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## MANAGEMENT'S DISCUSSION AND ANALYSIS

*The Management's Discussion and Analysis ("MD&A") of financial condition and results of operations presented herein is provided to enable readers to assess the results of operations, liquidity and capital resources of Questor Technology Inc. ("Questor" or the "Company") as at and for the three months ended March 31, 2008 compared to the three months ended March 31, 2007. This MD&A dated May 30, 2008 should be read in conjunction with the accompanying unaudited interim financial statements and notes thereto of Questor as at and for the three months ended March 31, 2008 and with the audited financial statements and MD&A contained in the Company's annual report for the year ended December 31, 2007.*

*The following MD&A contains forward-looking statements. When used in this MD&A, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate", "expect", and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. In particular, this MD&A contains forward-looking statements with respect to, among other things, business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such statements reflect the Company's current views with respect to future events based on certain material factors and assumptions and are subject to certain risks and uncertainties, including without limitation, changes in market competition, governmental or regulatory developments, changes in tax legislation, general economic conditions and other factors set out in the Company's public disclosure documents. Many factors could cause the Company's actual results, performance or achievements to vary from those described in this MD&A, including without limitation those listed above. These factors should not be construed as exhaustive. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this MD&A as intended, planned, anticipated, believed, sought, proposed, estimated or expected, and such forward-looking statements included in, or incorporated by reference in this MD&A, should not be unduly relied upon. These statements speak only as of the date of this MD&A. The Company does not intend, and does not assume any obligation, to update these forward-looking statements except as required by law. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement.*

*Additional information relating to Questor can be found on its website at [www.questortech.com](http://www.questortech.com). The continuous disclosure materials of Questor, including its annual MD&A and audited financial statements, Management Proxy Circular and Proxy Statement, material change reports and news releases issued by Questor, are also available through the Company's website or directly through the SEDAR system at [www.sedar.com](http://www.sedar.com).*

### **QUESTOR TECHNOLOGY INC.**

Questor is an international environmental oil field service company founded in late 1994 and headquartered in Calgary, Alberta, Canada with a field office located in Grande Prairie, Alberta, Canada. The Company is focused on clean air technologies with activities in Canada, the United States, Europe and Asia. Questor designs and manufactures high efficiency waste gas incinerators for sale or for use on a rental basis and also provides field burner services. The Company's proprietary incinerator technology destroys noxious or toxic hydrocarbon gases which ensures regulatory compliance, environmental protection, public confidence and reduced operating costs for clients. Questor is recognized for its particular expertise in the combustion of sour gas (H<sub>2</sub>S). While the Company's current client base is primarily in the oil and gas industry, this technology is applicable to other industries such as water and sewage treatment, landfills, tire recycling and agriculture.

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## FINANCIAL RESULTS

Questor's financial information and the related discussion of financial results in the MD&A are for the three-month periods ended March 31, 2008 and March 31, 2007.

### Financial Results Summary

(\$ unless otherwise noted)

For the three months ended March 31	2008	2007
Total revenue	<b>626,093</b>	959,648
Gross margin	<b>103,154</b>	419,066
EBITDA <sup>(1)</sup>	<b>(24,149)</b>	233,138
Income (loss) before interest expense and income taxes <sup>(1)</sup>	<b>(62,733)</b>	197,712
Net income (loss)	<b>(65,048)</b>	128,478
Cash provided by operating activities	<b>258,985</b>	1,721,748
Funds generated from operations <sup>(1)</sup>	<b>3,831</b>	229,296
Total assets	<b>5,814,657</b>	6,225,153
Long-term liabilities	<b>44,957</b>	43,782
Shares outstanding (thousands) <sup>(2)</sup>		
Basic	<b>23,795</b>	23,660
Diluted	<b>23,795</b>	24,973
Net income (loss) per share – Basic	<b>\$ (0.00)</b>	\$ 0.01
Net income (loss) per share – Diluted	<b>\$ (0.00)</b>	\$ 0.01

(1) Includes non-GAAP financial measures. Please see discussion in the Non-GAAP Financial Measures section of this MD&A.

(2) Weighted average.

### Discussion of Financial Results for the Three Months Ended March 31, 2008

The net loss for the three months ended March 31, 2008 was \$65,048 or a loss of \$0.003 per share, compared to net income of \$128,478, or net income of \$0.005 per share for the three months ended March 31, 2007. The net loss was primarily attributable to lower revenues coupled with higher general and administrative expenses, both of which were partially offset by foreign exchange gains and lower direct costs and income tax expense.

Total revenue for first quarter 2008 was \$626,093 compared to \$959,648 for the same period in 2007. Revenue declined due to differences in the incinerator sales volume and mix quarter-over-quarter, lower utilization of the incinerator rental fleet due to declining activity levels in the Western Canadian Sedimentary Basin and fewer parts sales in conjunction with delivery of combustion services, all of which was partially offset by higher interest income. Questor's accounting policy is that revenue is recognized only upon product delivery. Consequently, approximately \$400,000 of revenue attributable to sales orders occurring in the first quarter has not yet been reflected in the results as delivery will not occur until the second and third quarters of 2008, at which time the revenue will be recognized.

For the first three months of 2008, the Company reported a gross margin of \$103,154 compared to a gross margin of \$419,066 for the first three months of 2007. Direct costs of \$505,349 in first quarter 2008 were lower by \$35,157 compared to first quarter 2007. This variance is primarily due to the direct costs associated with differences in the incinerator sales volume and mix and, to a lesser extent, the variable direct costs associated with incinerator rental and combustion services.

General and administrative expense was \$306,294 for the three months ended March 31, 2008 compared to \$219,330 for the three months ended March 31, 2007. The \$86,964 increase was attributable to higher

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employee costs including share-based compensation expense, consulting fees and minimum lease payments for office space, partially offset by a one-time bank financing charge incurred in first quarter 2007.

Foreign exchange gains of \$132,513 were recorded in the first three months of 2008 compared to a foreign exchange gain of \$6,915 in the same period of 2007. The foreign exchange gains arose from cash and transactions denominated in foreign currencies, principally in United States dollars, which strengthened during first quarter 2008 relative to the Canadian dollar.

Depreciation and amortization expense for the three months ended March 31, 2008 was \$38,584 compared to \$35,426 in the same period of 2007. Depreciation expense of \$28,888 and \$26,411 for the quarters ended March 31, 2008 and 2007, respectively, relating to rental incinerators, service vehicles and equipment has been included in direct costs. Depreciation expense increased quarter-over-quarter as a result of additions to property and equipment during the latter part of 2007 and first quarter of 2008.

Interest expense for the three months ended March 31, 2008 was \$825 compared to \$6,514 for the same period in 2007. In first quarter 2007, the amount of interest-bearing debt and the time period during which it was outstanding were both higher than debt drawn during first quarter 2008, thereby elevating interest expense in the prior period.

Income tax expense for first quarter 2008 is comprised of a non-cash future income tax expense of \$1,490 compared to a non-cash future income tax expense of \$62,720 in first quarter 2007. Income tax expense is higher for the three months ended March 31, 2007 due to higher taxable income in that period as compared to first quarter 2008.

## **OUTLOOK**

The Canadian oil and gas industry entered 2008 faced with low natural gas commodity prices, a weak U.S. dollar and the negative economic impact from Alberta's royalty review. As a result, many oil and gas producers continued to defer drilling and completion programs. This, combined with early break-up and extended road bans, reduced activity levels in the Western Canadian Sedimentary Basin in the first quarter of 2008 consequently impacting the Company's incinerator rentals and combustions services results for first quarter 2008. To mitigate the lower well-testing and re-completions activity levels, Questor focused on capturing incinerator rental opportunities in the pipeline and plant turnaround markets.

The underlying fundamentals are improving as the second quarter unfolds. The Canadian dollar has shown stability and is at par with the U.S. dollar, natural gas prices have strengthened significantly and Alberta has announced plans to deal with certain unintended consequences from the royalty review. As a result, activity is increasing as companies revise their plans and budgets for the remainder of the year. Questor's second quarter results may bear some residual impacts of the lag associated with economic recovery and changes to client expenditure levels and continues to be sensitive to impacts to field activity levels.

Sales of incinerators for permanent applications appears less sensitive to the economic parameters of the Western Canadian Sedimentary Basin. Questor has experienced an unprecedented volume of requests for proposal from both domestic and international parties. During the first quarter, orders for five incinerators were received of which two were delivered during the quarter and revenue recognized. The remaining three units will be delivered in the second and third quarters at which time the revenue will be recognized. At the end of first quarter 2008, the Company had over \$5 million of bids outstanding pending completion of the tender process and notification of the clients' purchase decision. The number of requests for proposal Questor received in first quarter 2008 is significantly higher than the number received in the same period of 2007. In Questor's experience, the timing of final determination by the client varies significantly and may be as little as a few weeks and as long as several months.

The heightened environmental focus on air quality, global warming, greenhouse gas emissions and climate change continues to create business growth opportunities for which Questor's technology is well positioned. The public is demanding action from their governments and rigorous regulatory standards are being implemented to address these issues. In many international and United States jurisdictions, traditional gas flares are now unable to meet the new, more demanding air quality regulations introduced.

In January, 2008, the Government of Alberta released its new climate change strategy. The Alberta strategy focused on three areas: carbon capture and storage, conserving and using energy more efficiently and "greening" energy production. In 2003, Alberta was the first jurisdiction in Canada to introduce climate change and emissions management legislation. With regulations in place effective July 1, 2007, Alberta facilities that emit more than 100,000 tonnes of greenhouse gas emissions a year are required to reduce their emissions intensity by 12 per cent. Under the proposed federal government plan, the oil and gas industry will be required to reduce its 2006 emission intensity 18% by 2010 and 2% every following year.

Meeting these targets will require innovation and technological developments and presents a significant and growing market opportunity for Questor. The Company's incinerator technology is a viable alternative which allows clients to ensure compliance, promote environmental protection and foster public confidence while reducing costs and potentially generating greenhouse gas credits. Questor is also committed to developing compatible air quality solutions to assist our clients' compliance with these provincial and federal climate change regulations. To that end, the Company continues to investigate the commercialization of waste heat recovery and its conversion to power. There is a great deal of interest in this solution especially in this era of energy efficiency and emission reductions. In collaboration with CrystaTech, Inc., the Company is also exploring the development of a cost effective solution to remove H<sub>2</sub>S from waste gas streams and convert it to liquid sulphur which would reduce SO<sub>2</sub> emissions from the oil sands and other processing facilities. The Company hopes to identify pilot applications in 2008 to evaluate both technologies.

In 2008, Questor is focused on contributing to the positive environmental, economic and social performance of our customers with particular emphasis on North American markets and added focus on China, Europe, the Middle East and Africa. The Company will increase its market awareness and grow incinerator rental and sales revenue by capitalizing on relationships that are already well established and continue to develop new strategic alliances to maximize value. The Company's Grande Prairie field office will continue to provide exceptional combustion services and seek preferred vendor status in its niche.

#### SUMMARY OF EIGHT MOST RECENTLY COMPLETED QUARTERS

<i>(in \$ thousands except per share amounts)</i>	<b>Q1 2008</b>	Q4 2007	Q3 2007	Q2 2007	Q1 2007	Q4 2006	Q3 2006	Q2 2006
Total revenue	<b>626</b>	1,017	6,925	327	960	664	824	952
Gross margin	<b>103</b>	448	3,306	(0)	419	135	181	435
Income (loss) before interest expense and income taxes	<b>(63)</b>	148	2,844	(190)	198	(21)	114	247
Net income (loss)	<b>(65)</b>	106	1,884	(141)	128	700	107	238
Net income (loss) per share								
Basic	<b>(0.00)</b>	0.00	0.08	(0.01)	0.01	0.03	0.00	0.01
Diluted	<b>(0.00)</b>	0.00	0.08	(0.01)	0.01	0.03	0.00	0.01

A number of factors contribute to variations in the Company's quarterly results: customer capital spending as it is affected by oil and gas commodity prices, changes in legislation; seasonality; the Company's mix of product and service offerings; and the relative size of sales and the timing of revenue recognition.

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## FINANCIAL POSITION

The following table outlines the significant changes in the balance sheets of Questor from December 31, 2007 to March 31, 2008.

Balance sheet item	\$ Increase (decrease)	Explanation
Cash	154,858	Cash increased primarily as a result of a strengthening of foreign currencies, particularly United States dollars, relative to the Canadian dollar during the period, augmented by net cash deposits.
Inventory	(73,664)	Inventory decreases principally reflect the sale of incineration units in finished goods inventory, partially offset by increases to materials and supplies inventory and incinerators under construction to be delivered in second and third quarter 2008.
Accounts payable and accrued liabilities	127,663	Accounts payable increased primarily due to the composition and timing of business reflected at the end of each period.
Short-term debt	(77,150)	Short-term debt decreased principally as a result of scheduled principal payments.

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## INVESTED CAPITAL

During first quarter 2008 Questor acquired \$22,494 of capital assets, up from \$3,805 in first quarter 2007. The increase was due to the acquisition of computer hardware and software and an investment in research and development. There were no disposals of capital assets in the first three months of either 2008 or 2007. In first quarter 2007, the Company received a \$1,415 cash rebate associated with an earlier vehicle purchase and this amount reduced the capital cost of the vehicle.

## LIQUIDITY AND CAPITAL RESOURCES

Questor historically has used debt and equity financing to the extent that funds generated from operations and deposits received from customers in respect of a sale were insufficient to fund capital expenditures and working capital changes. Should larger transactions require financing beyond existing sources, management believes equity and debt capital markets could be accessed to provide additional financing.

At this time, Questor does not reasonably expect any presently known trend or uncertainty to affect the Company's ability to access its anticipated sources of cash. The Company further expects that 2008 funds generated from operations and current cash amounts will be sufficient to meet budgeted operating requirements and supply capital to finance the development of new clean air technologies or acquisitions.

### Cash Flows

For the three months ended March 31	2008	2007
Operating activities	<b>258,985</b>	1,721,748
Investing activities	<b>(17,973)</b>	165
Financing activities	<b>(94,335)</b>	120,245
Change in cash	<b>146,677</b>	1,842,158

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## Operating Activities

Cash provided by operating activities was \$258,985 in the first three months of 2008, decreased from \$1,721,748 in the same period of 2007. The decrease was primarily attributable to lower operating results and a non-cash working capital surplus of \$255,154 during first quarter 2008 compared to a non-cash working capital surplus of \$1,721,748 during first quarter 2007. The working capital surplus in first quarter 2007 principally reflected the deposit received from a client in respect of a significant incinerator sale contract executed in the period.

## Working Capital

For the three months ended March 31	2008	2007
Current assets	4,427,403	6,225,153
Current liabilities <sup>(1)</sup>	880,327	2,729,013
Working capital	3,547,076	3,496,140
Current ratio	5.0	2.3

<sup>(1)</sup> Excludes short-term debt and current portion of long-term debt.

## Investing Activities

Cash used for investing activities in the three months ended March 31, 2008 was \$17,973 compared to cash provided by investing activities of \$165 in the same period of 2007. The investing activities comprised expenditures for computer hardware and software and investments in development as described in the Invested Capital section of this MD&A.

## Financing Activities

Cash used for financing activities in the three months ended March 31, 2008 was \$94,335 compared to cash provided by financing activities of \$120,245 in the same period of 2007. In first quarter 2008, the Company reduced the balances outstanding on its credit facilities. In first quarter 2007, the Company drew on its revolving demand operating loan and applied \$20,500 of proceeds from share option exercises to reduction of the non-revolving demand loan facility.

## Capital Resources

The Company believes that its access to debt and equity markets, unused bank credit facilities, cash deposits and its funds generated from operations will provide sufficient capital resources and liquidity to fund existing operations and certain acquisition and expansion opportunities in 2008.

At March 31, 2008, the Company had total debt outstanding of \$210,241, down from \$304,576 at December 31, 2007. The long-term debt at March 31, 2008 was comprised of vehicle financing.

All of the borrowing facilities from the chartered bank have financial tests and other covenants customary for these types of facilities, which must be met at each quarter-end. At March 31, 2008 Questor was in compliance with these covenants.

In January 2008, the Company obtained a demand revolving foreign exchange facility established to a maximum of USD \$630,000 to purchase foreign forward exchange contracts in order to hedge against currency fluctuations. This facility is secured by a general security agreement and an assignment of insurance proceeds. The availability of this facility is also subject to the Company meeting certain financial covenants. As of the date of this MD&A, no amounts have been drawn against this facility.

## Contractual Obligations and Commitments

There have been no material changes to Questor's contractual obligations from those identified in the MD&A included in the Company's 2007 annual report.

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## **FINANCIAL INSTRUMENTS**

The Company is exposed to market risk and potential loss from changes in the value of financial instruments. To date, Questor has not entered into financial derivative contracts to manage exposure to fluctuations in foreign exchange rates and interest rates. Refer to Note 8 to the interim financial statements as at and for the three months ended March 31, 2008 for information pertaining to financial instruments and risk management thereto.

## **RISKS AND UNCERTAINTIES**

The Company is exposed to a number of business risks with the potential to affect financial performance. There have been no material changes to Questor's financial and business risks identified in the MD&A included in the Company's 2007 annual report.

## **TRANSACTIONS WITH RELATED PARTIES**

In the normal course of business, the Company transacts with related parties. These transactions are recorded at their exchange amounts which approximate fair value. During first quarter 2008 the Company was not party to any related party transactions.

## **OFF-BALANCE-SHEET ARRANGEMENTS**

The Company is not party to any off-balance-sheet arrangements as at March 31, 2008.

## **SHARE CAPITAL**

At March 31, 2008, the Company had 23,794,870 common shares outstanding and a market capitalization of \$11,897,435 based on a closing trading price on March 26, 2008 of \$0.50 per common share. At March 31, 2008 there were 2,137,500 options outstanding with a weighted average exercise price of \$0.30 per share and 812,500 options exercisable at a weighted average exercise price of \$0.11 per share under the terms of the share option plan.

On April 14, 2008, the Company issued a grant of share options to an employee who is not an officer entitling the purchase of up to 75,000 common shares at \$0.43 per share, exercisable for a period of five years and vesting in accordance with the provisions of the Company's share option plan.

## **CHANGES IN ACCOUNTING POLICIES**

### **2008 Changes**

Effective January 1, 2008 the Company adopted the new Canadian Institute of Chartered Accountants ("CICA") Handbook accounting requirements for Section 1535 "Capital Disclosures", Section 3031 "Inventories", Section 3862 "Financial Instruments – Disclosures" and Section 3863 "Financial Instruments – Presentation". In accordance with the transitional provisions for these new standards, these policies were adopted prospectively and without restatement of prior periods.

Refer to Note 2 to the interim financial statements as at and for the three months ended March 31, 2008 for information pertaining to these accounting changes and the impact of their adoption on the Company's financial statements.

### **Future Accounting Changes**

#### ***International Financial Reporting Standards (IFRS)***

In May 2007, the CICA Accounting Standards Board ("AcSB") published an updated version of its "Implementation Plan for Incorporating International Financial Reporting Standards ("IFRS") into Canadian GAAP". The AcSB plan outlines the convergence of Canadian GAAP with IFRS over a transition period that will end with the adoption of IFRS. The AcSB announced on February 13, 2008 that the changeover date from

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Canadian GAAP to IFRS is for annual and interim financial statements relating to fiscal years beginning on or after January 1, 2011. Questor has not yet determined the impact the transition to IFRS will have to the Company's results of operations, financial position and disclosures.

### **Goodwill and Intangible Assets**

In February 2008, the CICA issued Section 3064, "Goodwill and Intangible Assets", which replaces Section 3062, "Goodwill and Other Intangible Assets", and Section 3450, "Research and Development Costs". The purpose of this Section is to provide more specific guidance on the recognition of internally developed intangible assets and requires that research and development expenditures be evaluated against the same criteria as expenditures for intangible assets. The Section harmonizes Canadian standards with International Financial Reporting Standards and applies to annual and interim financial statements relating to fiscal years beginning on or after October 1, 2008. Accordingly, these new Sections are effective for the Company beginning January 1, 2009. Questor has not yet determined the impact this new Section will have to the Company's results of operations and financial position.

### **SIGNIFICANT ACCOUNTING POLICIES**

Questor's significant accounting policies remain unchanged from December 31, 2007 except as disclosed in the notes to the interim financial statements as at and for the three months ended March 31, 2008. For further information regarding these policies refer to the notes to the interim financial statements for the as at and for the three months ended March 31, 2008 and to the audited financial statements in Questor's 2007 annual report.

### **CRITICAL ACCOUNTING ESTIMATES**

Since a determination of the value of many assets, liabilities, revenues and expenses is dependent upon future events, the preparation of the Company's interim financial statements requires the use of estimates and assumptions which have been made using careful judgment. Questor's significant accounting policies are described in the notes to the 2007 audited financial statements included in the Company's 2007 annual report. Certain of these policies involve critical accounting estimates as a result of the requirement to make particularly subjective or complex judgments about matters that are inherently uncertain and because of the likelihood that materially different amounts could be reported under different conditions or using different assumptions. Questor's critical accounting estimates are shared-based compensation expense, depreciation and amortization expense, asset impairment assessment and future tax liability.

### **NON-GAAP FINANCIAL MEASURES**

This MD&A contains references to certain financial measures that do not have a standardized meaning prescribed by Canadian generally accepted accounting principles (GAAP) and may not be comparable to similar measures presented by other entities. The purpose of these financial measures and their reconciliation to GAAP financial measures is discussed below.

### **Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)**

For the three months ended March 31	2008	2007
EBITDA	<b>(24,149)</b>	233,138
Deduct: Depreciation and amortization expense	<b>(38,584)</b>	(35,426)
Interest expense	<b>(825)</b>	(6,514)
Income tax expense	<b>(1,490)</b>	(62,720)
Net income (loss) (GAAP financial measure)	<b>(65,048)</b>	128,478

EBITDA is a measure of the Company's operating profitability. EBITDA provides an indication of the results generated by the Company's principal business activities prior to accounting for how these activities are financed, assets are amortized or how the results are taxed. EBITDA is calculated from the Statements of Income, Comprehensive Income and Deficit and is defined as gross margin plus other revenue less general and administrative expense and foreign exchange losses (gains).

### Income (Loss) Before Interest Expense and Income Taxes

For the three months ended March 31	2008	2007
Income (loss) before interest expense and income taxes	<b>(62,733)</b>	197,712
Deduct: Interest expense	<b>(825)</b>	(6,514)
Income tax expense	<b>(1,490)</b>	(62,720)
Net income (loss) (GAAP financial measure)	<b>(65,048)</b>	128,478

Income before interest expense and income taxes is a measure of the Company's operating profitability generated by the Company's principal business activities prior to how these activities are financed or results are taxed. Income before interest expense and income taxes is calculated from the Statements of Income, Comprehensive Income and Deficit and is defined as gross margin plus other revenue less general and administrative expense, foreign exchange losses (gains) and depreciation and amortization.

### Funds Generated From Operations

For the three months ended March 31	2008	2007
Funds generated from operations	<b>3,831</b>	229,296
Add: Net change in non-cash working capital	<b>255,154</b>	1,492,452
Cash provided by operating activities (GAAP financial measure)	<b>258,985</b>	1,721,748

Funds generated from operations is used to assist management and investors in analyzing operating performance, after interest and taxes, without regard to changes in the Company's non-cash working capital in the period. Funds generated from operations as presented should not be viewed as an alternative to cash provided by / used in operating activities, or other cash flow measures calculated in accordance with GAAP. Funds generated from operations is calculated from the Statements of Cash Flows and is defined as cash provided by / used in operating activities before changes in non-cash working capital.

### DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

On November 23, 2007, the Alberta Securities Commission and the securities commissions in the other jurisdictions in which Questor is registered, exempted Venture Issuers from certifying disclosure controls and procedures as well as internal controls over financial reporting as of December 31, 2007, and thereafter. Since Questor is a Venture Issuer it is now required to file "basic certificates", which it has done for the three months ended March 31, 2008.

The Company is cognizant of the impact that good internal controls have with regards to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation. The Company will continue to maintain, wherever practical, disclosure controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted under applicable securities legislation is accumulated and communicated to management, including the President and Chief Executive Officer and the Chief Financial Officer and Corporate Secretary as appropriate, to allow timely

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decisions and actions regarding required disclosure. The Company will also endeavour to establish and maintain adequate internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements.