The following is a discussion of the financial condition and results of operations of Exro Technologies Inc. ("Exro", the "Company", "we", "our") during the six months ended June 30, 2017, and to the date of this report. The following management discussion and analysis ("MD&A") should be read in conjunction with the Company's financial statements for six months ended June 30, 2017, which have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting". They do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the fiscal year ended December 31, 2016, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

This MD&A contains forward-looking statements. All forward-looking statements, including those not specifically identified herein, are made subject to cautionary language on page 11. Readers are advised to refer to the cautionary language when reading any forward-looking statements.

All dollar amounts contained herein are expressed in Canadian dollars unless otherwise indicated. This MD&A has been prepared as of September 29, 2017.

BUSINESS OVERVIEW

The Company is commercializing its proprietary Dynamic Power Management ("DPM") which is a patented technology and proprietary system architecture for rotating electrical machines, to address the growing demand for more efficient, reliable and robust electrical generators and motors to service the sustainable and renewable electricity generation industry, as well as variable load industrial and commercial applications for motors. The Company currently does not generate revenue.

MATERIAL EVENT

On November 7, 2016, the Company entered into an amalgamation agreement with BioDE Ventures Ltd. ("BioDE") and BioDE's wholly owned subsidiary, 1089001 BC Ltd. ("Newco"), to combine businesses with Newco. Upon amalgamation, the Company will exchange all shares issued and outstanding into BioDE shares at an exchange ratio of approximately one Exro share for 0.5257 BioDE shares. Upon the exchange, the Company's shareholders will hold approximately 86% of all BioDE shares issued and outstanding. On July 26, 2017, this amalgamation agreement was completed.

The Amalgamation will be accounted for as a reverse takeover whereby Exro will be reflected as the accounting acquirer and BioDE as the accounting acquiree. Management has evaluated that BioDE does not meet the definition of a business as defined by IFRS 3. Consequently, the Amalgamation will be accounted as an acquisition of BioDE's net assets and reporting issuer status by the issuance of shares of the Company to BioDE's shareholders. The BioDE share capital and retained earnings will be eliminated in the proforma consolidation. The cost of the transaction in excess of the net assets of BioDE will be reflected as an expense, being the cost of obtaining a listing of Exro's shares on the CSE.

HIGHLIGHTS

After the Amalgamation, Amalco will carry on the business of Exro as a wholly-owned subsidiary and operating arm of the Company. Exro has built six DPM prototypes. The final prototype has undergone independent testing by i2r Solutions Inc., a technology company with expertise in rotating electric machines. Testing has demonstrated energy efficiency gains. To date over $15,000,000 has been invested in Exro.

In the last six years Exro refocused its energies away from the generator industry to a wider variety of commercialization options with the DMP Technology. Exro recently signed a commercial co-development agreement with a leading supplier of drone propulsion systems.

During the six months ended June 30, 2017, the following share capital transactions occurred:

- On April 10, 2017, the Company completed a private placement of 11,915,000 subscription receipts at a price of $0.20 per subscription receipt for the proceeds of $2,383,000. Each subscription receipt entitles the holder to receive, without payment of any additional consideration or need for further action, one common share ("Share") of the Company. The Shares will be issued immediately before the amalgamation but after the share consolidation pursuant to the amalgamation (note 11). At conversion finder's fees $64,610 will have been paid in cash and finders fees of $89,600 will be issued as shares at a price of $0.20 per share.

- On April 27, 2017, the Company issued 1,392,555 common shares at a rate of $0.1051 per share to settle debts totaling $146,415.

During the year ended December 31, 2016, the following share capital transactions occurred:

- On August 23, 2016, the Company issued 200,000 shares for proceeds of $14,000;
- On September 30, 2016, the Company issued 500,000 shares to management and consultants for consulting fees with a fair value of $40,400.
- In December 2016, the Company issued 78,750 shares to a consultant to settle outstanding debt. The fair value of these shares was $5,512.

On October 23, 2016, the Company agreed to issue 12,610,166 common shares at a rate of $0.1051 per share to settle debts totaling $1,325,848. The issuance of these shares was conditional upon the Company completing its amalgamation agreement with BioDE. Pursuant to the amalgamation transaction, completed on July 26, 2017, these shares for debt were issued.

TECHNOLOGIES

Exro's business model is to develop licensee partners that are established in their respective markets, specifically those that welcome innovation in their product lines that have adequate internal engineering capacity, growing sales and an existing customer base. The business model is scalable, requiring much lower capital investment than building a manufacturing business. This approach offers the opportunity to address several market segments concurrently, incrementally and in rapid succession by building on earlier success.

Exro has built a robust intellectual property base and intends to protect and commercialize new innovations. By licensing its technology, Exro will focus on its core competency in a field dominated by large players, and allow its partners do what they do best in manufacturing and fielding products. Exro will work closely with development partners and customers to integrate its technology into their products and develop new intellectual property for Exro where it comes into being.

All Exro's technology and intellectual property is wholly-owned in five patent families providing or seeking global protection in strategically important countries. There are eleven granted patents and 10 pending applications.

RESULTS OF OPERATIONS AND SELECTED QUARTERLY FINANCIAL DATA

Selected quarterly financial data

	Quarter ended	Net loss and comprehensive loss	Basic and diluted loss per common share	Weighted average number of common shares
Q2/17	June 30, 2017	$ (345,007)	$ (0.01)	32,878,321
Q1/17	March 31, 2017	(325,313)	(0.01)	31,898,943
Q4/16	December 31, 2016	(267,547)	(0.01)	31,898,943
Q3/16	September 30, 2016	(194,110)	(0.01)	31,204,637
Q2/16	June 30, 2016	(52,233)	(0.01)	31,120,193
Q1/16	March 31, 2017	(73,797)	(0.00)	31,120,193
Q4/15	December 31, 2015	(199,021)	(0.01)	31,120,193
Q3/15	September 30, 2016	(51,732)	(0.00)	29,924,693

For the three months ended June 30, 2017, compared to the three months ended June 30, 2016

During the three months ended June 30, 2017, the Company incurred a net and comprehensive loss of $345,007 (2016 – $52,233).

Payroll and consulting expense increased by $222,141 to $259,476 (2016 – 37,335) during the three months ended June 30, 2017. The increase was a result engineering and business development work which commenced after the amalgamation agreement was signed in November 2016. There was no engineering work and less business development work during the three months ended June 30, 2016.

Professional fees increased from $4,719 to $71,757 during the three months ended June 30, 2017. The $67,038 increase was a result of additional accounting and legal fees related to the amalgamation and listing application. Legal fees also increased as a result of an increase in patent related work relative to the same period last year.

Finance costs decreased by $7,051 as a result no debt outstanding during the three months ended June 30, 2017.

For the six months ended June 30, 2017, compared to the six months ended June 30, 2017

During the six months ended June 30, 2017, the Company incurred a net and comprehensive loss of $670,320 (2016 – $126,030).

General and administrative costs increased by $80,187 to $86,701 (2016 - $6,514) during the six months ended June 30, 2017. The increase reflects the increase in operating activities to complete the amalgamation compared to the prior year when the company had reduced operating and spending while it sought funding opportunities.

Payroll and consulting expense increased by $320,241 to $413,221 (2016 - $92,980) during the six months ended June 30, 2017. The increase was a result engineering and business development work which commenced after the amalgamation agreement was signed in November 2016. There was no engineering work and less business development work during the six months ended June 30, 2016.

Professional fees increased from $7,930 to $120,843 during the six months ended June 30, 2017. The $112,913 increase was a result of additional accounting and legal fees related to the amalgamation and listing application. Legal fees also increased pursuant to an increase in patent related work.

Finance costs decreased by $17,051 as a result no debt outstanding during the six months ended June 30, 2017.

OUTSTANDING SHARE DATA

On July 26, 2017, the Company completed its amalgamation transaction. The following summarizes the Company's common shares outstanding up to the date of the transaction:

	Number of shares
Outstanding common shares of Exro as at June 30, 2016	33,291,498
Issuance of common shares to settle liabilities	12,610,166
Old Exro common shares issued and outstanding prior to share consolidation	45,901,664
Cancellation of old Exro common shares on share consolidation	(45,901,664)
Issuance of new Exro common shares on share consolidation	24,130,783
Common share issued for financing at amalgamation date	11,915,000
Exro shares immediately prior to amalgamation	36,045,783

At June 30, 2017 there were 362,178 (190,399 post amalgamation) warrants outstanding with an exercise price of $0.65 ($1.24 post amalgamation)

SUBSEQUENT EVENTS

On October 23, 2016, the Company agreed to issue 12,610,166 common shares at a rate of $0.1051 per share to settle debts totaling $1,325,848. The issuance of these shares was conditional upon the Company completing its amalgamation agreement with BioDE. Pursuant to the amalgamation transaction, completed on July 26, 2017, these shares for debt were issued.

On July 26, 2017, the amalgamation transaction completed and 11,915,000 subscription receipts were converted into common shares at a price of $0.20 without payment of any additional consideration or need for further action.

LIQUIDITY AND CAPITAL RESOURCES

The Company does not have sufficient working capital to continue operations in the normal course for the foreseeable future and will require additional financing to remain financially solvent.

At March 31 2017, the Company had cash of $2,403,975, accounts payable and accrued liabilities of $1,081,814, related party payable of $837,668 and promissory notes payable of $529,000. All accounts payable and accrued liabilities are due within 90 days and the promissory notes payable is due on demand. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties cast doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations. Subsequent to year end, the Company has raised approximately $2,383,000 pursuant to equity financing and settled debts of $1,325,484 through the issuance of 12,610,166 common shares.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements for the six months ended June 30, 2017.

PROPOSED TRANSACTIONS

There are no proposed transactions.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the Financial Statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

APPROVAL

The Company's Board of Directors has approved the Company's financial statements for the six months ended June 30, 2017. The Company's Board of Directors has also approved the disclosures contained in this MD&A.

RELATED PARTY TRANSACTIONS

Key management compensation

Key management consists of the Officers and Directors who are responsible for planning, directing and controlling the activities of the Company. As at June 30, 2017 and December 31, 2016, the following expenses were incurred to the Company's key management:

		June 30, 2017		December 31, 2016
Management fees	$	101,902	$	285,590
Share based compensation		-		-
	$	101,902	$	285,590

As at June 30, 2017, the Company was indebted to the CEO of the Company for management services in the amount of $556,108 (December 31, 2016 – $495,924).

As at June 30, 2017, the Company was indebted to Novatron Enterprises Inc., a company controlled by the Company's founder and former Chief Technology Officer, for consulting services provided in the amount of $162,673 (December 31, 2016 - $263,198).

As at June 30, 2017, the Company was indebted to Fehr & Associates., a company controlled by Ann Fehr (CFO) of the Company, for services provided over nine months in the amount of $50,835. Ann Fehr was appointed CFO in February 2017.

As at June 30, 2017, the Company was indebted to Integratio Consulting Inc., a company controlled by Torsten Broeer (CTO), for services provided in the amount of $19,961 (December 31, 2016 - $nil).

As at June 30, 2017, the Company was indebted to Frank Borowicz (a Director), for director services provided in the amount of $26,250 (December 31, 2016 - $26,250).

As at June 30, 2017, the Company was indebted to Jill Bodkin (a Director), for director services provided in the amount of $21,840 (December 31, 2016 - $21,840).

All due to related party payable amounts are unsecured, non-interest bearing, and due on demand.

RISKS AND UNCERTAINTIES

Limited Operating History

The Company is changing its business focus from Biotechnology to machine technology. The Company is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

Reliance on Management

The success of the Company is dependent upon the ability, expertise, judgment, discretion and good faith of its senior management. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

Reliance on Partners

The Company assumes that the collaborating partners will perform and deliver on development targets as agreed and planned, although there is a risk that they won't, and the corporation operates under the constraint that the partner is not under its control.

Reliance on Suppliers
The Company faces a third-party risk, should suppliers for the alternator and power electronics not deliver on one or more dimensions of scope, time and cost. The Company will reduce the probability of occurrence by ensuring that the suppliers have clear statements of work, and comprehensive design specifications to work to that are documented, reviewed and approved with participation of the supplier as well as the partner.

Management of Growth
The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Unexpected challenges during product development are inherent in new technology, in that an early stage technology could present unexpected challenges that exceed the allocated resources. The Company will reduce the probability of occurrence by careful project management.

The Company expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If the Company does not achieve revenues to offset these expected operating expenses, the Company will never be profitable which would limit the Company to grow.

Technology cannot be validated
There is a risk that the technology will not work as expected and therefore, will never be commercialized. This means that the Company may never receive revenues or return on its technology.

Partner Performance
The Company assumes that partners will act as agreed and planned, although there can be no guarantee that partners will perform as expected by the Company.

Supplier Performance
The Company faces a third-party risk, should suppliers for the alternator and power electronics not deliver on one or more dimensions of scope, time and cost.

Technical Risks
Technical risks are inherent in the development process, in that an immature technology could present unexpected challenges that exceed the planned time or money to overcome. There can be no guarantee that the Company will be able to overcome technical risks.

The Company has not yet delivered a generator control unit (GCU) meeting all of Northwest UAV's requirements because its current knowledge of regulators and controllers for alternators for UAV's is limited. There can be no guarantee the Company will develop a GCU meeting all of Northwest UAV's requirements.
There is a risk that the benefits of DPM will not be optimized by the algorithms, leading to future ambiguity regarding success.

There is a risk that the benefits of DPM will not be optimized by the algorithms, leading to future ambiguity regarding success of DPM.

Project Management
There is inherent risk in project execution due to the structure of the project, which involves several parties undertaking specific work in different geographic locations, and having to coordinate in real time.

Additional Financing

In order to execute the anticipated growth strategy, the Company may require some additional equity and/or debt financing to support on-going operations, to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to the Company when needed or on terms which are acceptable. The Company's inability to raise financing to support on-going operations or to fund capital expenditures or acquisitions could limit the Company's growth and may have a material adverse effect on the development of the technology and upon future profitability. The Company does not expect commercial revenue until 2018.

Ability to Protect Proprietary Rights

Our success will depend in part on our ability and that of our corporate collaborators to obtain and enforce and protect patents and maintain trade secrets, in Canada, the United States and in other countries. There is a risk that the Company may not be able to obtain and enforce patents and maintain its trade secrets.

Patent law relating to the scope and enforceability of claims in the fields in which we operate is still evolving. There can be no assurance that patents will issue from any of the pending patent applications. In addition, there may be issued patents and pending applications owned by others directed to technologies relevant to our or our corporate collaborators' research, development and commercialization efforts. There can be no assurance that our or our corporate collaborators' technology can be developed and commercialized without a license to such patents or that such patent applications will not be granted priority over patent applications filed by us or one of our corporate collaborators.

Our commercial success depends significantly on our ability to operate without infringing the patents and proprietary rights of third parties, and there can be no assurance that our and our corporate collaborators' technologies and products do not or will not infringe the patents or proprietary rights of others.

There can be no assurance that third parties will not independently develop similar or alternative technologies to ours, duplicate any of our technologies or the technologies of our corporate collaborators or our licensors, or design around the patented technologies developed by us, our corporate collaborators or our licensors. The occurrence of any of these events would have a material adverse effect on our business, financial condition and results of operations.

Litigation may also be necessary to enforce patents issued or licensed to us or our corporate collaborators or to determine the scope and validity of a third party's proprietary rights. We could incur substantial costs if litigation is required to defend ourselves in patent suits brought by third parties, if we participate in patent suits brought against or initiated by our corporate collaborators or if we initiate such suits, and there can be no assurance that funds or resources would be available in the event of any such litigation. An adverse outcome in litigation or an interference to determine priority or other proceeding in a court or patent office could subject us to significant liabilities, require disputed rights to be licensed from other parties or require us or our corporate collaborators to cease using certain technology or products, any of which may have a material adverse effect on our business, financial condition and results of operations.

Operating Risk and Insurance Coverage

The Company intends to obtain insurance to protect its assets, operations and employees. While the Company believes insurance coverage can adequately address all material risks to which it may be exposed and is adequate and customary in its current state of operations, such insurance is subject to coverage limits and exclusions and may not be available for all risks and hazards to which the Company is exposed. In addition, no assurance can be given that such insurance will be adequate to cover the Company's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If the Company were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if the Company were to incur such liability at a time when it is not able to obtain liability insurance, its business, results of operations and financial condition could be materially adversely affected.

Litigation

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company, such a decision could adversely affect the Company's ability to continue operating and the market price for the Company Shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant company resources.

The Market Price of the Company Shares may be Subject to Wide Price Fluctuations
If the shares of the Company are listed on a share exchange, the market price of the Company Shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Company, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Company, general economic conditions, legislative changes, and other events and factors outside of the Company's control. In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Company Shares.

Dividends
The Company has no earnings or dividend record, and does not anticipate paying any dividends on the Company Shares in the foreseeable future. Dividends paid by the Company would be subject to tax and, potentially, withholdings.

No Market for Securities
As of the date of this Prospectus there is no market of the Company Shares, and there can be no assurance that an active and liquid market for the Company Shares will develop or be maintained and an investor may find it difficult to resell any securities of the Company.

Conflict of Interest
Certain of the Company's directors and officers may, from time to time, serve as directors or officers of other companies involved in similar businesses to the Company and, to the extent that such other companies may participate in the same ventures in which the Company may seek to participate, such directors and officers may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. Such conflicts of the Company's directors and officers may result in a material and adverse effect on Company's results of operations and financial condition.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in forward-looking statements.

FINANCIAL INSTRUMENTS AND FAIR VALUE

The Company has designated its cash as fair value through profit or loss, accounts receivable as loans and receivables and accounts payable and accrued liabilities, related party payable and notes payable as other financial liabilities.

(a) Fair value

At June 30, 2017 and December 31, 2017, the carrying values of cash, accounts receivable, accounts payable and accrued liabilities, related party payable and loan payable approximate their fair values due to the relatively short period to maturity of those financial instruments.

The Company uses a fair value hierarchy to reflect the significance of the inputs used in making the measurements. The six levels of the fair value hierarchy are as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3: Inputs that are not based on observable market data.

There were no transfers between Level 1, 2 and 3 during the period. At June 30, 2017 and December 31, 2016, the Company has designated its financial instruments as level 1.

(b) Financial risk management

The Company's activities potentially expose it to a variety of financial risks, including credit risk, liquidity risk, and market risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. As at June 30, 2017, the Company's exposure to credit risk is the carrying value of cash. The Company reduces its credit risk by holding its cash at a major Canadian financial institution.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through equity or debt financing.

The Company currently does not have adequate cash to meet short-term business requirements. At June 30, 2017, the Company had cash of $2,403,975, accounts payable and accrued liabilities of $1,081,814, related party payable of $837,668 and promissory notes payable of $529,000. All accounts payable and accrued liabilities are due within 90 days and the promissory notes payable is due on demand.

Market risk

Market risk consists of currency risk, interest rate risk and other price risk. These are discussed further below.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate due to changes in foreign exchange rates. The Company has financial assets and financial liabilities denoted in US dollars and is therefore exposed to exchange rate fluctuations. The Company has not entered into any agreement or purchased any instruments to hedge the foreign exchange risk.

		June 30, 2017		**December 31, 2016**
Funds held in trust	$	12,897	$	31,629
Accounts payable and accrued liabilities		31,298		
	$	44,195	$	31,629

Based on the exposures as of June 30, 2017 and December 31, 2016, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the US dollar against the Canadian dollar would result in an increase or decrease of approximately $3,000 (December 31, 2016 - $2,000).

Interest rate risk

Interest rate risk consists of two components:

i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
ii) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

Current financial assets and financial liabilities are generally not exposed to interest rate risk because of their short-term nature and maturity.

Other price risk

Other price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or currency risk. The Company is not exposed to other price risk.

SIGNIFICANT ACCOUNTING POLICIES

The Company's financial statements have been prepared using accounting policies, judgements and estimates consistent with those used in the financial statements for the six months ended June 30, 2017 and the year ended December 31, 2016. Please refer to the financial statements for the six months ended June 30, 2017 and the audited financial statements for the year ended December 31, 2016, for additional information.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

At the date of authorization of these financial statements, the IASB and International Financial Reporting Interpretation Committee have issued the following new and revised standards and interpretations, which are not yet effective for the relevant reporting periods. The new and revised standards are applicable to the Company are as follows:

IFRS 9, Financial Instruments – Classification and Measurement
IFRS 9 will replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as de-recognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss.

IFRS 15, Revenue from Contracts with Customers
IFRS 15 is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, Construction Contracts, IAS 18, Revenue, IFRIC 13, Customer Loyalty Programs, IFRIC 15, Agreements for the Construction of Real Estate, IFRIC 18, Transfers of Assets from Customers, and SIC-31, Revenue – Barter Transactions involving Advertising Service.

Management is currently assessing the impact of these new standards on the Company's accounting policies and financial statement presentation.

FORWARD-LOOKING INFORMATION OR STATEMENTS AND CAUTIONARY FACTORS THAT MAY AFFECT FUTURE RESULTS

Certain statements contained in the following MD&A constitute forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements may include statements regarding work programs, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not statement of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company's expectations include uncertainties involved in disputes and litigation, fluctuations in currency exchange rates; uncertainty of estimates of capital and operating costs; the need to obtain additional financing and uncertainty as to the availability and terms of future financing; and other risks and uncertainties disclosed in other information released by the Company from time to time and filed with the appropriate regulatory agencies.

It is the Company's policies that all forward-looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. The forward-looking statements contained herein are as of September 29, 2017 and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws.

Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate. Forward-looking information or statements in this MD&A include, but are not limited to, information or statements concerning our expectations regarding the ability to raise additional funds and find additional value in the biotechnology assets held.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and factors including: the possibility that opportunities will arise that require more cash than the Company has or can reasonably obtain; dependence on key personnel; dependence on corporate collaborations; potential delays; uncertainties related to early stage of technology and product development; uncertainties as to fluctuation of the stock market; uncertainties as to future expense levels and the possibility of unanticipated costs or expenses or cost overruns; and other risks and uncertainties which may not be described herein. The Company has no policy for updating forward looking information beyond the procedures required under applicable securities laws.

Vancouver, BC September 29, 2017