology is, in part, proprietary, we rely primarily on trade secrets and we do not have patent applications to protect our technology. We also enter into confidentiality agreements with our employees and limit the access to and distribution of our product design documentation and other proprietary information. We cannot be sure that these efforts will deter misappropriation or prevent an unauthorized third party from obtaining or using information, which we deem to be proprietary. Although we believe that our technology does not currently infringe upon patents held by others, we cannot be sure that such infringements do not exist or will not exist in the future.

We depend on suppliers and sub-contractors when producing our products. If our suppliers do not supply us with sufficient amount and quality of components in a timely manner and at acceptable prices, our ability to deliver product would be affected and our business would suffer. If our sub-contractors do not perform the contracted duties in a competent and timely manner, our business would be similarly affected.

We depend on our key employees and we cannot be sure that we will be able to keep these employees or hire and train replacements.

Since we sell our products internationally, we face financial risks associated with currency fluctuations and other risks relating to our international operations, which may adversely impact our business and results in operations.

We have had to rely on the sale of our securities and on debt financing to fund our business operations and may have to continue to rely on the sale of securities and on debt financing in the future. There can be no assurance that we would be able to raise the required capital to fund our on-going operations or to repay our outstanding indebtedness.