Symbility Solutions Inc.
Management's Discussion and Analysis
November 18, 2014

The following Management's Discussion and Analysis ("MD&A") of Symbility Solutions Inc. (the "Corporation") should be read in conjunction with the interim condensed consolidated financial statements and accompanying notes, which are prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") for the three and nine months ended September 30, 2014, the 2013 Annual MD&A and the Corporation's audited consolidated financial statements and accompanying notes as of December 31, 2013 and 2012 ("Audited Financial Statements"), and the Annual Information Form dated December 31, 2013, all available on SEDAR. Any reference to the Corporation specifically relates to the company as separate from its operating segments. All operating results refer to the consolidated financials of the parent company and its subsidiaries unless specifically noted otherwise. Additional information about the Corporation is available on SEDAR at www.sedar.com.

All amounts are expressed in thousands of Canadian dollars unless otherwise noted.

This document is intended to assist the reader in better understanding operations and key financial results as of the date of this report. The interim condensed consolidated financial statements and this MD&A have been reviewed by the Corporation's Audit Committee and approved by its Board of Directors.

Forward-looking Statements

This MD&A contains certain information that may constitute forward-looking information within the meaning of securities laws. In some cases, forward-looking information can be identified by the use of terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Forward-looking information may relate to management's future outlook and anticipated events or results, and may include statements or information regarding the future financial position, business strategy and strategic goals, research and development activities, projected costs and capital expenditures, financial results, the ability to raise capital, taxes and plans and objectives of or involving the Corporation.

Without limitation, information regarding the Corporation's future cost structure, future sales and marketing activities, increased penetration into certain markets through strategic partnerships, the impact of the introduction of new products, the ability of new management to leverage sales opportunities, increase in the size of certain markets, expected increases in revenue, expected revenue from certain contracts, customer rollout plans for specific products, expected increase in gross margins, Symbility Health software product placement targets and Symbility Property product placement targets are forward-looking information.

Forward looking-information is subject to certain factors, including risks and uncertainties that could cause actual results, events or developments to be materially different from what we currently expect. These risks include, among others, product development risk, potential product liability, risks related to third party contractual performance, customer demand, competition and the risks posed by potential technological advances, risks relating to the protection of the Corporation's intellectual property, risks relating to fluctuation in foreign currency exchange rates, and exposure to increased credit and liquidity risk. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While the Corporation may elect to, the Corporation does not undertake to update this information at any particular time unless required by law. Unless otherwise indicated, this MD&A was prepared by management from information available up to November 18, 2014.

Non-IFRS Measures

In addition to disclosing results in accordance with IFRS as issued by the IASB, the Corporation also provides supplementary non-IFRS measures as a method of evaluating the Corporation's performance.

Management uses Adjusted EBITDA as a measure of enterprise-wide performance. Adjusted EBITDA is defined as earnings before interest income, taxes, depreciation and amortization, impairment losses, stock-based compensation, and other non-recurring gains or losses including transaction costs related to acquisition. Management believes Adjusted EBITDA is a useful measure that facilitates period-to-period operating comparisons. Adjusted EBITDA does not have any standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures presented by other companies. Adjusted EBITDA should not be considered in isolation or as a substitute for net income (loss) prepared in accordance with IFRS as issued by the IASB.

Management uses the annual contract value (ACV) and the total contract value (TCV) as a measure of sales performance. The ACV is an estimated variable amount impacted by: (1) the actual number of claims processed; (2) the impact of severe weather on insurance property claims; (3) the number of claims assigned by an insurance carrier to an independent adjuster or contractor; and (4) the time required to integrate the Corporation's system with Symbility Solutions platform, any of which may result of a time delay between the signed agreement and revenue recognition and there may be material, significant variances in actual revenue on these new contracts. The TCV is the total of the estimated ACV over the term of each the contracts. TCV also includes expected changes from the use of Symbility's products and/or price increases.

Overall Performance

This financial information has been prepared in accordance with IAS 34. For further information and significant accounting policies, please see Notes 2 and 3 of the Audited Financial Statements.

Selected Financial Information	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	**2014**	2013
Revenue	**$6,608**	$5,430	**$20,856**	$16,424
Cost of Sales	**$1,222**	$1,104	**$3,781**	$3,207
Expenses	**$5,673**	$5,386	**$18,238**	$16,642
Net Loss	**($259)**	($1,032)	**($1,058)**	($3,339)
Adjusted EBITDA	**$597**	($112)	**$2,013**	$323
Loss per share (1)	**($0.00)**	($0.01)	**($0.01)**	($0.02)

(1) in Canadian dollars, rounded to the nearest cent

As at September 30, 2014 and December 31, 2013	**2014**	2013
Cash and cash equivalents	**$12,922**	$12,173
Total assets	**$36,944**	$33,613
Total long term liabilities	**$346**	$350

In the three months ended September 30, 2014, consolidated revenue grew 22% as a result of customer use of our software in international markets, growth in revenue from our largest customer and the impact of foreign exchange. Operating expenses (including non-cash expenses) increased 5% as compared to the comparative quarter due to compensation related to increased headcount, increased office and software costs, offset by reductions in professional fees, contractors, travel, marketing events and stock based compensation expense. Adjusted EBITDA was $597 compared to ($112) for the comparative quarter. The net loss for the quarter ended September 30, 2014 is $259 compared to net loss of $1,032 for the comparable quarter. The Corporation had 123 employees as at September 30, 2014 (September 30, 2013 – 110).

In the nine months ended September 30, 2014, consolidated revenue grew 27% as a result of the same factors described above. Operating expenses (including non-cash expenses) increased 10% as compared to the comparative period due to compensation related to increased headcount and office and software costs, offset by reductions in travel, marketing activities and stock based compensation expense., specialized subcontractors and other operating expenses. Adjusted EBITDA was $2,013 compared to $323 for the comparative period. The net loss for the nine months September 30, 2014 is $1,058 compared to net loss of $3,339 for the comparable period.

Additional details on financial performance and variances are provided in “Discussion of Operations” below.

As at September 30, 2014, CoreLogic, Inc. and its affiliates (collectively "CoreLogic"), own 61,404,748 common shares representing approximately 29% of the outstanding shares of the Corporation. Marshall & Swift/Boeckh ("MSB"), a wholly owned subsidiary of CoreLogic, is a related party as a result of a common significant shareholder.

The Corporation ended the nine months ended September 30, 2014 with cash and cash equivalents of $12,922 (December 31, 2013 - $12,173). Cash generated by operating activities (excluding changes in working capital) was $2,045, cash received from the exercise of stock options $193 and cash generated in non-cash working capital changes was $335 - primarily an increase in deferred revenue of $1,852, increase in accounts payable and accrued liabilities of $897 and offset by an increase in accounts receivable of ($2,466). In the three months ended September 30, 2014, there is a large annual billing which increases both accounts receivable and deferred revenue. Subsequent to September 30, 2014 the corporation had collected from its two largest customers $2,983. In addition, the Corporation purchased additional capital assets ($1,151) and completed a business acquisition ($354). Overall, cash increased by $749 for the nine months ended September 30, 2014.

On September 30, 2014, Symbility completed the acquisition of Haus360°, the established nationwide name property claim estimation in Germany, providing the Symbility suite of products. Now established as Symbility Solutions GmbH, Symbility will be offering the full suite of Symbility Solutions’ products and services. Symbility Solutions acquired Haus360° in order to accommodate its increasing growth within the European property and casualty insurance market and increase its employee base. Based in Stuttgart, Symbility Solutions GmbH cloud-based software solutions are offered to the property and casualty insurance industry.

Adjusted EBITDA

The reconciliation of Adjusted EBITDA to IFRS net loss is presented in the following table:

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	**2014**	2013
IFRS Net Loss	**($259)**	($1,032)	**($1,058)**	($3,339)
Finance income, net	**(37)**	(28)	**(117)**	(89)
Depreciation and amortization	**482**	410	**1,400**	1,193
Stock-based compensation	**263**	538	**1,637**	2,555
Transaction related expenses	**139**	-	**139**	-
Income tax expense	**9**	-	**12**	3
Adjusted EBITDA	**$597**	($112)	**$2,013**	$323

The Corporation believes Adjusted EBITDA is a useful measure as a proxy for operating cash flow and facilitates period-to-period operating comparisons. We believe Adjusted EBITDA is useful to an investor in evaluating our operating performance because:

- it is widely used by investors in our industry to measure a company's operating performance without regard to items such as depreciation and amortization which can vary substantially from company to company depending upon accounting methods and book value of assets, financing methods, capital structure and the method by which assets were acquired; and
- It helps investors more meaningfully evaluate and compare the results of our operations from period–to-period by removing the impact of our asset base (primarily depreciation and amortization) and actions that do not affect liquidity (stock-based compensation expenses) from our operating results.

The Corporation uses Adjusted EBITDA in calculating incentive compensation for its officers and employees and under the Restricted Share Plans to measure achievement.

<u>Overall Outlook</u>

As of the end of the third quarter, the Corporation has signed 52 new domestic and international customer contracts. These contracts represent new business for the Corporation in North America and Europe, including insurance companies and P&C supply chain vendors for the Property Division, and the first insurance carrier and new third-party administrators for Symbility Health that represent a combined annual contract value of $3.1 million. These contract signings position the Corporation well for 2015.

The Corporation estimates that it will achieve revenue in 2014 in the range of approximately $28 million and Adjusted EBITDA of approximately $3.0 million.

As disclosed on January 2, 2014, the Corporation announced that its largest US customer was not renewing its contract in 2015. Revenue from this US customer was $7,135 in the first nine months of the year.

Operating segments

The Corporation has two reportable segments which offer products and services to different segments of the insurance industry: Symbility Property™ (property and casualty insurance software) and Symbility Health™ (group insurance software).

- Symbility Property provides powerful, accurate and easy-to-use claims processing and estimating software for Property and Casualty Insurers.
- Symbility Health provides an advanced and practical software solution to a network of Employee Benefits Brokers and Third Party Administrator partners in the adjudication of health and dental claims.

The Corporation allocates all expenses (including corporate costs) to each of these two operating segments. See Discussion of Operations for details on the financial performance of each operating segment. The Corporation's operating segments reported the following business developments in 2014:

Symbility Property

Symbility Property's Market Position, Sales & Marketing Initiatives and Product Strategy disclosed in the 2013 Annual MD&A issued on March 27, 2014 are substantially unchanged at this time.

Outlook

The focus of 2014 and 2015 is on signing additional new carrier clients in North America and continuing to expand the client base internationally.

With Symbility Property's focus on continuously improving our products and positioning our mobile solutions at the forefront of cloud-based insurance technology, the management team believes that further investments in newly implemented customer self-service functionalities, such as Symbility Video Connect, and product integrations with partners such as SkyMeasure by CoreLogic, will help Symbility to further enhance our offering. This focus will enable the Property Division in 2014 and going into 2015, gain ground in new markets and territories not only in North America, but also in Europe and Asia Pacific.

The efforts in international markets, along with the marketing efforts in 2014 and continuing into 2015, will be important in achieving future revenue.

Symbility Health

Symbility Health's Market Position, Product Strategy and Sales and Marketing Initiatives disclosed in the 2013 Annual MD&A issued on March 27, 2014 are substantially unchanged at this time.

Outlook

The traditional focus of Symbility Health Management feels that the efforts made in the past several years have created an enhanced benefits platform for our partners and generated a significant amount of momentum in 2014 and going into 2015:

- Symbility Health has traditionally focused on the insurance space, however recent expansion into providing technology to the pharmaceutical market provides additional potential revenue streams and an opportunity to provide additional products and services to its existing insurance customers
- The investment in collaborative workflow and mobile products has provided new opportunities to sell to insurance carriers as opposed to just Third Party Administrators and brokers

- Additional investments in sales and marketing initiatives such as a new marketing campaign and website to promote our new value proposition to clients, along with the annual Symbility Health partner event, are being made to grow the Symbility Health business.

The Assumption Life contract, announced July 24, 2014, represents the first insurance carrier using Symbility Health's claims connect technology to streamline the exchange of information with their third party administrator (TPA) partners. This also represents a significant opportunity for Symbility Health to increase its business with its existing TPA partners by enabling them to pay claims using our Adjudicare software on fully insured group plans offered by Assumption Life. Historically, most of Symbility Health's client base only paid claims associated with self-insured plans on our system which represented only a small portion of the overall block of group benefits plans administered by each partner.

With all of these components in place, management believes that Symbility Health will continue to grow in 2014 and accelerate its growth in 2015.

Discussion of Operations

The following discussion includes an explanation of the primary factors in changes in operations in the three and nine months ended September 30, 2014 ("Q3 2014" and "YTD 2014" respectively) over the comparable periods. Additional, less significant changes are not articulated.

Revenue

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	**2014**	2013
Symbility Property	**$5,485**	$4,474	**$17,449**	$13,474
Symbility Health	**1,123**	956	**3,407**	2,950
Total	**$6,608**	$5,430	**$20,856**	$16,424

In Q3 2014 Symbility Property's revenue increase of 23% relates to increased revenue from existing customers, incremental revenue from acquisition of new customers signed in 2013 and the impact of foreign exchange on US operations. Revenue increased by 104% or $511 from our international customers and 16% or $571 from our US customers. Symbility Health's revenue growth of 17% is from its existing customers and a number of new small clients and new services being provided in 2014.

We have discontinued disclosing the number of customers. While the number of customers and users on our system fluctuates monthly, the top 25 customers account for approximately 75% of our revenue, so the number of customers is not a meaningful measure or indicator of past or future revenue.

In YTD 2014 Symbility Property's revenue increase of 30% relates to increased revenue from existing customers and incremental revenue from acquisition of new customers signed in 2013. Revenue increased by 116% or $1,894 from our international customers and 19% or $2,088 from our US customers. Symbility Health's revenue growth of 15% is from its existing customers, a number of new small clients and new services being provided in 2014.

Cost of Sales

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	**2014**	2013
Symbility Property	**$691**	$654	**$2,201**	$1,856
Symbility Health	**531**	450	**1,580**	1,351
Total	**$1,222**	$1,104	**$3,781**	$3,207

In Q3 2014 Symbility Property's cost of sales increase relates to increased data centre costs ($55) in the United States. Notwithstanding the increased cost, Symbility Property's gross margin improved to 87% from 85%. Included in Q3 2014 Cost of Sales are non-cash charges of $256 (2013 - $220) for amortization of the database and technology licenses. Symbility Health's cost of sales increased due to higher revenue. Symbility Health's gross margin is consistent at 53%.

In YTD 2014 Symbility Property's cost of sales increase relates to the incremental cost the database maintenance and enhancements ($115), costs associated with new technology and software licenses ($131) and increased data centre costs ($99). Notwithstanding the increased cost, Symbility Property's gross margin remained relatively constant at 87% compared to 86%. Included in Q3 2014 Cost of Sales are non-cash charges of $721 (2013 - $660) for amortization of the database and technology licenses. Symbility Health's cost of sales increased due to higher revenue. Symbility Health's gross margin was consistent at 54%.

Sales and Marketing

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	**2014**	2013
Symbility Property	**$2,101**	$2,142	**$7,072**	$6,772
Symbility Health	**276**	340	**922**	845
Total	**$2,377**	$2,482	**$7,994**	$7,617

In Q3 2014 Symbility Property's decrease relates to reduced travel ($101), marketing ($70) and subcontractors ($56) and non-cash charges for stock-based compensation expense ($51), offset by additional personnel and related expenses ($222), . The reduction in sales and marketing expenses is driven in part by seasonal effects such as the timing of industry events and the impact of availability of clients during the period. Symbility Health's decrease relates to the scheduling of the annual customer event, which was scheduled subsequent to Q3 2014 ($88), offset by investment of additional sales personnel ($32), net of converting a contractor to employment. Included in Q3 2014 sales and marketing expense are non-cash charges of $118 (2013 - $112) for amortization of customer relationships and non-cash charges of $109 (2013 - $179) for stock-based compensation expense.

In YTD 2014 Symbility Property's increase relates to additional personnel and related expenses ($995), but reduced travel expenses ($198), marketing events ($270) and non-cash charges for stock-based compensation expense ($140). Symbility Health's increase relates to investment of additional sales personnel ($282), a reduction in marketing events ($130) as discussed above and a reduction in non-cash charges for stock-based compensation expense ($37). Included in YTD 2014 sales and marketing expense are non-cash charges of $356

(2013 - $333) for amortization of customer relationships and non-cash charges of $544 (2013 - $745) for stock-based compensation expense.

Symbility Property and Symbility Health have increased its focus on sales and marketing to enable future growth aggressively for the past 18 months.

General and Administration

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	**2014**	2013
Symbility Property	**$1,428**	$1,550	**$4,630**	$5,194
Symbility Health	**261**	194	**708**	541
Total	**$1,689**	$1,744	**$5,338**	$5,735

In Q3 2014 Symbility Property's reduction is due to a decrease in non-cash charges for stock-based compensation expense ($150), a reduction in personnel costs ($26) and travel ($39), offset by an increase in facilities and insurance ($65). Symbility Health's increase is due to additional personnel ($40) and office costs ($10). Included in Q3 2014 general and admin expense are non-cash charges of $87 (2013 - $233) for stock-based compensation expense.

In YTD 2014 Symbility Property's reduction is due to a decrease in non-cash charges for stock-based compensation expense ($575), travel ($102) and professional and public company costs ($71), offset by increases in facilities ($122), insurance ($60). Symbility Health's increase is due to additional personnel ($79), travel costs ($32) and increased bad debt provision ($26). Included in YTD 2014 general and admin expense are non-cash charges of $699 (2013 - $1,273) for stock-based compensation expense.

Research and Development

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	**2014**	2013
Symbility Property	**$1,071**	$950	**$3,725**	$2,668
Symbility Health	**228**	129	**884**	424
Total	**$1,299**	$1,079	**$4,609**	$3,092

In Q3 2014 Symbility Property's increase is due to additional personnel hired to support product development initiatives and quality assurance ($383) and reduced the use of consultants on projects ($198) and a decrease in non-cash charges for stock-based compensation expense ($56). Symbility Health's increase is due to additional personnel hired to support product development initiatives and quality assurance ($88) and development consultants ($13). Included in Q3 2014 research and development expense are non-cash charges of $67 (2013 - $126) for stock-based compensation expense.

In YTD 2014 Symbility Property's increase is due to additional personnel hired to support product development initiatives and quality assurance ($1,136) and an increase in the use of consultants on projects ($37) and a decrease in non-cash charges for stock-based compensation expense ($126). Symbility Health's increase is due to additional personnel hired to support product development initiatives and quality assurance ($232) and development consultants ($246). Included in YTD 2014 research and development expense are non-cash charges of $394 (2013 - $537) for stock-based compensation expense.

In 2014 Symbility has increased its emphasis on new feature development in both Symbility Property and Symbility Health.

Transaction Related Expenses

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	**2014**	2013
Total	**$139**	$ -	**$139**	$ -

Transaction related expenses were incurred to complete the Acquisition of the Haus360 Business, which was completed on September 30, 2014.

Other Operating Expenses

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	**2014**	2013
Total	**$169**	$81	**$158**	$198

Other operating expenses include depreciation and amortization (excluding intangible assets acquired in the Transaction) and foreign exchange. In Q3 2014 and YTD 2014 the Corporation realized a loss of $62 and gain of $164 (Q3 2013 and YTD 2013, a loss of $3 and a gain of $2), respectively, on foreign currency holdings.

Finance income, net

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	**2014**	2013
Total	**($37)**	($28)	**($117)**	($89)

There is no material change in Finance income which is related to cash balances and short term investments.

Summary of Quarterly Results

The following table shows selected financial information for each of the eight most recently completed quarters reported below in thousands of dollars, except per share amounts.

	FISCAL 2014			FISCAL 2013				FISCAL 2012
	Sep 30, 2014 (Q3)	Jun 30, 2014 (Q2)	Mar 31, 2014 (Q1)	Dec 31, 2013 (Q4)	Sep 30, 2013 (Q3)	Jun 30, 2013 (Q2)	Mar 31, 2013 (Q1)	Dec 31, 2012 (Q4)
Symbility Property Revenue	$5,485	$5,929	$6,036	$4,355	$4,474	$5,020	$3,979	$3,728
Symbility Health Revenue	$1,123	$1,137	$1,146	$1,116	$956	$999	$995	$928
Consolidated Revenue	$6,608	$7,066	$7,182	$5,471	$5,430	$6,019	$4,974	$4,656
Adjusted EBITDA	$597	$610	$808	($460)	($112)	$635	($200)	$161
Net Loss	($259)	($101)	($698)	($1,347)	($1,032)	($334)	($1,972)	($761)
Net Loss per share (1)	($0.00)	($0.00)	($0.00)	($0.01)	($0.01)	($0.00)	($0.01)	($0.00)

(1) In Dollars, rounded to the nearest cent in each quarter.

Over the past eight quarters, revenue has increased for the following reasons:

- Symbility Property continues to recognize revenue from the rollout of its customers and users. In addition to the growth in customers signed in 2013, the current year includes the realization of the contract renewal announced on January 2, 2014.
- Symbility Health has a small growth its customer base and incremental growth in existing customers.

Historically, Symbility Property revenue was based in part on claims volumes and typically has higher claims in the second and third quarter based on seasonal weather effects. As the result in the growth in breadth and depth of our customer base and the evolution of the pricing model to annual licenses, this seasonality is expected to be reduced in 2014. Symbility Health has limited seasonality due to the nature of the business.

Adjusted EBITDA is impacted by the seasonality of the Symbility Property revenue and the timing of activities such as marketing events generally determined by the industry. In both Q3 2014 and YTD 2014, 79% and 80% of the Corporation’s revenue was from outside Canada (2013 – 77% and 77%). Included in these amounts in Q3 2014 and YTD 2014 is 15% and 17%, respectively, from countries outside of North America (2013 - 9% and 10%). The Corporation’s momentum outside of North America demonstrates the market acceptance of its products.

Liquidity and Capital Resources

The Corporation has a working capital surplus of $11,045 at September 30, 2014 as compared to $10,330 of working capital surplus at December 31, 2013.

The Corporation’s current assets consist of cash and cash equivalents of $12,922, accounts receivable and other assets of $6,708, and prepaid and other assets of $750. Current liabilities consist of accounts payable and accrued liabilities of $4,687 and deferred revenue of $4,648. As at September 30, 2014, the largest amount due from two customers accounted for 60% of the Corporation’s total accounts receivable. Subsequent to September 30, 2014, these customers had paid $2,983, including their full balances greater than 90 days.

The Corporation believes it is sufficiently capitalized with a working capital surplus of $11,045 at September 30, 2014. The Corporation’s commitments disclosed in the 2013 Annual MD&A issued on March 27, 2014 are substantially unchanged at this time.

Capital Resources

Management has decided that it is essential to invest in additional computer equipment and software to increase hosting capacity to support the growth of the Corporation. Subsequent to September 30, 2014, the Corporation has entered into commitments for capital expenditures under this plan of approximately $162.

Off Balance Sheet Arrangements

The Corporation did not enter into any off balance sheet arrangements during the period ended September 30, 2014.

Related Party Transactions

For the three-month and nine-month periods ended September 30, 2014, the Corporation expensed $568 and $1,879 respectively (September 30, 2013 - $606 and $1,804), for services under the four-year transition services agreement and database license agreement with MSB. The termination of the transition services agreement is subject to the earlier of i) the time when no customers are using certain existing MSB products, and ii) four (4) years following the effective date, which was on April 10, 2012 and iii) portions of the agreement upon 90 days' notice. For the three-month and nine-month periods ended September 30, 2014, the Corporation earned $Nil and $14 (September 30, 2013 - $43 and $309), for services provided to MSB. As at September 30 2014, the Corporation owed $194 (December 31, 2013 - $322) to MSB, net of services provided.

All of the above transactions were recorded at the exchange amount.

Significant Accounting Policies and Critical Accounting Estimates

We describe our significant accounting policies and critical accounting estimates in Note 3 to the audited consolidated financial statements and the MD&A for the year ended December 31, 2013. The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Corporation's annual consolidated financial statements for the year ended December 31, 2013. There are no significant changes in our accounting policies and critical accounting estimates for the nine months ended September 30, 2014

Changes in Accounting Policies Not Yet Adopted

The following accounting pronouncements issued by the IASB were not effective as of September 30, 2014. Management is currently evaluating the potential impact the adoption of these accounting pronouncements will have on the Corporation's consolidated financial statements:

In July 2014, the IASB issued the final amendments to IFRS 9, which provides guidance on the classification and measurement of financial assets and liabilities, impairment of financial assets, and general hedge accounting. The Classification and measurement portion of the standard determines how financial assets and financial liabilities are accounted for in financial statements and, in particular, how they are measured on an ongoing basis. The amended IFRS 9 introduced a new, expected-loss impairment model that will require more timely recognition of expected credit losses. In addition, the amended IFRS 9 includes a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new standard is effective for annual periods beginning on or after January 1, 2018, with earlier adoption permitted. The Corporation is in the process of evaluating the impact of adopting these amendments on the Corporation's consolidated financial statements.

In May 2014, the IASB issued IFRS 15, which covers principles for reporting about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The core principle of the new standard is that an entity recognizes revenue to represent the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard also provides a model for the recognition and measurement of gains or losses from sale of non-financial assets. IFRS 15 is effective for annual periods beginning on or after January 1, 2017. The standard permits the use of either the retrospective or cumulative effect transition method. This new accounting guidance will also result in enhanced disclosures about revenue. The Corporation is evaluating the effect that IFRS 15 will have on its consolidated financial statements, and related disclosures, as well as the transition method to apply the new standard.

Financial Instruments and Risk Management

The Corporation's financial instruments consist of cash and cash equivalents, accounts receivable and other, loan receivables, accounts payable and accrued liabilities and finance lease obligations and their carrying value approximates fair value due to their immediate or short-term maturity.

Risks and Uncertainties

The results of operations and financial condition of the Corporation are subject to a number of risks and uncertainties, and are affected by a number of factors outside of the control of Management. For a detailed discussion regarding the relevant risks and uncertainties, see the Corporation's annual MD&A and Annual Information Form for the year ended December 31, 2013. There have been no changes during the period ended September 30, 2014.

Foreign Currency risk

The Corporation's activities that result in exposure to fluctuations in foreign currency exchange rates consist of the sale of products and services to customers invoiced in foreign currencies and the purchase of services invoiced in foreign currencies.

The Corporation's accounts receivable and accounts payable by foreign currency are as follows:

As at September 30, 2014 and December 31, 2013	**2014**	2013
Accounts receivable - U.K. pound sterling	**35%**	36%
Accounts receivable - U.S. dollars	**34%**	22%
Accounts payable - U.S. dollars	**27%**	33%

The Corporation's revenues and expenses by foreign currency are as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	**2014**	2013
Revenue - U.K. pound sterling	**13%**	8%	**14%**	9%
Revenue - U.S. dollars	**64%**	68%	**63%**	68%
Expenses - U.S. dollars	**32%**	30%	**31%**	35%

Credit risk

As at September 30, 2014, the largest amounts due from two customers accounted for 39% and 21% of the Corporation's total accounts receivable (December 31, 2013 – one customer - 41%). Subsequent to September 30, 2014, these customers have paid $3,052, including their balances greater than 90 days.

Liquidity risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Corporation's objective in managing liquidity risk is to maintain sufficient readily available cash reserves in order to meet its liquidity requirements at any point in time. The Corporation achieves this by maintaining sufficient cash and cash equivalents, managing cash from operations and through the raising of equity financing. As at September 30, 2014, the Corporation was holding cash and cash equivalents of $12,922 (December 31, 2013 - $12,173).

Disclosure of Outstanding Share Data

The following table summarizes each of the equity securities outstanding as of the date hereof:

Common Shares	209,849,016
Stock Options	16,769,167
Broker Warrants	1,136,375

Addition Information

Additional information concerning the Corporation, including its Annual Information Form, is available on SEDAR at www.sedar.com.