

NovX21 Inc.

MANAGEMENT DISCUSSION
AND ANALYSIS

December 31, 2014

NovX21 Inc.
Management Discussion and Analysis
December 31, 2014

Table of contents

SUMMARY FINANCIAL INFORMATION	- 4 -
COMPANY'S ACTIVITIES.....	- 5 -
MINING PROPERTIES.....	- 7 -
Menarik Property	- 7 -
Lac Ewart Property	- 7 -
Other properties.....	- 7 -
RESULTS	- 8 -
Summary of operating results	- 8 -
Changes in operating expenses	- 9 -
Other expenses	- 11 -
CASH FLOW	- 11 -
Intangible assets.....	- 12 -
Exploration and evaluation assets	- 13 -
Issuance of shares	- 14 -
FINANCIAL SITUATION	- 14 -
RELATED PARTY TRANSACTIONS.....	- 14 -
INFORMATION ON OUTSTANDING SHARES.....	- 15 -
OFF BALANCE SHEET ARRANGEMENTS.....	- 15 -
SIGNIFICANT ACCOUNTING POLICIES	- 15 -
RISKS AND OPPORTUNITIES.....	- 15 -
Financial risks	- 15 -
Non-financial risks	- 16 -
COMMITMENTS	- 16 -

NovX21 Inc.
Management Discussion and Analysis
December 31, 2014

The goal of this analysis is to bring to the attention of the readers important changes in the financial position and results of operations of NovX21 Inc. (hereinafter the "Company") for the three and twelve-month periods ended December 31, 2014, in comparison to the financial information for the corresponding periods ended December 31, 2013.

This analysis has been prepared with information available as at April 24, 2015 and must be read in conjunction with the audited financial statements for the year ended December 31, 2014, including accompanying notes. The audited financial statements for the year ended December 31, 2014 were prepared in accordance with International Financial Reporting Standards (IFRS) and are presented in Canadian currency, which is also the functional currency of the Company.

Prospective statements

Some statements included in this analysis contain prospective information concerning, for instance, anticipated developments on the Company's activities and other events or conditions likely to occur or to occur at a later date. The actual results of the Company could thus significantly differ from those presented in the prospective statements because of a certain number of risks, uncertainties, and other factors, including, but without being limited to, the Company's capacity to obtain financing, as well as the risks related to new legislations in the mining industry. It is as such recommended not to rely unduly on these prospective statements since plans, intentions or expectations on which they are based may not materialize.

NovX21 Inc.
Management Discussion and Analysis
December 31, 2014

SUMMARY FINANCIAL INFORMATION

	Dec.31, 2014 \$	Dec.31, 2013 \$
Total assets	14,309,352	13,574,534
Total long-term liabilities	750,000	750,000

	2014				2013			
	Dec.31 \$	Sept.30 \$	June 30 \$	Mar.31 \$	Dec.31 \$	Sept.30 \$	June 30 \$	Mar.31 \$
Net loss for the period	241,655	345,463	329,154	498,560	194,285	274,385	326,477	208,998
Basic and diluted net loss per share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

Overall, the expenses incurred in 2014 are higher than those incurred in 2013, mainly as a result of the services provided by an expert in strategic alliances and those offered by the chief financial officer, as well as various expenses incurred from the change in the Company's name. Refer to the corresponding analyses of the operating expenses section for more information on their nature.

As for the quarter ended March 31, 2014, the higher net loss was due to the grant of 1,150,000 options in January 2014, for which a share-based payments expense of \$131,590 was recorded during the quarter.

Finally, the net loss of the quarter ended June 30, 2013 was higher than the other quarters of that fiscal year, mainly because of the grant of 1,350,000 options to directors and consultants, for which a share-based payments expense of \$89,719 was recorded during that quarter.

NovX21 Inc.
Management Discussion and Analysis
December 31, 2014

COMPANY'S ACTIVITIES

Founded in 1986, NovX21 Inc., formerly Ressources Minières Pro-Or Inc., is a company mainly involved in the development of two technologies, which are to increase the chromium to iron ratios of chromite and extract platinum group metals (PGM) out of refractory ore and concentrates rich in PGM. The Company also holds interests in four mining properties, all located in the province of Quebec. Over the last years, its mining research efforts have been mainly focused on the properties in the James Bay Region: Menarik and Ewart. None of these properties is currently in the operating phase and as such, no revenue has yet been earned from exploration activities.

A description of the recent exploration activities and future investments required to properly evaluate these properties is provided in this management discussion and analysis.

Between 2003 and 2006, the Company has realized research and development ("R&D") activities in collaboration with the INRS (Institut national de la recherche scientifique), which led to the creation of two new processes: technologies to increase the chromium to iron ratios of chromite and extract platinum group elements (PGE) out of refractory ore and concentrates rich in PGE. Since 2006, the Company uses its technology to recover PGE on concentrates from automotive catalysts recycling (CC). These processes are patented in four countries: Canada, the United States, Australia and South Africa.

At the beginning of the year, the Company finalized the closing of a \$3 million placement, as well as a flow-through placement of \$299,000, this latter which was entirely dedicated to the exploration of the properties Menarik and Ewart. The amounts cashed allowed speeding up the commercial phase of the project to operate a commercial plant to extract platinum group precious metals.

Our attendance, at the beginning of the year, to the European International Automobile Recycling Congress (IARC) allowed us to introduce the technology of NovX21 in Europe. European regulation regarding automotive recycling will require the industry to recover 95% of the automotive components by 2015. Industrial companies are thus looking and now ask for processes and technologies that are clean and sustainable. Our attendance to this event allowed us to get known all over the industry and to have follow-up meetings with major players of the recycling industry, in an effort to establish commercial relations. Following these meetings, we purchased, at market value, batches of catalytic converters from these suppliers, in order to evaluate their content in PGE. We also tested the supplying logistics by air and/or marine transport.

In July, we purchased additional catalytic converters in North America in order to supply St-Augustin's demonstration plant. With a continuous supply, we were able to evaluate the changes in the operating parameters that will allow reducing the operating costs of the plant. At the beginning of the year, NovX21 conducted laboratory trials to improve and enhance the different chemical reactions' parameters. The outcomes gathered allowed us to evaluate them at the demonstration plant scale. Each of these improvements makes the process more effective. However, they require to limit significantly the visits at the plant, in order to reduce the risks of copy and industrial espionage, our patent already being explicit.

In July and August, meetings were organized with the ARPAC (*Association of Auto Part Recyclers*) to test the catalytic converters provided by the members. The results from the test convinced the board representing the members of the ARPAC to sign a framework agreement for the sale of catalytic converters to NovX21. The market in the province of Quebec is currently estimated at 400,000 to 450,000 end-of-life vehicles per year. The members of the ARPAC have access to this market and even overrun on other territories.

NovX21 Inc.
Management Discussion and Analysis
December 31, 2014

COMPANY'S ACTIVITIES (continued)

In order to strengthen our commercial positions, we have engaged in discussions with companies to secure the sale of precious metals stemming from the innovative process of NovX21. We now collaborate with a company that is trading precious metals and hedge funds. In parallel, in order to reduce the dependency risks of converting in ingot our metallic powder, we have taken steps to use an alternate refiner. The results are positive.

Regarding the plant's construction project, the independent engineering group SENECA has begun its basic engineering mandate of the construction and the calendar of the critical deadlines. Meetings with the project's management committee regularly take place to evaluate their progress and raise relevant issues. A first plant's implementation plan has been submitted to the committee.

Financing of the commercial plant in Thetford Mines

Many initiatives have been carried over the year to finance the construction of the commercial plant. The different levels of the government have been approached. We have received an agreement letter between the city of Thetford Mines and NovX21 for the rental of buildings and have made the announcement last June. We also collaborate with Canada Economic Development for financing the equipment. Our application is being processed and we frequently answer questions as part of the due diligence process.

We also chose to approach Investissement Quebec ("IQ"), a renowned institution, to become a partner in NovX21. NovX21's application is being processed, in Quebec, by management of the specialized corporate financing sector of IQ, in collaboration with the «Ministère de l'Économie, de l'Innovation et des Exportations». Discussions have taken place and the due diligence process is well under way. We also approached, to obtain financing, a major Canadian bank that demonstrated a certain interest for our project. The valuable exchanges toward these three partners would allow NovX21 to favourably consider the \$10 million project for the construction of the plant.

Subsequent events to fiscal year 2014

A private placement was announced in April 2015 to complement the financial institutions' loan applications referred to above and provide working capital to the Company. This private placement takes the form of convertible debentures for a minimum of \$1 million dollars and a maximum of \$2.5 million dollars. The closing is expected to take place on May 7, 2015.

The president and chief executive officer, Mr. Sylvain Boulanger, resigned from his functions for personal reasons. A new president and chief executive officer will be announced during the second quarter of 2015, following the closing of the above-mentioned private placement.

Additional information on the Company, such as the most recent annual financial statements, can be found on SEDAR (www.sedar.com). The shares are listed on the TSX Venture Exchange, under symbol «NOV».

NovX21 Inc.
Management Discussion and Analysis
December 31, 2014

MINING PROPERTIES

Menarik Property

Menarik Property is located roughly 45 kilometers south-east of Radisson City, on the Baie James territory. The property forms one contiguous block of 67 claims located in the center of sheet 33/F6. This bloc of claims covers a total area of 3,061.97 hectares. Claims are 100% owned by the Company and no royalty is attached to them.

In 2014, the Company realized exploration activities on the Baie James properties, Lac Ewart and Menarik, for a total amount of \$300,000. The activities given to geologist Yvan Bussières first had for purpose to review 2011 and 2013 drilling cores on some holes, to describe the parameters and realize carto/prospecting of the adjoining outcrops of the samples, as well as to prepare a technical report of these campaigns, to be presented to the MRNF as statutory work. This mandate has been granted to Mr. Bussières on August 13, 2014 for a lump sum of \$45,000. Subsequently, on October 2, 2014, a geophysical survey was given to the company GEOSIG of Quebec to perform gravimetric surveys and levelling on roughly 1,700 stations. These activities have been realized as expected, for a total cost of \$120,384. Following the gravimetric surveys, Mr. Bussières realized the 3D magnetic modelling to demonstrate the form of Menarik's project ultramafic complex. The 3D modelling could allow noticing areas with high density, possibly those with massive sulphides, activities totaling \$10,000. Total exploration expenditures on Menarik's property in 2014 total \$222,000.

Mr. Bussières's complete analysis of the 2011-2013 drillings, reviewed in 2014, and issued on December 31, 2014, is available on the Company's website. In addition, the analysis of the geophysical activities dated December 31, 2014 and prepared by GEOSIG, as well as Mr. Bussières's report on Menarik's property 3D modeling, dated January 2015, can also be found on NovX21's website.

Lac Ewart Property

Lac Ewart Property is located on the Baie James territory, roughly 25 kilometers south of La Grande 3 station. The property forms one contiguous block of 32 claims and covers a total area of 1,548.45 hectares.

This property was acquired for its formations, which are comparable to those of Menarik property. However, the first mapping and prospecting activities completed by a team led by geologist Marc Richer Lafèche (INRS) allowed establishing that the project rather had an auriferous potential. The gold would be associated with a peridotite unit that demonstrates magnetic signatures and induced polarization that would allow fast localisation of the anomalous gold zones. This property requires additional field work.

As part of the budget available for this property in 2014, the Company granted, on April 1st, 2014, a contract in the amount of \$77,910 to the INRS (Institut national de la recherche scientifique) for geochemical analyses of the forest soils, on more than 450 samples taken on the field. Sampling activities have been completed and results from the analyses are known. The interpretations of the results by geologist Mr. Lafèche are available on NovX21's website.

Other properties

The properties in Tavernier and Vauquelin are located in areas of the Abitibi region where many mining companies are currently active. No exploration program was planned on these properties in 2014.

NovX21 Inc.
Management Discussion and Analysis
December 31, 2014

RESULTS

Summary of operating results

For the period ended December 31,	2014 (3 months)	2013 (3 months)	2014 (12 months)	2013 (12 months)
	\$	\$	\$	\$
Salaries and benefits	-	11,139	26,164	32,162
Share-based payments	30,031	88,368	305,335	330,961
Consulting fees	124,655	51,250	442,026	253,875
Professional fees	36,196	27,010	269,729	136,537
Public relations fees	28,530	22,267	161,596	141,650
Traveling fees	7,122	217	62,950	9,399
Advertising and entertainment	207	13,702	54,993	21,079
Insurance	7,361	6,129	26,191	26,781
Depreciation of property and equipment	-	90	120	360
Other expenses	8,930	(7,470)	84,728	79,280
Operating loss	243,032	212,702	1,433,832	1,032,084
Change in fair value of listed shares	-	-	-	(6,250)
Finance income	(1,377)	(177)	(19,000)	(3,449)
Loss before income taxes	241,655	212,525	1,414,832	1,022,385
Deferred income taxes	-	(18,240)	-	(18,240)
Net loss and total comprehensive loss for the period	<u>241,655</u>	<u>194,285</u>	<u>1,414,832</u>	<u>1,004,145</u>
Net loss per share				
Basic and diluted net loss per share	<u>(0.00)</u>	<u>(0.00)</u>	<u>(0.01)</u>	<u>(0.01)</u>

NovX21 Inc.
Management Discussion and Analysis
December 31, 2014

RESULTS (continued)

Changes in operating expenses

The following analysis reviews changes in operating expenses for the three and twelve-month periods ended December 31, 2014, in comparison to the corresponding periods ended December 31, 2013.

Share-based payments

The share-based payments expense is higher of only \$14,257 for the twelve-month period ended December 31, 2014, in comparison to the corresponding period ended December 31, 2013, if we consider the amounts of share-based payments recorded in expenses and those capitalized to intangible assets, the latter which are of \$39,997 for the twelve-month period ended December 31, 2014 and \$114 for the same period in 2013.

As for the change in the share-based payments expense recorded during the three-month period ended December 31, 2014, in comparison to the corresponding period ended December 31, 2013, it mainly comes from the grants of June and October 2013, which led to the recognition of a share-based payments expense of \$78,138 during the last quarter of fiscal year 2013.

The share-based payments expense is, since December 2013, henceforth almost entirely recognized at grant date, since during that period, the Company modified its share-based payments plans, principally in regards to the acquisition period of the exercise right of the options granted, which is now at the option of the board of directors, while previously, acquisition periods prevailed. Since the options granted in 2014 were exercisable from grant date, the share-based payments expense was entirely recognized at that time, while formerly the expense was recognized gradually over the exercise rights' acquisition period (which was typically over seven quarters).

Consulting fees

The increase in consulting fees for the three and twelve-month periods ended December 31 2014, in comparison to the same periods in 2013, is mainly due to:

- The services provided by an expert in strategic alliances since the beginning of the year 2014. The services offered by this consultant total \$15,000 and \$130,000 respectively for the three and twelve-month periods ended December 31, 2014;
- The services provided by a consultant who acts as a financial intermediary between the Company and financial institutions in order to obtain financing. The fees incurred from this consultant total \$40,800 for the three-month period ended December 31, 2014 and \$46,800 for the twelve-month period ended at that date. No such fees were incurred during the twelve-month period ended December 31, 2013;
- Finally, fees in the amount of \$6,000 were incurred during the last quarter of the year 2014 from a consultant who realizes financial communications for the Company. The contract with this consultant begun at the end of the year 2014 and ended at the beginning of the year 2015.

Professional fees

The change in professional fees for the year ended December 31, 2014, in comparison to the year 2013, mainly comes from the following:

- First, an increase in expenses of \$50,583 comes from the fees incurred from a law firm regarding the change in the Company's name and various communications with the stock exchange in this regard, as well as for the drafting of contracts, the review of agreements and the preparation of the shareholder rights plan.

NovX21 Inc.
Management Discussion and Analysis
December 31, 2014

RESULTS (continued)

Changes in operating expenses (continued)

Professional fees (continued)

- In addition, since the beginning of the year 2014, the Company used the services of external chief financial officers, from whom fees of \$60,090 have been incurred during the year ended December 31, 2014. This position was previously filled by a consultant who renders different services to the Company and for whom fees incurred are accounted for in Consulting fees. Pursuant to the strategic change made by the Company, a separate position for these functions was found necessary.
- Also, fees of \$7,970 were incurred in 2014 from a firm who provides research and development services to the Company, including the preparation of the required documents and eligibility of the amounts claimed. The mandate is given for a period of two years, which explains that no expense was incurred from this firm at the preceding year.

Public relations fees

The increase in public relations fees for the year ended December 31, 2014, in comparison to the year 2013, mainly comes from the fees in the amount of \$14,765 incurred from the agency that was responsible for the communications related to the opening of the plant in Thetford Mines.

Traveling fees

The increase in traveling fees for the year ended December 31, 2014, in comparison to the corresponding year in 2013, is essentially due to the fees incurred in 2014 to meet potential suppliers and strategic partners.

Advertising and entertainment

The increase in advertising and entertainment during the year ended December 31, 2014, in comparison to the year 2013, mainly comes from the expenses of \$21,715 incurred at the beginning of the year 2014 from Company's members attendance to a conference offered to technological companies in order, among others, to get known from brokerage firms in North America.

Finance income

The Company earned more interest revenue during the year ended December 31, 2014, because it purchased term deposits totaling \$1,800,000 in January 2014, all of which were sold throughout the year and this, until December 2014.

Deferred income taxes

The deferred income tax liability recognized as at December 31, 2012 was entirely reversed during the year 2013, since the Company was henceforth in a deferred income tax asset position, mainly because of the increase in non-capital losses at the end of the year. The income tax asset was however not recognized in the balance sheet as at December 31, 2013, since the Company was not assured that the fiscal loss or the related deductible temporary difference would eventually allow compensating a future taxable income. The Company's position is unchanged as at December 31, 2014.

NovX21 Inc.
Management Discussion and Analysis
December 31, 2014

RESULTS (continued)

Other expenses

Breakdown of the components of «other expenses»

For the period ended December 31,	2014 (3 months)	2013 (3 months)	2014 (12 months)	2013 (12 months)
	\$	\$	\$	\$
Transfers and electronic deposits agent	-	-	1,134	9,832
Fuel and electricity	1,723	639	1,723	12,180
Office expenses	739	1,649	6,796	6,592
Press releases	816	1,995	4,893	7,840
Brokerage fees	-	(34,719)	-	281
Registration fees	561	266	33,122	7,166
Rent	3,093	2,096	10,682	15,156
Exchange loss (gain)	(1,066)	(3,663)	2,588	(3,716)
Annual report	1,122	20,411	16,064	20,469
Others	1,942	3,856	7,726	3,480
	<u>8,930</u>	<u>(7,470)</u>	<u>84,728</u>	<u>79,280</u>

Brokerage fees

During the three-month period ended December 31, 2013, brokerage fees in the amount of \$35,000 were reversed and recorded as share issuance expenses.

Registration fees

During the year ended December 31, 2014, fees in the amount of \$25,774 were incurred from the TSX Venture Exchange regarding the change in the Company's name and different modifications to the share-based payment plans and the shareholder rights plan.

CASH FLOW

Throughout the year, liquidities decreased by \$677,226:

- Proceeds of \$1,819,217, net of the financial share issuance costs of \$187,783, were obtained from the last portions of the private placement started in December 2013.
- These proceeds, including the funds held at the beginning of the year were, among others, used to meet current operations, as well as the acquisitions of intangible assets, mainly from the development of the technology to increase the chromium to iron ratios of chromite and extract platinum group metals.
- As explained in the Company's activities section of this analysis, the Company reached an agreement with the city of Thetford Mines to build a commercial plant, which requires significant investment. Accordingly, the Company is currently negotiating with potential investors to finance the project.

NovX21 Inc.
Management Discussion and Analysis
December 31, 2014

CASH FLOW (continued)

Intangible assets

Monetary intangible assets' acquisitions incurred for the development of the technologies at the plant in St-Augustin total \$976,012 for the year ended December 31, 2014 and \$591,636 for the corresponding year ended December 31, 2013. These amounts are allocated as follows:

	Dec.31, 2014 \$	Dec.31, 2013 \$
Salaries	178,525	97,429
Consultants	539,255	363,059
Energy	13,715	13,020
Rent	42,955	41,256
Purchases	268,186	124,709
Derived revenues	(72,718)	(51,568)
Total technology to increase the chromium to iron ratios of chromite and extract platinum group metals	969,918	587,905
Patents	6,094	3,731
Total	976,012	591,636

Salaries

The increase in salaries first comes from the hiring of an operator and an electromechanical engineer in April and June 2014 respectively, from whom salaries expenses of \$43,298 were incurred during the year ended December 31, 2014, as well as from additional hours worked at the plant in order to ensure a continuous production to process the samples received. Indeed, the two main plant's employees worked 42% of additional hours in 2014, as compared to the year 2013.

Consultants

The increase in consulting fees is mainly due to the additional expenses of \$88,243 incurred from CIR Laboratory during the year ended December 31, 2014, in comparison to the year 2013. The Company collaborates with this company to develop and improve the technology to increase the chromium to iron ratios of chromite and extract platinum group metals. Also, fees incurred from SENECA were higher of \$66,543 in 2014, mainly because of the prefeasibility engineering studies that are currently realized.

Purchases

The Company made additional purchases of material and equipment, among others, during the year ended December 31, 2014, in comparison to the year 2013, since additional efforts were made at the plant, mainly to optimize the process and improve its efficiency. Additional trials were also realized, in comparison to the preceding year.

Derived revenues

The additional trials realized allowed selling more derived products during the year ended December 31, 2014.

NovX21 Inc.
Management Discussion and Analysis
December 31, 2014

CASH FLOW (continued)

Exploration and evaluation assets

Summary of the acquisitions

As at December 31,	Lac Ewart		Menarik		Vauquelin		Total	
	2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$
Core shack	-	-	-	440	-	-	-	440
Drilling	-	-	45,250	199,177	-	-	45,250	199,177
Geology and prospection	9,910	1,309	52,999	8,301	-	-	62,909	9,610
Geophysics	-	-	132,860	-	-	-	132,860	-
Laboratory	68,000	-	2,065	8,540	-	-	70,065	8,540
Exploration and evaluation expenses	77,910	1,309	233,174	216,458	-	-	311,084	217,767
Mining rights	-	4,032	8,080	-	56	656	8,136	4,688
Total	77,910	5,341	241,254	216,458	56	656	319,220	222,455
Change in trade accounts included in the total	-	-	1,321	(20,587)	-	-	1,321	(20,587)
Monetary transactions	77,910	5,341	221,988	195,871	56	656	320,541	201,868

Explanation of the changes

Lac Ewart

In 2014, the Company granted a contract to the INRS (Institut national de la recherche scientifique) for geochemical analyses of the forest soils on more than 450 samples taken on the field. Refer to the property's analysis of this report for more detail on the nature of the activities realized and their outcomes.

Menarik

According to a program suggested by geologist Yves Bussières, in November 2013, the Company drilled five targets for a total of 987 meters and many mineral samples were taken and deposited to Val d'Or's ALS Laboratory for analysis.

In 2014, the geophysical survey to realize gravimetric surveys and levelling on roughly 1,700 stations started. In addition, the review of 2011 and 2013 drilling cores on some holes was realized. For more information, refer to the property's description of this analysis.

NovX21 Inc.
Management Discussion and Analysis
December 31, 2014

CASH FLOW (continued)

Issuance of shares

Cash flows obtained from shares issuance come from the completion of the last portions of the private placement in the amount of \$2,991,750 started in December 2013, which involved the issuance of 20,070,000 Class "A" shares at a price of \$0.10 per share and 20,070,000 warrants, for which \$2,007,000 was cashed during the year ended December 31, 2014.

FINANCIAL SITUATION

The Company's working capital is of \$453,502 as at December 31, 2014. As mentioned in the cash flow section, over the medium-term, the Company plans on building a commercial plant. Accordingly, the Company will need to complete the financing agreements currently underway, the actual financial situation not allowing the realization of this project.

RELATED PARTY TRANSACTIONS

Transactions with related parties, more specifically a company with a common officer, a company of which a partner is a director of the Company and key management (members of the Board of Directors, the president, the vice-president and the chief financial officer) were incurred:

Transactions with key management personnel

	Dec.31, 2014	Dec.31, 2013
	\$	\$
Short-term employee benefits		
Consulting fees	105,000	218,495
Consulting fees capitalized to intangible assets	105,000	105,000
Professional fees	60,090	-
Share-based payments	88,551	146,640
Share-based payments capitalized to intangible assets	39,997	-
Total	<u>398,638</u>	<u>470,135</u>

The decrease in consulting fees of \$113,495 comes from the resignation, as an officer, of a consultant of the Company.

The professional fees of \$60,090 incurred during the year ended December 31, 2014 come from the services rendered by the chief financial officer.

Transactions with a related company

The Company also incurred professional fees in the amount of \$109,773 during the year ended December 31, 2014 from a law firm from which a partner is a director of the Company. Explanations on the amounts incurred are provided in the corresponding operating expenses section. Last fiscal year, this firm was unrelated to the Company.

NovX21 Inc.
Management Discussion and Analysis
December 31, 2014

INFORMATION ON OUTSTANDING SHARES

(as at April 24, 2015)

Outstanding Class "A" shares	102,214,144
Share purchase options	6,075,000
Warrants	41,875,900

OFF BALANCE SHEET ARRANGEMENTS

There are no off balance sheet arrangements that could have a significant impact on the financial position, results of operations and liquidities of the Company.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation used by the Company are provided in Note 5 of the audited financial statements as at December 31, 2014.

RISKS AND OPPORTUNITIES

The Company is exposed to different types of financial and non-financial risks through its operations.

The Company closely manages the risks with the collaboration of the board of directors. The objectives pursued aim at supporting the development of the Company and optimizing the investment of its shareholders.

The following describes changes in the composition of the risks to which the Company is exposed and management's strategies to handle them.

Financial risks

Credit risk

The Company's maximum exposition to credit risk is limited to the carrying amount of its financial assets. The Company's financial assets went from a carrying amount of \$839,959 to \$196,437 during the year ended December 31, 2014.

Management still considers that its financial assets are of good credit quality.

There was no significant change in credit risk management strategies throughout the period, since the Company's exposition to this risk is considered low.

Liquidity risk

There was no significant change in liquidity risk management strategies during the period. Liquidity risk management serves to maintain a sufficient amount of cash and to ensure the Company has adequate financing sources.

The Company's short-term liabilities are made of trade accounts and went from \$181,081 to \$166,182 during the year ended December 31, 2014.

NovX21 Inc.
Management Discussion and Analysis
December 31, 2014

RISKS AND OPPORTUNITIES (continued)

Non-financial risks

Environmental risks

Since the Company is not yet in the exploitation phase, management considers its exposition to environmental risks as being limited. However, management closely studies, together with the authorities, any environmental impact that could possibly affect exploration activities, and applies all measures necessary to eliminate potential risks.

COMMITMENTS

A description of the commitments to which the Company is exposed is provided in Note 22 of the audited financial statements as at December 31, 2014.

MANAGEMENT'S REONSABILITY TOWARDS THE FINANCIAL INFORMATION

The Company's audited financial statements are management's responsibility and were approved by the board of directors. These financial statements were established in accordance with International Financial Reporting Standards (IFRS).

(s) Sylvain Boulanger

Sylvain Boulanger
President and chief executive officer

(s) Yves Therrien

Yves Therrien
Chief financial officer