

MANAGEMENT'S DISCUSSION AND ANALYSIS

**FOR THE THREE AND SIX MONTHS ENDED
MARCH 31, 2022**



About Us

BluMetric Environmental Inc. is a publicly traded environmental consulting and water cleantech company. We provide complete solutions to challenges such as water purification, protecting environments, and ensuring health and safety for Industrial/Commercial, Mining, Government, and Military clients.

BluMetric has more than 170 employees operating in ten offices and over 40 years of expertise. From remote northern mines to urban workplaces, we deliver with an interdisciplinary team best suited to solving unique challenges.

May 26, 2022

This Management Discussion and Analysis "MD&A" explains the material changes in BluMetric Environmental Inc's ("BluMetric" or the "Company") financial condition and results of operations for the six months ended March 31, 2022. The MD&A should be read in conjunction with the Company's financial statements and related notes for the period ended March 31, 2022 as well as the MD&A and audited financial statements and notes for the year ended September 30, 2021. The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company.

This discussion and analysis of the financial condition and the results of operations contain forward looking statements about expected future events and the financial and operating performance of the Company. These statements, which include descriptions of the Company's business strategy, potential variances impacting the Company's internal and external performance drivers, and the Company's ability to meet its ongoing working capital needs through the ensuing 12 months, are included in the "Discussion of Results of Operations", "Liquidity", and "Business Outlook" sections which follow. These statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. This MD&A also makes reference to certain non-GAAP measures to assist users in assessing BluMetric's performance. Non-GAAP measures do not have any standard meaning prescribed by International Financial Reporting Standards ("IFRS") and are therefore unlikely to be comparable to similar measures presented by other issuers. These measures are identified and described under the section "Financial Terms and Definitions".

Business Update

BluMetric continues to monitor regional public health guidelines as the COVID pandemic transitions to an endemic, out of the crisis phase of the pandemic. We are in the process of transitioning back to the offices and will be following a hybrid work model. The ongoing pandemic is not impeding our growth or financial aspirations. We continue to see opportunities emerge within the sectors we serve as opportunities arise from stimulus programs, general market growth, and growing demands for mobile water cleantech.

Business Overview and Strategy

BluMetric is a Canadian company that provides cost-effective and sustainable solutions to help its clients overcome even the most difficult environmental and business challenges. Through a track record that spans 40 years, the Company has evolved into a full-service integrator of environmental solutions known for innovative work in the fields of water/wastewater treatment and professional environmental services.

With a focus on four key markets —Commercial and Industrial; Government; Military; and Mining; — BluMetric's main services and products include:

- Engineering, Rehabilitation and Design
- Wastewater and Water Treatment Solutions
- Hydrogeology and Hydrology
- Environmental Due Diligence Assessments
- Waste Management (Solid, Liquid, Hazardous)
- Industrial Hygiene and Occupational Health and Safety
- Management Systems and Training

BluMetric's comprehensive, affordable offerings are tailored to the specific needs of not only each industry, but also each client. With innovation, agility and client-responsive service as its hallmarks, the Company builds partnerships with its customers by delivering a long-term, holistic approach to managing their complete environmental needs, and health and safety responsibilities. It is this high degree of service that differentiates BluMetric from competitors.

BluMetric's team of approximately 170 dedicated and passionate employees and its client-centric approach form the underpinning of its success, contributing to the following core elements of its value proposition:

- Solution-oriented consultation, design, products and construction services
- Turn-key solutions – BluMetric provides a complete end-to-end solution from assessment and evaluation to implementation to ongoing service and management
- World class expertise in the analysis, management and treatment of water in the environment
- Water treatment solutions that are compact, energy efficient, reliable and simple to operate

The Company has 10 offices across Ontario, Quebec, Yukon and Northwest Territories. BluMetric is proud to be a trusted provider of services to many of Canada's northern Indigenous communities.

Technology and Innovation

Innovation is driven by client demands as they face more stringent environmental regulations. BluMetric's creative process for addressing problems consists of developing solutions that are both scientifically sound and economically viable.

The Company has expanded its standard products for water and wastewater treatment, largely in response to the developing needs for emergency water and wastewater systems due to global climate change. Designs have recently been completed and prototyping phases have started for a mid-sized Portable Water Treatment System and a Mobile Wastewater Treatment Plant. These resilient water solutions are highly flexible and cost efficient and allow for rapid deployments for temporary needs, such as mineral exploration and humanitarian relief.

Additionally, the Company still sees demand for solutions that reduce the ammonia concentration in wastewater due to stricter effluent limits for the mining market. BluMetric's ammonia removal process has been used in several full-scale treatment systems for mining customers.

BluMetric is committed to pursuing new opportunities in technology and innovation.

Sales and Marketing

BluMetric's business development efforts are primarily focused on four key markets where the Company has identified the greatest demand for its products and services:

- Commercial and Industrial
- Government (with specific expertise in Northern Canada)
- Military
- Mining

BluMetric uses a client-centric approach to business development, which involves an emphasis on understanding each client's environmental issues and then identifying and preventing potential problems. This approach allows BluMetric to provide a complete and integrated solution.

Satisfied clients provide repeat business as well as incredibly valuable word-of-mouth referrals. BluMetric continues to actively leverage the successes of past projects to expand and diversify client relationships, strategic partnerships and service offerings.

Board of Directors

The Board currently consists of five members, three of whom are independent. The independent directors reflect a wide range of senior experience in the management of publicly traded and privately held companies. The Board members have expertise in business development, finance, operations, management, and governance.

Executive Management

The Senior Management team comprises: Scott MacFabe, Chief Executive Officer; Vivian Karaikos, Chief Financial Officer; Wayne Ingham, VP, Director of Strategic Business Development; and Andy Benson, VP, Director of Operations. This team has extensive business and environmental experience and is well supported by highly qualified and experienced managers.

Our People

The BluMetric team consists of approximately 170 experienced and motivated hydrogeologists, engineers, occupational and industrial hygienists, environmental auditors, environmental scientists, chemists, project managers, finance professionals, trades and support personnel. They are experts in providing a comprehensive range of environmental services and engineered solutions, from contaminated site assessment and remediation to complete turn-key wastewater treatment systems.

Staffing levels fluctuate with the hiring of contract staff and students to meet project demands. The Company strives to recruit and retain highly skilled employees who are able to use their technical expertise to deliver creative solutions to complex environmental issues.

Diversity, Equity and Inclusion

BluMetric is committed to the principles of diversity, equity and inclusion. The Company is committed to promoting a culture that respects and values the contributions of all employees and their individual differences.

BluMetric's employees come from a wide range of cultural, ethnic, educational and religious backgrounds. Additionally, women represent 50% of the workforce from welders and field technicians to the executive team. BluMetric's goal is to capitalize on the strength derived from diversity while affording its team members the greatest opportunity to excel, grow, and contribute to business and society.

Financial Highlights

| | Three Months Ended | | Six Months Ended | |
|---|--------------------|-------------------|-------------------|-------------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| | \$ | \$ | \$ | \$ |
| Revenue | 8,213,772 | 9,138,727 | 16,030,026 | 17,290,916 |
| Gross profit | 1,801,767 | 2,663,523 | 3,846,682 | 4,883,091 |
| Gross margin % | 22% | 29% | 24% | 28% |
| Operating expenses | 1,453,779 | 1,198,725 | 2,719,154 | 2,349,825 |
| Finance costs | 23,905 | 121,521 | 56,555 | 241,061 |
| Earnings before provision for income tax | 324,083 | 1,343,277 | 1,070,973 | 2,292,205 |
| Income tax expense | 59,639 | 291,455 | 254,329 | 540,540 |
| Net earnings | 264,444 | 1,051,822 | 816,644 | 1,751,665 |
| EBITDA ¹ | 469,402 | 1,617,018 | 1,381,683 | 2,838,068 |
| Weighted average common shares outstanding – basic | 29,395,695 | 28,683,473 | 29,310,530 | 28,679,541 |
| Weighted average common shares outstanding – diluted | 29,443,538 | 28,949,342 | 29,414,845 | 28,784,267 |
| Earnings per share – basic and diluted | 0.01 | 0.04 | 0.03 | 0.06 |
| Total assets | | | 16,694,512 | 15,892,061 |
| Working capital | | | 10,581,192 | 6,446,092 |
| Non current liabilities | | | 1,301,570 | 717,990 |
| Shareholders' equity | | | 10,807,954 | 7,858,247 |
| Net cash ² | | | 2,687,412 | 2,028,256 |

Note 1: EBITDA is a non-IFRS measure (see 'Financial Terms and Definitions') and is calculated as net income before interest expense, income taxes, depreciation, and amortization.

Note 2: Net cash is a non-IFRS measure and is calculated as cash less total debt excluding lease liabilities (see 'Financial Terms and Definitions').

Revenue Breakdown by Market

| | Three Months Ended | | Six Months Ended | |
|---------------------------|--------------------|-------------------|-------------------|-------------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| | \$ | \$ | \$ | \$ |
| Commercial and industrial | 2,977,325 | 3,156,071 | 6,316,703 | 6,184,044 |
| Government | 1,999,477 | 2,069,377 | 4,155,228 | 4,164,520 |
| Military | 2,482,275 | 2,508,417 | 3,425,329 | 3,680,650 |
| Mining | 754,695 | 1,404,862 | 2,132,766 | 3,261,702 |
| | 8,213,772 | 9,138,727 | 16,030,026 | 17,290,916 |

Discussion of Results of Operations

- Revenue for the three and six months ended March 31, 2022 was \$8.2 million and \$16.0 million respectively (\$9.1 million and \$17.3 million for the three and six months ended March 31, 2021).
- Revenue from all markets was relatively consistent in both Q2 2022 compared to the same quarter in the prior year, with the exception of the Mining market.
 - The Mining market decrease is a result of two large mining projects that were completed in FY 2021. The Company is shifting its focus toward higher value services and adding to its client portfolio, especially in northern Quebec, and has started work on a new customer in this area. A new market leader for the Mining market was hired at the end of September 2021 and is focused on business development opportunities in this sector.
- Gross profit was \$1.8 million and gross margin was 22% for Q2 2022 compared to \$2.7 million and 29% for Q2 2021. Gross profit was \$3.8 million (gross margin of 24%) for the six months ended Q2 2022 compared to \$4.9 million (gross margin of 28%) for the six months ended Q2 2021. The decrease in gross margin is mainly related to project mix as well as some cost overruns in 2022 compared to 2021.
- Operating costs increased slightly compared to the prior period to \$1.5 million from \$1.2 million. Operating costs increased for the first six months of 2022 to \$2.7 million compared to \$2.3 million in the prior year. The increase is mainly due to increases in IT costs related to computer leasing costs, licensing requirements and consulting services. In addition, travel, conference costs and marketing costs have increased as these were greatly reduced in Q2 2021 due to the pandemic restrictions.
- Finance costs were \$23,905 for the quarter ended March 31, 2022 compared to \$121,521 reported in Q2 2021. On April 20, 2021, the Company re-financed its \$2.0 million term loan with an interest rate of 3.28% per annum compared to an effective interest rate of 14% on the previous loan. The term loan has a closed four-year term.
- Net earnings for Q2 2022 were \$264,444 compared to \$1,051,822 for Q2 2021. Net earnings for the six months ended Q2 2022 were \$816,644 compared to \$1.8 million in the six months ended Q2 2021.

EBITDA (see "Financial Terms and Definitions")

| | Three Months Ended | | Six Months Ended | |
|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | March 31, 2022 \$ | March 31, 2021 \$ | March 31, 2022 \$ | March 31, 2021 \$ |
| Net income | 264,444 | 1,051,822 | 816,644 | 1,751,665 |
| Finance costs | 23,905 | 121,521 | 56,555 | 241,061 |
| Income tax expense | 59,639 | 291,455 | 254,329 | 540,540 |
| Depreciation and amortization | 121,414 | 152,220 | 254,283 | 304,802 |
| EBITDA | 469,402 | 1,617,018 | 1,381,811 | 2,838,068 |

The Company recorded EBITDA of \$469,402 for the three months ended March 31, 2022 compared to \$1.6 million for the three months ended March 31, 2021. For the six months ended March 31, 2022, the Company recorded EBITDA of \$1.4 million, compared to \$2.8 million for the six months ended March 31, 2021.

The decrease in EBITDA is mainly due to decreased project revenue (\$924,000 decrease in revenue in Q2 2022 compared to Q2 2021 and \$1.3 million decrease in revenue for year to date Q2 2022 compared to year to date Q1 2022).

For more detail, see "Discussion of Results of Operations" and "Quarterly Results".

Quarterly Results

Quarterly financial information for the eight quarters ended March 31, 2022
 (in 000's, except as otherwise indicated)

| | Q2 2022 March 31, 2022 \$ | Q1 2022 Dec 31, 2021 \$ | Q4 2021 Sept 30, 2021 \$ | Q3 2021 June 30, 2021 \$ |
|---|--|--|---|---|
| Revenue | 8,214 | 7,816 | 9,699 | 8,488 |
| Cost of sales | 6,412 | 5,771 | 7,354 | 6,295 |
| Gross profit | 1,802 | 2,045 | 2,345 | 2,193 |
| Gross margin% | 22% | 26% | 24% | 26% |
| Operating expenses | 1,454 | 1,265 | 1,286 | 1,147 |
| Finance costs | 24 | 33 | 30 | 40 |
| Earnings before provision for income tax | 324 | 747 | 1029 | 1005 |
| Income tax expense (recovery) | 60 | 195 | (257) | 318 |
| Net earnings | 264 | 552 | 1,286 | 687 |
| Weighted average common shares outstanding - basic | 29,395,695 | 29,064,173 | 28,773,174 | 28,836,574 |
| Earnings per share – basic and diluted | 0.01 | 0.02 | 0.04 | 0.02 |
| | Q2 2021 Mar 31, 2021 \$ | Q1 2021 Dec 31, 2020 \$ | Q4 2020 Sept 30, 2020 \$ | Q3 2020 June 30, 2020 \$ |
| Revenue | 9,139 | 8,152 | 10,420 | 6,858 |
| Cost of sales | 6,475 | 5,933 | 7,559 | 5,516 |
| Gross profit | 2,664 | 2,220 | 2,861 | 1,342 |
| Gross margin% | 29% | 27% | 27% | 20% |
| Operating expenses | 1,199 | 1,151 | 1,350 | 1,118 |
| Other income | - | - | (328) | (833) |
| Finance costs | 122 | 120 | 125 | 114 |
| Earnings before provision for income tax | 1,343 | 949 | 1,714 | 943 |
| Income tax expense | 291 | 249 | 491 | 270 |
| Net earnings | 1,052 | 700 | 1,222 | 673 |
| Weighted average common shares outstanding - basic | 28,683,473 | 28,675,695 | 28,675,695 | 28,675,695 |
| Earnings per share – basic and diluted | 0.04 | 0.02 | 0.04 | 0.02 |

The Company experiences variability in its results of operations from quarter to quarter due to the nature of the markets and geographies in which it operates. Typically, in the second quarter, the Company experiences slowdowns related to winter weather conditions and holiday schedules. Activity in the fourth quarter generally increases as a result of projects in the North that run in the summer season. Additionally, the Company has a number of discrete contracts that occur throughout the year and can significantly impact the results of any one quarter.

Below are some key highlights for fluctuations quarter over quarter. For information on the operating results please see the Discussion of Results of Operations in each MD&A for each respective quarter.

Highlights on quarter over quarter variances include:

1. Q2 2022 vs Q2 2021 – Q2 2021 includes large projects related to COVID-19 for the provision of COVID cleaning supplies for schools in each community throughout Nunavut that did not repeat in Q2 2022. Additionally, Q2 2022 reflects a decrease in revenue from the Mining market as a result of two large projects which were completed by Q4 2021. The Company is focusing on business development opportunities in this market moving forward.
2. Q1 2022 vs Q1 2021 – Q1 2022 reflects a decrease in revenue from the Mining market as a result of two large projects which were completed by Q4 2021. The Company is focusing on business development opportunities in this market moving forward.
3. Q4 2021 vs Q4 2020 – Q4 2020 includes a large project for the provision of COVID cleaning protocol training and supplies for schools in each community throughout Nunavut, as well as two large mining projects which were completed by Q4 2021. Q4 2021 includes a large project related to COVID-19 compliance observation, a number of government contract call ups under existing standing orders, as well as a site remediation project for the development of a brownfield property. The Company also received other income of \$328,000 in the period ended September 31, 2020 as a subsidy for employee wages.
4. Q3 2021 vs Q3 2020 – Q3 2021 includes a large project related to COVID-19 for compliance observation which contributed \$1.0 million in revenue during the quarter. The Company recognized other income of \$833,000 in Q3 2020 related to a subsidy for employee wages.

Liquidity

| | Six Months Ended | |
|--|-------------------|-------------------|
| | March 31, 2022 | March 31, 2021 |
| | \$ | \$ |
| Cash provided by (used in) | | |
| Operating activities, excluding changes to working capital | 1,252,940 | 2,602,796 |
| Changes related to working capital | (1,198,252) | (98,005) |
| Operating activities | 54,688 | 2,504,791 |
| Investing activities | (61,361) | (48,135) |
| Financing activities | (468,805) | (717,686) |
| Change in cash and cash equivalents | (475,478) | 1,738,970 |
| Cash and cash equivalents – Beginning of period | 4,727,420 | 2,470,002 |
| Cash and cash equivalents – End of period | 4,251,942 | 4,208,972 |
| Free cash flow ¹ | (225,940) | 2,232,570 |

Note 1: Free cash flow is a non-IFRS measure and is calculated as operating cash flows less net capital expenditures and net payment of lease obligations (see 'Financial Terms and Definitions').

Summary of Cashflow

Cash produced from operating activities was approximately \$54,688 in the six months ended March 31, 2022 compared with cash produced from operating activities of \$2.5 million in the same period in 2021. Roughly half of the decrease was a result of lower revenue and gross profit. The remaining decrease came from changes in working capital, mainly because of the timing of receivables collection, as a few significant receivables were collected right after quarter end.

Investing activities consumed \$61,361 of cash in the first six months of 2022 compared to cash consumed by investing activities of \$48,135 in the same period for 2021.

For the six months ended March 31, 2022, cash used in financing activities was \$468,805 compared to cash used by financing activities of \$718,686 in the same period of 2021. In Q2 2021, the Company made principal payments of \$500,000 on its existing term debt before refinancing the remaining \$2.0 million through a new lender on April 20, 2021. In Q2 2022, in addition to lower loan repayments, the Company generated cash of \$120,000 from the exercise of stock options.

Summary of Liquidity

The Company's short-term credit facilities consist of an operating credit line in the amount of \$2.5 million, which is a shared limit between its overdraft facility and letters of credit. The facility carries a floating

interest at prime plus 1.25% (2021 - 2.25%), is collateralized by a first ranking general security agreement over all of the Company's present and future assets and has no contractual maturity.

For the period ended March 31, 2022, the effective interest rate under this facility was 3.95% (2021 – 4.7%). As at March 31, 2022, the Company had drawn \$nil on its operating facility and \$nil in letters of credit.

On April 20, 2021, the Company entered into a letter of agreement with its bank for a new \$2.0 million term loan. The term loan has a closed four-year term and carries an interest rate of 3.28% per annum with monthly blended payments of \$44,517 commencing May 31, 2021. It matures April 30, 2025, will be carried at amortized cost and is subject to the same covenants as the Company's short term credit facilities.

As at March 31, 2022, the Company had approximately \$6.9 million in availability between its operating line and cash balances and was in compliance with all its covenants.

Business Outlook

The following comments include forward-looking information and users are cautioned that actual results may vary.

BluMetric is focused on making key investments in personnel to support growth and market expansion. The Company is planning to invest in leadership in the Commercial and Industrial market to take advantage of emerging opportunities. In addition, the Company is considering acquisition opportunities to accelerate growth. BluMetric believes that being diversified in its service offerings and market sectors will continue to position BluMetric for future year growth.

Business Risks

The Company is subject to risks and uncertainties in the normal course of business that could materially affect the financial condition of the Company. The reader is referred to the discussion on Business Risks found in the Company's MD&A for the year ended September 30, 2021.

These risks and uncertainties have not materially changed and are hereby incorporated by reference.

Capital Resources

The Company's future growth strategy contemplates investment in various technologies and processes requiring capital for prototyping purposes. Accordingly, the Company may opportunistically approach capital markets for additional equity funding if conditions are favourable.

Critical Accounting Judgements and Estimates

The reader is referred to the detailed discussion on critical accounting judgements and estimates found in Note 2 of the Company's audited financial statements and related notes for the year ended September 30, 2021.

Contractual Obligations

The nature and extent of the Company's contractual obligations did not change materially from those described in Note 22 of the Company's audited financial statements for the year ended September 30, 2021 (incorporated here by reference).

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements, other than variable payments related to operating leases with terms of twelve months or less that have, or are likely to have, a current or future material effect on its financial position, financial performance, liquidity, capital expenditures or capital resources. The reader is referred to Note 22 of the Company's audited financial statements for the year ended September 30, 2021.

Transactions with Related Parties

All related-party transactions are conducted under terms and conditions reflecting prevailing market conditions at the transaction date and are recorded at the amounts agreed upon by the parties.

Key management personnel of the Company are members of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer and members of the executive team.

The remuneration of key management personnel, including directors, during the period was as follows:

| | Three Months Ended | | Six Months Ended | |
|--------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | March 31, 2022 \$ | March 31, 2021 \$ | March 31, 2022 \$ | March 31, 2021 \$ |
| Salaries | 469,619 | 257,181 | 708,869 | 457,613 |
| Short-term benefits | 24,720 | 25,373 | 48,641 | 50,747 |
| Share-based compensation | 4,581 | 10,422 | 9,280 | 14,407 |
| | 498,920 | 292,976 | 766,790 | 522,767 |

Proposed Transactions and Subsequent Events

There are no proposed transactions or subsequent events for the quarter ended March 31, 2022.

Summary of Outstanding Shares and Dilutive Instruments

The Company currently has the following shares and dilutive instruments outstanding:

| | |
|----------|--------------------------|
| Shares: | 29,395,695 common shares |
| Options: | 120,000 options |

Inter-Corporate Relationships

There are no inter-corporate relationships for the quarter ended March 31, 2022.

Financial Terms and Definitions

Definition of Non-GAAP Measures

This Management Discussion and Analysis includes reference to and uses terms that are not specifically defined in IFRS and do not have any standardized meaning prescribed by IFRS. These non-GAAP measures may not be comparable to similar measures presented by other companies. The Company believes that the measures defined here are useful for providing investors with additional information to assist them in understanding components of the financial results.

EBITDA: EBITDA represents net income before interest expense, income taxes, depreciation of property and equipment, and amortization of intangible assets. The Company uses this measure as part of assessing operating performance. There is no direct comparable IFRS measure for EBITDA.

Adjusted EBITDA: Adjusted EBITDA additionally excludes items that are significant and irregular, such as the gain on disposal of assets held for sale and goodwill impairment.

Management believes that Adjusted EBITDA as defined above is an important indicator of the Company's ability to generate liquidity through operating cash flow to fund future working capital needs, service outstanding debt and fund future capital expenditures and uses the metric for this purpose. Adjusted EBITDA is also used by investors and analysts for valuation purposes. The intent of the Adjusted EBITDA is to provide additional useful information to investors and analysts and the measure does not have any standardized meaning under IFRS. Adjusted EBITDA should therefore not be considered in isolation or used in substitute for measures of performance prepared in accordance with IFRS. Other issuers may calculate Adjusted EBITDA differently.

Free cash flow: Free cash flow is a non-IFRS measure and is calculated as operating cash flows less capital expenditures and net payment of lease obligations. The Company uses this measure as part of assessing the availability of discretionary cash as part of its liquidity management. There is no directly comparable IFRS measure under IFRS.

Net cash: Net cash is a non-IFRS measure and is calculated as cash less total debt excluding lease liabilities. The Company uses this measure as part of assessing liquidity. There is no directly comparable measure under IFRS.

Management's Responsibility for Financial Reporting

The condensed interim financial statements of BluMetric Environmental Inc. and all the information in this Management Discussion and Analysis have been prepared by management, which is solely responsible for the integrity and fairness of the data presented, including the many amounts, which due to necessity, are based on estimates and judgments. The accounting policies followed in the preparation of these annual financial statements conform to IFRS Financial Reporting Standards. When alternative accounting methods exist, management has chosen those that it deems most appropriate in the circumstances. Financial information presented throughout this report is consistent with that in the financial statements.

BluMetric maintains systems of internal accounting and administrative controls to provide reasonable assurance that the financial information is relevant, reliable and accurate and that transactions are authorized, assets are safeguarded and proper records are maintained.

The Board of Directors is responsible, principally through its Audit Committee, for ensuring that management fulfills its financial reporting responsibility.

Additional Information

Additional information on the Company can be found at www.blumetric.ca and at www.sedar.com.