



MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")

For The Twelve and Three Month Periods Ended December 31, 2015

NOBLE IRON INC.

Management's Discussion & Analysis for the Year and Three Months Ended December 31, 2015

Basis of Presentation:

The following discussion of the financial condition and results of operations of Noble Iron Inc. ("Noble Iron" or the "Company") should be read in conjunction with the Company's Consolidated Financial Statements for the years ended December 31, 2015 and December 31, 2014, which were prepared under International Financial Reporting Standards ("IFRS") using the Company's functional currency of Canadian dollars. This MD&A has been prepared as of April 19, 2016 to help investors understand the financial performance of the Company and to provide information that management believes is relevant to an assessment and understanding of the business, risks, opportunities and performance measures of the Company. We have prepared this document in conjunction with our broader responsibilities for the accuracy and reliability of the financial statements and the development and maintenance of appropriate internal controls in our efforts to ensure that the financial information is complete and reliable. The Audit Committee of the Company's Board of Directors has reviewed this document and all other publicly reported financial information for integrity, usefulness and consistency.

Additional information about Noble Iron, including copies of the Company's continuous disclosure materials, is available at www.nobleiron.com or on SEDAR at www.sedar.com. Noble Iron maintains its registered head office in Ontario, Canada, with executive management based in California and Texas, USA. Noble Iron's Investor Relations department can be reached at 1-281-443-7667. The information on the Company's website is not considered to be a part of this MD&A.

Forward-Looking Statements:

This document may contain forward-looking statements that reflect Noble Iron's current expectations regarding future events. The forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "estimate", "expect", "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These forward-looking statements involve risk and uncertainties, including the difficulty in predicting acceptance of and demands for new products and services, the impact of the products, services and pricing strategies of competitors, delays in developing and launching new products and services, fluctuations in operating results and other risks, any of which could cause actual results, performance, or achievements to differ materially from the results discussed or implied in the forward-looking statements. There are many inherent risks in the industries in which Noble Iron operates; some are more specific to the Company. The reader should consult Noble Iron's ongoing quarterly filings for additional information on risks and uncertainties relating to these forward-looking statements. The reader should not place undue reliance on any forward-looking statements. Management assumes no obligation to update or alter any forward-looking statements whether as a result of new information, further events or otherwise, unless required by law.

Non-IFRS Measures:

The term "Adjusted EBITDA" refers to net earnings (loss) before interest expense, income taxes, depreciation, amortization, acquisition expenses, stock-based compensation, severances, foreign exchange, lease termination payments and other extra ordinary and non-recurring items. The Company believes that Adjusted EBITDA is useful supplemental information as it provides an indication of the results generated by the Company's main business activities prior to taking into consideration how those activities are financed and taxed and also prior to taking into consideration the other items listed above.

Overview:

Noble Iron (symbol "NIR") operates in equipment rental, equipment sales, and software for construction and industrial equipment users.

Noble Iron's equipment rental and dealership business operates under the name "Noble Iron", and currently serves customers in California and Texas. Noble Iron offers construction and industrial equipment and accessories for rent and for sale, and is an exclusive distributor of LiuGong Construction Machinery earth moving equipment and Allied Construction Products in Southeast Texas.

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Noble Iron's software division operates under the name "Texada Software". Texada Software offers in-the-cloud or client-based software for equipment rental companies, equipment dealerships, construction companies, contractors, and customers who own or use construction or industrial equipment. Texada Software develops software applications to manage the equipment ownership lifecycle, including equipment purchasing; rental and sales transactions; inventory management; maintenance and depreciation tracking; used equipment sales, disposal and inventory replenishment.

The Company is subject to a number of risks and uncertainties associated with the achievement of sustainable profitability and with the financing requirements of its operations. The Company has incurred net losses and used significant cash in its operating activities since incorporation. It has relied upon financing to fund its operations and to establish its infrastructure, primarily through debt and private equity placements.

The Company anticipates raising additional funds to finance its objectives beyond the next 12 months. If the Company is unable to obtain sufficient additional financing, planned operations could be delayed or scaled-back, which could affect the Company's financial condition and results of operations and/or its ability to meet the debt covenants under its credit facilities.

Recent Developments:

At end of July 2015, the Company launched NobleIron Online, a web-based platform that provides on-demand equipment rental management for customers and vendors.

At the end of October 2015, the Company launched FleetLogic, a mobile application for service and maintenance of equipment at remote locations.

In January 2016, the Company launched Texada Insights, a business intelligence add-on software to be sold as a separate product to existing Texada customers.

Effective February 1, 2016, the Company hired a Chief People Officer to oversee all human resource matters.

Description of Noble Iron's Business:

Noble Iron engages in equipment rentals and sales, as well as providing software to the construction and industrial equipment industry.

Noble Iron's equipment rental and sales business operates under the name "Noble Iron", and currently serves customers in California and Texas. Noble Iron offers construction and industrial equipment and accessories for rent and for sale, and is the exclusive distributor of LiuGong Construction Machinery equipment in Southeast Texas for earth moving equipment.

Noble Iron's software division provides enterprise asset management software and operates under the name "Texada Software". Texada Software develops enterprise asset management software applications to manage the complete equipment ownership lifecycle: from equipment purchasing; rental and sales transactions; inventory management; maintenance and depreciation tracking; through to used equipment sales, disposal and inventory replenishment. Texada Software offers in-the-cloud or client-based software, and is scalable to meet the needs of any equipment rental company, dealership, construction company, contractor, and any customer who owns or uses construction or industrial equipment.

Construction and Industrial Equipment Rental and Distribution

Established in August 2011, the Company's Southern California operations serve two major Metropolitan Statistical Areas in the United States, including Los Angeles and Riverside-San Bernardino.

In July 2012, the Company expanded its construction and industrial equipment rental operations to the market surrounding Houston, Texas.

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The Company's construction and industrial equipment rental operations deploy a fleet comprised of aerial, forklift, heavy construction and light compact construction equipment. Segment revenues consist of equipment rental revenue along with other associated revenues such as, equipment protection fees, environmental fees and delivery charges. Other ancillary revenues include fuel sales, parts sales and proceeds from the disposition of rental fleet as part of the Company's capital expenditure and replenishment plan.

On May 15, 2012, Noble Iron announced the launch of its dealership offering, as well as a dealership agreement with exclusive territory rights to represent and distribute LiuGong Construction Machinery in the 20 counties that make up the greater Houston, Texas, market. As part of the exclusive territory rights agreement, the Company was required to make an initial fleet purchase, as well as make minimum unit purchases during the succeeding two years of the multi-year agreement. The Company met this purchase requirement for 2013 and 2014; there was no requirement in 2015.

The Company is pursuing asset-sharing opportunities which would generate incremental rental revenue from 3rd party equipment without requiring additional capital for equipment ownership.

Enterprise Asset Management Software

The software segment's revenues are derived from license revenues, which include server license fees, user license fees, Software as a Service ("SaaS") subscription fees, contract development, and upgrade fees. In addition to these fees, the segment generates maintenance and service revenue. The products are generally licensed under single-year or multi-year terms, both of which are arranged to automatically renew. Maintenance fee arrangements generally include ongoing customer support and rights to certain product updates. Service revenue consists of professional fees charged for product training, consulting, implementation, and programming services. Contract revenue is derived from contracts for the development of custom applications. Customers typically purchase a combination of software, maintenance, and professional services.

Other

In conjunction with its foray directly into renting equipment in 2011, the Company launched a proactive project and implementation plan for Noble Interactive Customer Care ("NiCC"). NiCC is a proprietary technology architecture that integrates call centre interactions as well as a variety of other processes unique to the Company.

Noble Iron's Markets:

Construction and Industrial Equipment Rental and Distribution

The equipment rental market consists of companies renting various types of construction and industrial equipment, on both short and long-term contracts, in return for rental fees. The rental industry remains highly fragmented and consists of a small number of multi-location, regional or national rental houses, as well as a large number of small independent businesses serving discrete local markets. Equipment rental and sales activity is impacted by a broad range of economic factors, including residential and non-residential construction trends, infrastructure investment and maintenance, as well as overall economic activity.

Construction and industrial equipment is largely provided to end users through two channels: equipment rental companies and equipment dealers. Examples of other national rental equipment companies include United Rentals, Hertz Equipment Rental and Sunbelt Rentals.

Management estimates that the total North American construction and industrial related equipment rental market exceeded \$38.5 billion in 2015 based on third party research, including that of the American Rental Association ("ARA"). According to the ARA, the equipment rental industry experienced approximately 7.9% growth during the calendar year 2015.

The Company currently operates in the heavy and light construction equipment rental and distribution markets. The majority of its rental fleet is comprised of aerial reach, forklift and earth moving equipment. The heavy and light construction equipment rental market consists of equipment with a significant capital cost and is deployed primarily to professional contractors to meet the demands of their construction projects. Customers in this market are generally repeat

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customers with longstanding relationships with equipment rental companies and, in some instances, may have contractual supply arrangements for certain types of equipment.

Enterprise Asset Management Software

Customers in the North American construction equipment rental sector currently account for approximately 90% of the Company's software revenue in its Texada Software division. It is estimated there are more than 30,000 companies worldwide that rent various types of equipment, 12,000 of which conduct business in the United States and Canada.

The market for rental management software has existed for over 30 years, and management estimates its growth at generally less than 10% per year. Management estimates there are more than 200 providers of rental management software to the three primary segments of the rental market. Most companies in this sector are private companies making it difficult to accurately assess the market at this time. We estimate that the Company's software business is currently the second largest provider of ERP software to the rental sector.

Seasonality and Other Factors Affecting the Variability of Results and Financial Condition:

Revenues within the Company's construction and industrial equipment rental and distribution segment may be seasonal. Demand for construction and rental equipment generally increases during temperate weather months and typically slows during storm and snow seasons. The Company's enterprise asset management software segment revenue is largely generated from recurring fees, which are earned equally throughout the year. As such, seasonality is not a material factor within the segment.

Our results of operations for interim periods and for full fiscal years are also impacted by the variability of certain factors including, but not limited to: changes in demand of construction and industrial activity, our customers' decision to rent equipment rather than buy equipment (which is impacted by customers' forecasted equipment utilization rates as well as available financing and interest rates), and weather variability outside of normal seasons. Revenue fluctuations in the Company's enterprise asset management software business are also affected by one-time large upfront license sales. These initial license sales may result in more revenue being generated in some quarters over subsequent quarters, and is not necessarily indicative of detrimental business performance in subsequent quarters; following an initial one-time licence sale to a customer, the Company's ongoing revenue for support agreements increases, and the customer is likely to eventually convert to the Company's SaaS subscription offering, which increases the Company's overall recurring revenue.

Energy costs in the Company's results of operations are also affected by fluctuations in the price of oil, which influences transportation costs. Fluctuations in commodity prices of metals, such as iron and copper, influence pricing of our parts and equipment from suppliers and therefore also impacts the Company's purchase costs. In addition, the effect of asset write-downs, including provisions for bad debts and impairment of assets can affect the variability of our results.

Management decisions to consolidate or reorganize operations, including the closure of facilities, may result in significant restructuring costs in an interim or annual period.

2015 and 2014 Business Developments:

Company Results

Over the course of 2014 and 2015, the Company focused on building scalable operating processes and capabilities, investing in the Company's management and operating teams, and developing proprietary technology. The Company did not make significant equipment fleet investments during 2015 or 2014, as management focused primarily on solidifying the Company's operating platform.

The Company also embarked upon significant change, real estate consolidation and reorganization initiatives within its construction and industrial equipment rental and distribution segment. In May of 2014, the Company began a process of

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consolidating its four Southern California locations (Ventura, San Diego, Riverside, and Long Beach) into a single facility in Pico Rivera, which is close to the centre of Los Angeles. The Construction and Industrial Equipment Rental and Distribution segment operated under unusual circumstances during 2014 and 2015, as the consolidation initiative involved general business disruption and significant employee turnover, with approximately 73% of the employees at the Company's Southern California operations being new hires during 2014. Management believes that the consolidation of the Company's Southern California operations, which was completed at year end 2015, will result in considerable efficiency improvements.

The Company had a challenging environment in Texas in May 2015 due to record rainfall which decreased construction activity. As weather returned to normal in June, activity levels picked up. The downturn in the energy sector had no direct impact on the Company as it is not engaged in the rental of specific oil and gas equipment. However, continued weakness in the energy sector may cause general weakness in local construction trends which could negatively impact equipment rental demand in the area.

Objectives of the Company's Software segment in 2015 and 2014 included migrating existing customers from customized software products to the current standard version, converting on premise software clients to Texada's SaaS cloud-based offering, as well as developing specific software products, mobile applications and support capabilities for the Company's rental and dealership operations. These new software applications are intended to be developed for the Company's internal operations, and are also planned to be deployed to external software customers over the course of 2016.

Consolidated Financial Highlights:

Consolidated Financial Highlights (000's except EPS)	Twelve Months Ended			Three Months Ended		
	December 31, 2015	December 31, 2014	December 31, 2013 restated ¹	December 31, 2015	December 31, 2014	December 31 2013 restated ¹
Revenues	\$26,906	\$21,111	\$20,251	\$7,394	\$4,964	\$5,172
Cost of Revenue	(12,065)	(9,858)	(8,280)	(3,385)	(3,080)	(2,410)
Expenses, interest, and taxes	(25,073)	(19,237)	(16,398)	(6,803)	(5,660)	(3,779)
Net Earnings (Loss)	(10,232)	(7,984)	(4,427)	(2,794)	(3,776)	(1,017)
Adjusted EBITDA ²	\$1,052	\$265	\$2,401	\$405	(\$1,004)	(\$524)
Loss per share - basic and diluted	(\$0.37)	(\$0.35)	(\$0.22)	(\$0.09)	(\$0.15)	(\$0.05)

	2015	2014	2013 ¹
Total Assets	38,182	42,565	44,189
Total Current Liabilities	4,159	3,099	5,342
Total Non-Current Liabilities	34,254	30,735	28,973
Total Shareholders Equity	(231)	8,731	9,874

¹Cost of revenue, net earnings (loss) Loss per share-basic and diluted amounts have been restated

²Adjusted EBITDA is a non-IFRS measure and is defined within the "Introduction – Non-IFRS Measures" section of the MD&A

Comparative Financial Results (000's) - Consolidated Company	Twelve Months Ended			Three Months Ended		
	December 31, 2015	December 31, 2014	Percentage Change	December 31, 2015	December 31, 2014	Percentage Change
Revenue	\$26,906	\$21,111	27%	\$7,394	\$4,964	49%
Cost of Revenue	(12,065)	(9,858)	22%	(3,385)	(3,080)	10%
Expenses						
Support, Maintenance and Delivery	(9,948)	(8,487)	17%	(2,467)	(2,594)	(5%)
Research and Development	(916)	(798)	15%	(242)	(215)	13%
Sales and Marketing	(2,597)	(1,698)	53%	(815)	(498)	64%
General and Administration	(10,060)	(7,857)	28%	(2,957)	(2,203)	34%
Income Tax Expense	(197)	521	(138%)	(10)	(66)	(85%)
Interest Expense	(1,030)	(942)	9%	(277)	(223)	24%
Foreign Exchange (Loss)	(325)	24	(1,454%)	(36)	139	(126%)
Net Loss	(10,232)	(7,984)	28%	(2,794)	(3,776)	(26%)
Add:						
Depreciation / Amortization	8,822	7,709	14%	2,257	2,555	(12%)
Income Tax Expense	197	(521)	(138%)	10	66	(85%)
Stock Based Compensation	458	143	220%	191	67	184%
Interest Expense	1,030	942	9%	277	223	24%
Severance	27	-	-	3	-	-
Foreign Exchange Loss	325	(24)	(1,452%)	36	(139)	(126%)
Other non-recurring item	226	-	-	226	-	-
Lease terminations	201	-	-	201	-	-
Adjusted EBITDA	\$1,052	\$265	297%	\$405	(\$1,004)	(140%)
Loss per share - basic and diluted	(\$0.37)	(\$0.35)	6%	(\$0.09)	(\$0.15)	(40%)

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Quarterly Results (000's)	2015				2014			
	Q4	Q3	Q2	Q1	Q4	Q3 ¹	Q2 ¹	Q1 ¹
Revenue	\$7,394	\$7,270	\$6,591	\$5,651	\$4,964	\$5,762	\$5,163	\$5,211
Cost of Revenue	(3,385)	(3,143)	(2,918)	(2,619)	(3,079)	(2,427)	(2,130)	(2,033)
Net earnings (loss) for the period	(2,794)	(2,278)	(2,446)	(2,714)	(3,775)	(1,588)	(1,798)	(743)
Add Back:								
Depreciation/Amortization expense	2,257	2,242	2,188	2,135	2,555	1,745	1,630	1,806
Income Tax (Recovery) Expense	10	23	143	21	66	(94)	(57)	(521)
Stock Based Compensation	191	111	74	82	67	2	36	38
Interest Expense	277	265	257	231	223	244	250	200
Severance and Other	3	-	24	-	-	-	-	-
Foreign Exchange (Gain) / Loss	36	148	(4)	145	(139)	91	(34)	41
Other non-recurring item	226	-	-	-	-	-	-	-
Lease Termination Payments	201	-	-	-	-	-	-	-
Adjusted EBITDA (loss)	405	511	236	(100)	(\$1,003)	\$400	\$27	\$821
Earnings (loss) per share - basic and diluted	(\$0.09)	(\$0.08)	(\$0.09)	(\$0.10)	(\$0.15)	(\$0.07)	(\$0.08)	(\$0.04)
Weighted Avg. Shares Outstanding (Basic)	27,417,479	27,417,479	27,417,479	27,417,479	26,085,039	21,415,479	21,411,479	21,355,479
Weighted Avg. Shares Outstanding (Diluted)	27,417,479	27,417,479	27,417,479	27,417,479	26,085,039	21,415,479	21,411,479	21,355,479

¹ Cost of Revenue, Net loss, Depreciation/Amortization, Income Tax/Recovery, loss per share –basic and diluted amounts have been restated

Noble Iron recorded revenues of \$26.9 million and \$21.1 million for the full year ended December 31, 2015 and 2014, respectively, resulting in an increase of 27% or \$5.8 million. These increases can be primarily attributed to the strengthening of the US dollar versus the Canadian dollar totalling \$2.7 million, higher rental revenues totalling \$2.8 million, and higher sales of software licenses and conversions of existing customers from on premise to the Company's SaaS software offering totalling \$0.3 million.

For the fourth quarter of 2015, Noble Iron recorded revenues of \$7.4 million as compared to \$5.0 million for the three months ended December 31, 2014 resulting in an increase of 49% or \$2.4 million. These increases can be primarily attributed to the strengthening of the US dollar versus the Canadian dollar totalling \$0.7 million, higher rental revenues totalling \$1.6 million, and increase in revenue in the Enterprise Asset Management Software segment of \$0.1 million.

Noble Iron recorded cost of revenue of \$12.1 million and \$9.9 million for the full year ended December 31, 2015 and 2014, respectively, resulting in an increase of 22% or \$2.2 million. This increase is primarily attributed to an increase in depreciation of \$1.1 million for the twelve months ended December 31, 2015, as a result of the addition of equipment fleet during the second half of 2014, a \$0.7 million increase in third party equipment rental expenses, as well as the strengthening of the US dollar versus the Canadian dollar.

For the fourth quarter of 2015, Noble Iron recorded cost of revenues of \$3.4 million as compared to \$3.1 million for the three months ended December 31, 2014, respectively, resulting in an increase of 10% or \$0.3 million. The increase is due to strengthening of US dollar versus the Canadian dollar, partially offset by a \$0.3 million decrease in depreciation

Noble Iron recorded expenses, excluding cost of revenue, of \$25.0 million and \$19.2 million for the full year ended December 31, 2015 and 2014, respectively, resulting in an increase of 30% or \$5.8 million for the full year ended December 31, 2015. This increase was primarily due to a \$1.5 million increase in support, maintenance, and delivery expense within the Company's construction and industrial equipment rental and distribution operations, a \$2.2 million increase in general and administration expense, a \$0.7 million increase in income tax expense, a \$0.9 million increase in sales and marketing expense, a \$0.1 million increase in research and development expense, and a \$0.3 million increase in foreign exchange loss. The increase in expenses was largely due to increases in rental activities, the strengthening of the US dollar versus the Canadian dollar, real estate consolidation and reorganization initiatives, hiring and expansion of the Company's core team, and increased investment in technology and process development. Further detail is outlined in the segmented sections of this MD&A.

For the fourth quarter of 2015, Noble Iron recorded expenses, excluding cost of revenue, of \$6.8 million compared to \$5.7 million for the three months ended December 31, 2014, resulting in an increase of 18% or \$1.0 million. This increase was primarily due to a \$0.8 million increase in general and administration expense, a \$0.3 million increase in sales and marketing expense, a \$0.2 million increase in foreign exchange loss, and \$0.1 million increase in interest expense, which

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were partially offset by \$0.1 million decrease in income tax expense and \$0.1 million decrease in support, maintenance, and delivery expense within the Company's construction and industrial equipment rental and distribution operations. The increase in expenses was largely due to increases in rental activities, strengthening of the US dollar versus the Canadian dollar, real estate consolidation and reorganization initiatives, hiring and expansion of the Company's core team, and increased investment in technology and process development. Further detail is outlined in the segmented sections of this MD&A. The expenses in fourth quarter 2015 included non-recurring unusual expenses for varied termination payments. Overall, the fourth quarter of 2015 compares favorably to the first, second and third quarters of 2015 as the reorganization process in Southern California wound down.

Noble Iron recorded a net loss of \$10.2 million and \$8.0 million for the full year ended December 31, 2015 and 2014, respectively, resulting in a decline in profits of \$2.2 million. The increased losses can be attributed to higher expenses as previously described and income tax expenses versus recoveries last year. For the fourth quarter of 2015, Noble Iron recorded a net loss of \$2.8 million compared to a net loss of \$3.8 million for the three months ended December 31, 2014, resulting in an improvement in profits of \$1.0 million. This decrease in losses is primarily attributed to high losses in the fourth quarter of 2014 as the Company initiated the transformation efforts in Southern California which triggered significant expenses and losses in that quarter.

Noble Iron recorded Adjusted EBITDA of \$1.1 million and \$0.3 million for the full year 2015 and 2014, respectively, resulting in an increase Adjusted EBITDA of \$0.8 million. For the fourth quarter of 2015, Noble Iron recorded Adjusted EBITDA of \$0.4 million compared to loss of \$1.0 million for the three months ended December 31, 2014, resulting in an increase in Adjusted EBITDA of \$1.4 million.

For the full year ended December 31, 2015 and 2014, the Company spent \$0.3 million and \$4.9 million on capital expenditures, respectively, resulting in a \$4.6 million decrease. The Company chose to focus on deploying its existing equipment fleet during 2015 in order to increase utilization rates versus increasing capacity. The Company also chose to invest in repairs and maintenance programs to maintain the useful life of the fleet, rather than dispose of assets with the aim of acquiring newer fleet. In addition, the company chose to begin utilizing different asset sharing and re-rent strategies as part of enhancing its overall product offering.

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Segmented Results:

Construction and Industrial Equipment Rental and Distribution

The Company currently operates construction and industrial equipment rental and distribution operations in two major markets, Southern California and Southeastern Texas.

Comparative Financial Results (000's) - Construction and Industrial Equipment Rental and Distribution	Twelve Months Ended			Three Months Ended		
	December 31, 2015	December 31, 2014	Percentage Change	December 31, 2015	December 31, 2014	Percentage Change
Revenue						
Rental	\$18,757	\$15,317	22%	\$5,105	\$3,651	40%
Distribution	3,466	1,370	153%	1,160	270	330%
Total Revenue	22,223	16,687	33%	6,265	3,921	60%
Cost of Revenue	(11,499)	(9,287)	24%	(3,259)	(2,929)	11%
Expenses						
Support, Maintenance and Delivery	(8,537)	(7,070)	21%	(2,150)	(2,250)	(4)%
Sales and Marketing	(2,194)	(1,532)	43%	(666)	(435)	53%
General and Administration	(4,629)	(3,625)	28%	(1,364)	(969)	41%
Income Tax Recovery (Expense)	20	703	(97)%	38	(33)	(215)%
Interest	(1,007)	(908)	11%	(274)	(224)	22%
Net Loss	(5,623)	(5,032)	12%	(1,409)	(2,919)	(52)%
Add:						
Depreciation / Amortization	8,617	7,502	15%	2,221	2,509	(11)%
Income Tax Expense	(20)	(703)	(97)%	(38)	33	(215)%
Interest	1,007	908	-	274	224	22%
Severance	27	-	-	3	-	-
Lease Terminations	201	-	-	201	-	-
Adjusted EBITDA	\$4,209	\$2,675	57%	\$1,251	(\$153)	(918)%

The Construction and Industrial Equipment Rental and Distribution segment recorded revenues of \$22.2 million and \$16.7 million for the full year ended December 31, 2015 and 2014, respectively, resulting in an increase of 33% or \$5.5 million. Our Southern California and Houston operations' revenue increased by \$2.2 million and nil, respectively for the full year ended December 31, 2015 excluding the effect of the strengthening US dollar. Southern California revenue increased due to increased rental of third party equipment, higher utilization of existing fleet, increased fleet sales, and operational efficiencies from the reorganization to a central location. Houston revenues were flat due to unusually wet weather in first half of 2015 which temporarily reduced construction activity. The remaining increase of \$3.3 million is a direct result of the strengthening US dollar versus the Canadian dollar.

For the fourth quarter of 2015, the Construction and Industrial Equipment Rental and Distribution segment recorded revenues of \$6.3 million compared to \$3.9 million for the three months ended December 31, 2014, resulting in an increase of 60% or \$2.3 million. This increase was primarily due to the strengthening of the US dollar versus the Canadian dollar totalling \$1.1 million and revenue increases in our Southern California operations by \$1.0 million as a result of higher run rates and a greater proportion of third party equipment rentals and fleet sales. The revenue increase attributed to the Houston market was \$0.2 when comparing the three months ended December 2015 to the three months ended December 2014.

The Construction and Industrial Equipment Rental and Distribution segment recorded cost of revenue of \$11.5 million and \$9.3 million for the full year ended December 31, 2015 and 2014, respectively, resulting in an increase of 24% or \$2.2 million. This increase was due to a \$1.1 million increase in depreciation resulting primarily from the strengthening of the US dollar versus the Canadian dollar along with an increase in cost of \$0.7 million for rental of third party equipment and \$0.4 million of costs related to the sale of used equipment.

For the fourth quarter of 2015, the Construction and Industrial Equipment Rental and Distribution segment recorded cost of revenue of \$3.3 million compared to \$2.9 million for the three months ended December 31, 2014, resulting in an increase of 11% or \$0.3 million. This increase was primarily due to the strengthening of the US dollar versus the Canadian dollar.

The Construction and Industrial Equipment Rental and Distribution segment recorded expenses, excluding cost of revenue, of \$16.4 million and \$12.4 million for the full year ended December 31, 2015 and 2014, respectively, resulting in an increase of 32% or \$3.9 million. This increase was primarily due to a \$1.5 million increase in support, maintenance, and delivery expense, \$0.7 million increase in income tax expense as a result of no recoveries in 2015, \$1.0 million increase

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in general and administration expense, \$0.7 million increase in sales and marketing expense, and \$0.1 million increase in interest expense.

For the fourth quarter of 2015, Construction and Industrial Equipment Rental and Distribution segment recorded expenses, excluding cost of revenue, of \$4.4 million compared to \$3.9 million for the three months ended December 31, 2014, resulting in an increase of 13% or \$0.5 million. This increase was primarily due to a \$0.2 million increase in sales and marketing expense, and a \$0.4 million increase in general and administration expense, partially offset by a \$0.1 million decrease in support, maintenance, and delivery expense. The majority of the increase was primarily due to the strengthening of the US dollar versus the Canadian dollar. Overall, the fourth quarter of 2015 compares favorably to the first, second, and third quarters of 2015 as the reorganization process in Southern California wound down

The Construction and Industrial Equipment Rental and Distribution segment recorded a net loss of \$5.6 million and \$5.0 million for the full year ended December 31, 2015 and 2014, respectively, resulting in a decline in profits of \$0.6 million. This was primarily due to the increase in repair and refurbishment costs on its existing equipment, higher expenses during the Company's consolidation and reorganization of its Southern California operations, higher depreciation, and an increase in income tax expense as a result of no recoveries in 2015.

For the fourth quarter of 2015, the Construction and Industrial Equipment Rental and Distribution segment recorded a net loss of \$1.4 million compared to a net loss of \$2.9 million for the three months ended December 31, 2014, resulting in an improvement in profits of \$1.5 million. This was primarily due to the Company's consolidation and reorganization of its Southern California operations which were initiated in the fourth quarter of 2014 and resulted in significant unusual expenses in that quarter.

For the full year ended December 31, 2015 and 2014, the Construction and Industrial Equipment Rental and Distribution segment recorded Adjusted EBITDA of \$4.2 million and \$2.7 million, respectively, resulting in an increase to Adjusted EBITDA of \$1.5 million.

For the fourth quarter of 2015, the Construction and Industrial Equipment Rental and Distribution segment recorded Adjusted EBITDA of \$1.2 million compared to loss of \$0.2 million for the three months ended December 31, 2015, resulting in an improvement in Adjusted EBITDA of \$1.4 million.

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Enterprise Asset Management Software

Comparative Financial Results (000's) - Enterprise Asset Management Software	Twelve Months Ended			Three Months Ended		
	December 31, 2015	December 31, 2014	Percentage Change	December 31, 2015	December 31, 2014	Percentage Change
Revenue	\$4,683	\$4,424	6%	\$1,129	\$1,043	8%
Cost of Revenue	(566)	(571)	(1%)	(126)	(150)	(16%)
Expenses						
Support, Maintenance and Delivery	(1,410)	(1,349)	5%	(315)	(276)	14%
Research and Development	(916)	(798)	13%	(242)	(215)	13%
Sales and Marketing	(317)	(110)	188%	(131)	(49)	167%
General and Administration	(441)	(647)	(32%)	(109)	(146)	(25%)
Income Tax Recovery (Expense)	(217)	(235)	(8%)	(48)	(86)	(44%)
Interest Expense	(23)	(45)	(49%)	(3)	(5)	(40%)
Foreign Exchange Gain / (Loss)	(325)	(15)	2,067%	(36)	(94)	(62%)
Net Earnings (loss)	468	654	(28%)	119	22	443%
Add:						
Depreciation / Amortization	132	137	(4%)	32	28	15%
Income Tax Expense	217	235	(7%)	48	86	(44%)
Interest Expense	23	45	(49%)	3	5	(40%)
Foreign Exchange (Gain) / Loss	325	15	2,063%	36	94	(62%)
Adjusted EBITDA	\$1,165	\$1,086	7%	\$239	\$235	2%

The Enterprise Asset Management Software segment recorded revenues of \$4.7 million and \$4.4 million for the full year ended December 31, 2015 and 2014, respectively, resulting in an increase of 6% or \$0.3 million. For the fourth quarter of 2015, the Enterprise Asset Management Software segment recorded revenues of \$1.1 million compared to \$1.0 million for the three months ended December 31, 2014, resulting in an increase of 8% or \$0.1 million. Both yearly and quarterly increases can be primarily attributed to higher sales of software licenses and conversions of existing customers from on premise to the Company's SaaS software offering.

The Enterprise Asset Management Software segment recorded cost of revenue of \$0.6 million for each of the full years ended December 31, 2015 and 2014. For each of the fourth quarters of 2015 and 2014, the Enterprise Asset Management Software segment recorded cost of revenues of \$0.1 million. Cost remained relatively unchanged across the periods.

The Enterprise Asset Management Software segment recorded expenses, excluding cost of revenue, of \$3.6 million and \$3.2 million for the full year ended December 31, 2015 and 2014, respectively, resulting in an increase of \$0.4 million. The increase in expenses was largely due to an increase in foreign exchange losses of \$0.3 million as well as a \$0.1 million increase in research and development expenses to develop new applications, and an increase to sales and marketing of \$0.2 million, partially offset by lower general and administrative of \$0.2 million. The Enterprise Asset Management Software segment recorded expenses of \$0.9 million for the fourth quarters of 2015 and 2014.

The Enterprise Asset Management Software segment recorded a net income of \$0.5 million and \$0.7 million for the full year ended December 31, 2015 and 2014, respectively, resulting in a decrease of \$0.2 million. Higher revenues of \$0.3 million were offset by a \$0.3 million increase in foreign exchange losses and a \$0.1 million increase in research and development expenses on new applications and a \$0.2 million increase in sales and marketing expenses, partially offset by a decrease in general and administrative costs of \$0.2 million. For the fourth quarter of 2015, the Enterprise Asset Management Software segment recorded net income of \$0.2 million compared to a profit of \$0.02 million for the three months ended December 31, 2014, resulting in a \$0.2 million increase. The quarterly increase can be primarily attributed to higher revenues of \$0.1 million, lower income taxes of \$0.1 million and lower foreign exchange losses of \$0.1 million, partially offset by higher sales and marketing expenses of \$0.1 million.

The Enterprise Asset Management Software segment recorded Adjusted EBITDA of \$1.2 million and \$1.1 million for the full year ended December 31, 2015 and 2014, respectively, with the increase of \$0.1 million primarily due to higher revenues. For each of the fourth quarters of 2015 and 2014, Enterprise Asset Management Software segment recorded Adjusted EBITDA of \$0.2 million. Adjusted EBITDA remained relatively unchanged.

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Other

In addition to expenses incurred within its two operating segments, the Company incurs certain expenses that are presented in this MD&A as "Other". These expenses include costs associated with public entity management, corporate level management, technology and process development, Company-wide training, branding, trademark and intellectual property, and other ancillary costs required to support operating segments. "Other" was previously called "RAO" (revenue assistance operations). A summary of these expenses follows:

Comparative Financial Results (000's) - Other	Twelve Months Ended			Three Months Ended		
	December 31, 2015	December 31, 2014	Percentage Change	December 31, 2015	December 31, 2014	Percentage Change
Expenses						
Support, Maintenance and Delivery	(\$2)	(\$68)	(97%)	(3)	(\$68)	(96%)
Sales and Marketing	(86)	(56)	54%	(18)	(14)	25%
General and Administration	(4,990)	(3,585)	39%	(1,484)	(1,088)	36%
Interest Expense	0	11	(100%)	0	6	(100%)
Foreign Exchange (Loss)	0	39	(100%)	0	233	(100%)
Total Expenses	(\$5,078)	(\$3,606)	41%	(\$1,504)	(\$878)	71%

Overall, "Other" expenses are primarily the result of continued investment in the infrastructure and tools required to support Noble Iron's corporate functions and the operating business model, including further development of Noble Iron's Interactive Customer Care platform, additional software applications, development of strategic partnerships and data and analytics capabilities.

For the full year ended December 31, 2015 and 2014, "Other" recorded total expenses of \$5.1 million and \$3.6 million, respectively, resulting in a \$1.5 million or 41% increase. This increase was primarily due to the strengthening of the US dollar versus the Canadian dollar, increases in professional fees accrual from audit, tax, and legal fees, an increase in wages and benefits, and an increase in software development costs. This was partially offset by a decrease in office expenses. The fourth quarter expenses in 2015 also included non-recurring fees of \$0.2 million.

For the three months ended December 31, 2015 and 2014, "Other" recorded total expenses of \$1.5 million and \$0.9 million, respectively, resulting in a \$0.6 million (71%) increase. This increase was primarily due to the strengthening of the US dollar versus the Canadian dollar, increases in wages and benefits, increases in professional fees, and an increase in software development costs, partially offset by decrease in other expenses. The fourth quarter expenses in 2015 also included non-recurring fees of \$0.2 million.

Liquidity:

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company manages its liquidity risk through cash and debt management. See "Liquidity Risk" below.

The Company manages liquidity by assessing future cash flow requirements and maintaining sufficient borrowing base availability against the Company's debt facilities. Cash flow estimates are based upon rolling forecasts that consider borrowing limits, cash restrictions and compliance with debt covenants. No fixed payments are required over the term of the loans. Payments are required to be made when the outstanding advance exceeds the "Borrowing Base". The Borrowing Base is largely determined by the fair market value of the equipment fleet as estimated by a third party valuator and as a result, any amount due within the next twelve months cannot be estimated reliably. Cash, which is surplus to working capital requirements, is typically held as deposits in both US and Canadian funds with larger financial institutions.

Cash Flow:

During the full year ended December 31, 2015, the Company's cash balance decreased by \$1.8 million primarily due to \$3.5 million used in financing activities for the repayment of debt. Net cash received from operating activities for the full year 2015 was \$0.1 million compared to \$0.7 million in 2014. Additional cash of \$1.8 million was generated from the disposal of rental equipment. The Company is optimizing its fleet portfolio with strategically balancing the purchase of new equipment with the refurbishment of existing equipment and the disposal of older fleet while enhancing its product

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offering through other strategies. As the Company was undergoing the consolidation in Southern California in late 2014 and early 2015, disposals were deferred to the second half of 2015. New fleet was added at the end of 2014 and no new fleet was acquired in 2015.

As of December 31, 2015, the Company had cash of \$0.5 million and working capital of \$2.2 million compared to cash of \$2.1 million and working capital of \$3.5 million at December 31, 2014.

Capital Resources:

The Company's two rental and distribution operations are supported by separate credit facilities from a single lender which include a continuing first charge security interest in all of the assets of Noble Rents Inc. and Noble Rents (TX) Inc. Availability under each facility is subject to a Borrowing Base as determined by the value of rental fleet and accounts receivable. There are no required fixed principal payments under the four year facilities, although payments are required to be made when the outstanding advance exceeds the Borrowing Base. Interest is charged on a floating basis using the 1-month LIBOR rate, plus a spread ranging from 225 to 275 basis points. The Company has provided a corporate guarantee to the lender that is also supported by a pledge of the Company's common shares in the respective borrower which are wholly owned subsidiaries of the Company.

The combined loan balance outstanding under the facilities as of December 31, 2015 was \$33.6 million (approximately \$24.3 million US as at December 31, 2015). The facilities contain covenants requiring Noble Rents Inc. and Noble Rents (TX) Inc. to maintain certain financial covenants. This includes fixed charge coverage and certain liquidity ratios. As of December 31, 2015, Noble Rents Inc. and Noble Rents (TX) Inc. were in compliance with all of the loan covenants.

As of December 31, 2015, the Company had available unused approved credit facilities (operating, capital, and others combined) of \$18.7 million (approximately \$13.5 million US as at December 31, 2015) subject to Borrowing Base requirements. The total excess amount above the amount drawn and the Company's borrowing base was approximately \$3.0 million. Borrowing Base availability is subject to additional thresholds. The net availability above the 5% borrowing base covenant threshold was approximately \$1.2 million.

The lender has also made available to the Company standby letter of credit facilities, subject to Borrowing Base availability, with a limit of \$5.5 million (approximately \$4.0 million US as at December 31, 2015). No letters of credit were drawn by the Company as of December 31, 2015. The facilities also contain covenants specifying a minimum fixed charge coverage ratio, minimum availability requirements and a restriction on dividends to shareholders.

Equipment is often procured from manufacturers who offer an extended period before payment is due. During this extended payment period, equipment payables due for these fleet purchases are recorded as Other Current Liabilities. Due to temporary timing differences associated with receipt of fleet purchases and their subsequent financing by existing borrowing facilities, these current equipment payables will then be converted to long-term debt under existing borrowing facilities. As of December 31, 2015, equipment payable was nil compared to \$0.5 million as of December 31, 2014. The equipment payable is secured by the associated assets purchased.

Off-Balance Sheet Arrangements:

During the twelve months ended December 31, 2015 the Company did not participate in any off-balance sheet arrangements.

Transactions between Related Parties:

IAS 24 defines key management personnel as persons having authority and responsibility, for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors of the entity. During the year ended December 31, 2015, key management personnel received short-term employee benefits consisting of salaries, bonus, vehicle allowances and benefits of \$1.2 million compared to \$1.1 million during the year ended December 31, 2014. Key management personnel received stock-based compensation totalling \$0.4 million during the year ended December 31, 2015.

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As at December 31, 2015, key members of Noble Iron's management controlled 14.8% of the Company's voting common shares. One member of key management, in combination with a close relative, controls 50.4% of the Company's voting common shares at December 31, 2015.

During the year ended December 31, 2015, members of Noble Iron's Board of Directors received 600,000 options to purchase common shares at exercise prices ranging from \$1.00 - \$1.30 per share.

At December 31, 2015, there is a loan outstanding to a former officer of the Company with a balance due to Noble Iron of \$0.1 million.

Changes in Accounting Policies:

The significant accounting policies used in preparing the Consolidated Financial Statements are unchanged from those disclosed in the Company's 2014 annual consolidated financial Statements except for the review, assessment, and implementation of new IFRS pronouncements prospectively adopted in its financial statements for the annual period beginning on January 1, 2015. The adoption of these pronouncements did not have a material impact on the financial statements. Further details can be found in the Consolidated Financial Statements for the twelve months ended December 31, 2015 available under the Company's profile on www.SEDAR.com.

Financial Instruments:

The Company is exposed to certain risks related to its financial instruments during its normal course of business including, but not limited to: liquidity risk, foreign currency risk, interest rate risk, and credit risk. Noble Iron's financial instruments are detailed below. Noble Iron manages these financial instruments to support the Company's strategy for growth and ongoing operations.

The Company's short-term financial assets include cash, accounts receivable, and loan receivable, and management has determined that the carrying value of these assets approximates the fair value at the reporting date.

The carrying amount of the Company's short-term financial liabilities include accounts payable, accrued liabilities, other current liabilities, and short term debt. Management has determined that the carrying value approximates the fair value at the reporting date.

Management has determined that the carrying value of the Company's long-term debt and license obligation approximates the fair value using the present value of future principal and interest payments discounted at market-based interest rates available to the Company for similar debt instruments with similar maturities at the reporting date.

Risks and Uncertainties:

Noble Iron's management team is responsible for the evaluation and management of risk factors affecting the Company. The following is management's assessment of the significant risks which would have the greatest impact on the Company over the ensuing 12 to 18 months given currently available information. This analysis contains forward-looking statements that may differ materially from actual results.

Liquidity Risk

Liquidity continues to be a risk for the Company as it continues to grow and deploy the Noble Iron business model. As described under "Liquidity", the Company had cash of \$0.5 million and working capital of \$2.2 million as at December 31, 2015. On August 26, 2015, the Company extended its \$25 million credit facility for the Southern California operations with a new maturity date of May 31, 2017. The line of credit will continue to provide working capital liquidity for the Company's Southern California operations. There can be no assurances that future renewals (i.e., after May 2017) will be available on terms acceptable to the Company, or at all. Furthermore, there can be no assurances that the Company's resources, combined with cash generated from future operations, will be adequate to continue funding operations, which

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includes the funding needed to sustain and grow the business

The Company is subject to a number of risks and uncertainties associated with the achievement of sustainable profitability and with the financing requirements of its operations. The Company has incurred net losses and used significant cash in its operating activities since incorporation. It has relied upon financing to fund its operations and to establish its infrastructure, primarily through debt and private equity placements.

The Company continues to anticipate raising additional funds to finance its growth objectives. If the Company is unable to obtain sufficient additional financing, planned operations could be delayed or scaled-back, which could affect the Company's financial condition and results of operations and/or its ability to meet the debt covenants under its credit facilities.

Revenue and Collection Risk

The Company has a large number of customers with relatively small account balances which exposes the Company to aggregate billing and collection risk. These risks can include missed billings, unwarranted credits, additional time to collect payments and greater risk of customer default. Continual process improvements are made to ensure timely collection of the Company's accounts receivable. These efforts include the positioning of resources and technology to improve the efficiency of invoicing, collections and customer credit extension.

Technology and Software Development

The process of developing technology from concept stage, through to design and final production involves time to complete testing, redesign and adoption by customers. Unexpected testing results or performance irregularities are normal in a development process and can result in new product offerings being delayed beyond projected time frames or slow adoption from customers. The risk of not developing and introducing reliable products, on a timely basis, presents a risk to the Company's software business.

Reliance on Key Personnel

The success of Noble Iron depends on the abilities, experience, efforts and knowledge of its senior management and other key employees, including its ability to retain and attract skilled management and employees. The loss of services from key personnel could have a material adverse effect on Noble Iron's business, financial condition, results of operations or future prospects, particularly since the Company does not always enter into non-competition arrangements with senior management and other key employees. In addition, the growth plans described in this MD&A may require additional employees, increase the demand on management, and produce risks in both productivity and retention levels. Noble Iron may not be able to attract and retain additional qualified management and employees as needed in the future. There can be no assurance Noble Iron will be able to effectively manage its growth, and any failure to do so could have a material adverse effect on its business, financial condition, results of operations and future prospects.

Foreign Currency and Exchange Risk

Foreign currency risk in the exchange rates between the Canadian dollar and foreign currencies could affect the Company's operating and financial results. The Company is exposed to foreign currency risk as substantially all of its assets and liabilities are denominated in foreign currency, particularly the US dollar. In addition, approximately 80% of its revenues are transacted in US dollars. Future growth of the Company is expected to be in US dollar denominated assets and or transactions. To date, the Company has funded its growth by issuing equity in Canadian funds and raising debt in US dollars. The Company's management monitors exchange rate fluctuations and presently does not use any derivative instruments to manage foreign currency exposure. As the Company continues to grow its US operations, exposure to foreign currency risk may increase with the likelihood of the Company employing exchange rate derivative instruments.

Asset and Leverage Risk

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The integration and sustained growth initiative of the Company's operations into the construction and industrial equipment rental business poses risks that include, but are not limited to: considerable financial leverage, debt repayment requirements relative to anticipated cash flow, the execution of an operational turnaround for acquisitions, the reaction of the Company's software customers to its expansion into the segment, and the availability of additional capital to grow the segment beyond the existing operations. There can be no assurances that sufficient capital will be available to the Company on acceptable terms, if at all.

The revolving debt facilities supporting the Company's existing construction and industrial equipment rental and distribution operations, secured by the appraised value of the respective equipment rental fleet, subjects the Company to market fluctuation risk related to the value of its rental fleet. If the market value of used equipment were to fall faster and further than management expectations, the Company would be at risk of having an insufficient borrowing base securing its debt. This would result in a default under the facility if the Company were not in a position to cure the default.

A significant portion of the Company's debt is subject to interest rate risk due to the fact the rate charged is fully floating tied to LIBOR. At present, the Company does not employ an interest rate hedge to mitigate this risk. Management may elect to do such in the future. There can be no assurance that a sufficient hedge could be procured to fully mitigate this risk.

The construction and industrial equipment rental and distribution industry has demonstrated year over year revenue growth surpassing the most recent rate of gross domestic product in the United States, where the Company's rental business is transacted. Should the current rate of construction and industrial equipment rental growth in the United States stagnate, or should the United States enter a recessionary period with a prolonged decline in construction activity, the Company may lack sustainable revenue growth needed support its debt obligations and capital expenditure plan.

Outstanding Share Data:

The Company has authorized 100,000,000 preferred shares without par value, issuable in one or more series as well as an unlimited number of common shares without par value. As of the date of filing this MD&A, the Company had 27,417,479 common shares issued and outstanding. There are no preferred shares outstanding as of the date of filing.

The Board of Directors ratified, confirmed, and approved a Restricted Share Plan that was adopted effective June 10, 2014. A maximum of 1,000,000 of the Company's shares are available for grant under the Restricted Share Plan. As of the date of this filing Noble Iron had no restricted shares issued. Further information can be found in the 2015 Annual Financial Statements.

Subsequent Events:

In February 2016, the Company temporarily fell below its 7.5% minimum excess availability threshold on its credit facility and returned above its threshold after a 4 day extension without triggering a debt covenant breach notice.

In February 2016, the Company issued promissory notes in the amount of \$689,673 to two related parties with the balance due on February 17, 2017. The notes may be extended one time by six months at the Company's discretion and bear an interest rate of ten percent per annum. There is no prepayment penalty. The proceeds of the notes were used for non-recurring corporate expenses.

Additional information relating to the Company is available on SEDAR at www.SEDAR.com.