MANAGEMENT'S DISCUSSION & ANALYSIS

PERIOD ENDED MARCH 31, 2015

The following Management's Discussion and Analysis ("MD&A"), presented and dated as of May 28, 2015 should be read in conjunction with EmberClear Corp.'s ("EmberClear", "EMB" or the "Company"), unaudited interim consolidated financial statements and related notes as at and for the nine and three month periods ended March 31, 2015. EmberClear's interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements and International Accounting Standards ("IAS") 34, *Interim Financial Reporting*, and the accounting policies applied in such consolidated financial statements are based on IFRS as issued, outstanding, and effective on May 28, 2015.

All dollar amounts are in US dollars unless otherwise stated.

Additional information relating to EmberClear can be found on SEDAR at www.sedar.com and the Company's website at www.emberclear.com.

Advisory regarding Forward-Looking Statements

This MD&A is intended to provide readers with the information that management believes is required to gain an understanding of EmberClear's current results and to assess the Company's future prospects. This MD&A contains certain forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of Canadian securities laws. All statements other than statements of historical fact are forward-looking statements. Forward-looking information typically contains statements with words such as "anticipate", "believe", "plan", "continuous", "estimate", "expect", "may", "will", "project", "should", or similar words suggesting future outcomes. In particular, this MD&A may contain forward-looking statements including, but not limited to the following:

- our business strategies and plans, including as they relate to the development and the sale of the remaining 50% interest in the Good Spring Natural Gas Combined Cycle ("NGCC") power plants;
- our business strategies and plans as related to development and sale of Natural Gas to Liquids ("GTL") projects in the Mississippi and the East coast; and
- our business strategies and plans regarding the development of other low emissions energy projects, including the locations of potential projects and the number of potential projects in the northeastern Pennsylvania ("PA") region.

Undue reliance should not be placed on forward-looking statements, which are inherently uncertain, are based on estimates and assumptions, and are subject to known and unknown risks and uncertainties (both general and specific) that contribute to the possibility that the future events or circumstances contemplated by the forward-looking statements will not occur. There can be no assurance that the plans, intentions or expectations upon which forward-looking statements are based will in fact be realized. Actual results will differ, and the difference may be material and adverse to the Company and its shareholders.

Forward-looking statements are based on the Company's current beliefs as well as assumptions made by, and information currently available to, the Company concerning anticipated financial performance, business prospects, strategies, regulatory developments, future demand for coal, competition and external financing options. Although management considers these assumptions to be reasonable based on information currently available to it, they may be proven to be incorrect as more current data becomes available.

By their very nature, forward-looking statements involve inherent risks and uncertainties (both general and specific) that could result in the forward-looking statements not being achieved. These risks and uncertainties include, but are not limited to: risks related to the clean energy industry; our ability to access a long term natural gas supply for feedstock; the ability of the Company to obtain all necessary regulatory and other third party approvals to develop the Good Spring NGCC or any other projects; the failure of the NGCC plants to function as anticipated; risks associated with competition; financial risks; the substantial capital requirements of EmberClear's business and operations, including the amount of financing that will be required to build EmberClear's power plant and the availability of bank financing and other sources of capital; changes in government regulation, including regulatory requirements which impact market pricing and allowable technologies; environmental risks; risks related to our ability to retain a plant operator if required, and the time and investment it will take to construct the plant; changes in prices, markets and marketing, EmberClear's dependence on key personnel, risks related to dependence on key and single source vendors, EmberClear's inability to insure against certain risks, EmberClear's ability to management of growth, the expiration of licenses, patents and permits, conflicts of interest, EmberClear's ability to satisfy its debt obligations, risks related to title to patents and property and variations in foreign exchange rates. Readers are cautioned that the foregoing list of factors and other risk factors and uncertainties described herein that may affect future results is not exhaustive.

This document also contains forward-looking statements pertaining to the potential tonnage range estimates of coal deposits and the quality of these coal deposits. With respect to such forward-looking statements, we have made assumptions regarding the worldwide demand for coal and the existence of coal deposits on the Good Spring Property ("GSP"). Risks and uncertainties related to these forward-looking statements include, among other things: changes in the general economic, market and business conditions; the Company's need for additional funding to continue its exploration efforts; the competition for, among other things, capital and skilled personnel; changes in government policies and greenhouse gas regulations; and global financial conditions. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

In addition, this document contains forward-looking statements pertaining to the Company's intent to develop Natural Gas to Liquids ("GTL") projects in the Mississippi and the East coast. We have made assumptions regarding the worldwide demand for gasoline products from the GTL projects. Risks and uncertainties related to these forward-looking statements and assumptions include, among other things: changes in the global demand for transport fuel and natural gas products; changes in market and business conditions; commercial viability of the GTL projects; the Company's ability to raise additional capital to finance the development of these projects; changes in government and regulatory policies; greenhouse gas regulations and global financial markets.

The risk factors and uncertainties described above and elsewhere herein may cause actual results to differ from the forward-looking statements contained herein. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. These forward-looking statements are based on the estimates and opinions of Management on the dates they are made and are expressly qualified in their entirety by this notice. The readers are cautioned not to unduly rely on these forward looking statements.

Business Overview

EmberClear is an energy project development company specializing in low-emission, commercial scale energy projects, primarily based on natural gas. EmberClear's business model is based on developing a portfolio of energy projects with potential gross profit for the Company subsequent to the investment and development year. EmberClear generally initiates projects as an equity owner and plans to generate revenue from selling parts or all of the project. Primary activities during the development year include acquiring sites, obtaining permits, securing zoning approval, technology integration, obtaining construction commitments, and key contracts for fuel supply and sale of finished products. As a project progresses, a Special Purpose Vehicle ("SPV") may be formed with the intention of selling equity in the project as important milestones are achieved. Management believes this business model allows the Company to leverage its technology, permitting, and developer expertise, leaving the large capital commitments to traditional owners and operators of these types of large long-life assets. It is also possible for the Company to retain a carried interest in a finished project.

On December 8, 2010, EmberClear received all the necessary permits for the development and construction of a natural gas combined cycle ("NGCC") electricity power plant capable of generating up to 270 Megawatts ("MW"). On May 17, 2012, the Company applied and obtained the necessary permits to increase the output to 337 MW and on November 13, 2012, EmberClear filed key documents with regulators and regional transmission operators for a second 337 MW natural gas fired electricity power plant in Schuylkill County, Pennsylvania. These projects are collectively referred to herein as the Good Spring Power projects.

It is anticipated that the Good Spring Power projects will serve the largest electricity power market in the United States, including metropolitan markets such as Philadelphia and Harrisburg. EmberClear owns a 560 acre property and a tract of 83 acres of that land has been allocated for these projects. Power grid infrastructure is well developed near the property and a complete analysis for transportation of the plants' electricity within the Pennsylvania – New Jersey – Maryland power grid (the "PJM Grid") was completed.

On January 13, 2014, members of the board of directors (the "Board") resolved to dispose of the Good Spring Power projects through an outright sale of the project entities. On March 11, 2014, the Company signed a Membership Interest Purchase Agreement (the "Agreement") and disposed 50% of its membership interest in Future Power PA LLC ("FPPLLC" or "Good Spring Power Project 1") and the EmberClear Power PA LLC ("EPPLLC" or "Good Spring Power Project 2") to Tyr Energy Inc., based in Overland Park, Kansas, United States. The Company received a reimbursement of approximately 50% of its development costs leading up to the transfer of the projects assets and the land.

Subsequent to the transaction, it is expected that both EmberClear and Tyr will jointly develop the Good Spring Projects so that construction on the first Good Spring Project 1 can commence. Construction is expected to commence within 18 months from the initial close in March 2015. Tyr Energy has the option of acquiring the remaining 50% of the Good Spring Power projects at the predetermined conditions set forth in the agreement. No timetable for the construction of Good Spring Power Project 2 has been set.

EmberClear intends to pursue other clean technology energy power development projects in the United States. Management believes the facility-ready zoning, local geology, economy, labour force, widely available fuel feedstock, aging incumbent coal-fired power plants, and lack of clean energy alternatives make the northeastern Pennsylvania region suitable for the sequential development of additional projects. The Company is also planning to develop natural gas to liquids plants in the Mississippi and the East coast. The Company is currently conducting technical studies to obtain permits at these potential project sites.

EmberClear also holds surface and mineral rights in Schuylkill County, Pennsylvania. This property lies in the Southern Anthracite field of northeastern Pennsylvania and EmberClear's 2012 drilling program indicated that there are approximately 100 – 216 million potential tons of anthracite coal on the Good Spring Property. Coal quality ranges are representative of the historical quality of anthracite coal in this region. Market interest for such an asset is highly dependent on the outlook for steel production.

EmberClear's NI 43-103 Technical Report has been filed with applicable securities regulators and are available on the Company's website and on SEDAR at www.sedar.com.

Overall Performance

EmberClear is executing its project development business plan and developing a portfolio of energy projects starting with those 100 percent owned by the Company. EmberClear utilizes its proven expertise in permitting, site control and engineering feasibility to develop projects that are sold to investors interested in purchasing, constructing and operating such energy projects. EmberClear is in the process of selling assets including, but not limited to its remaining interest in the Good Spring Power projects and intends to continue those activities.

Natural gas prices in the U.S.A. are favourable and the relationship between the electricity sale price and the cost of natural gas is a key determining factor for the likely financial returns of the Good Spring Power plant. FPPLLC intends to start the Good Spring power plants as NGCC power plants to take advantage of the price relationships and the anticipated improved financial returns. This plan enables the Company to utilize current permits for the Good Spring Power plant while significantly reducing the required capital investment. Similar engineering, regulatory requirements, natural gas supplies, pipelines, grid interconnection, and labour market conditions are expected to result in meaningful speed and cost savings to take advantage of recent market trends such as the availability and price of natural gas, electricity pricing, and decommissioning coal based power plants in this region of the United States.

The overall investment for a 337 MW Good Spring Power Project 1 will be approximately $350M to $400M and the proven NGCC technology represents a straight forward configuration that management believes provides the lowest risk when compared to other technologies. Competing engineering, procurement and construction (“EPC”) firms have been identified as being a qualified and desirable party for FPPLLC to proceed with detailed contracting. EmberClear intends to recoup its remaining development costs and a development fees when construction on Good Spring Power Project 1 begins.

EmberClear

Consolidated Quarterly Comparison

The table below outlines selected information for the most recent eight quarters. Explanation for these changes are discussed later in this MD&A. The Company managed to reduce its general & administrative and engineering related expenses over the last eight quarters as its projects began to mature. The financing fees remained constant during these quarters with the exception of the current quarter when Company recorded project sale and bridge financing related fees.

	2015			2014				2013
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Expenses								
Licensing and technology	116,871	75,455	52,085	518,005	264,970	330,725	410,272	590,436
Financing costs	107,253	243,900	286,673	231,161	615,892	226,510	225,337	233,896
General and administrative	176,515	553,933	243,750	639,477	181,242	236,092	524,590	448,387
Amortization	1,951	28,835	3,429	4,342	4,281	4,307	4,315	436,851
Share-based payments	-	-	2,960	3,128	3,058	3,285	10,252	13,488
	402,590	902,123	588,897	1,396,113	1,069,443	800,919	1,174,766	1,723,058
Loss before undernoted	(402,590)	(902,123)	(588,897)	(1,396,113)	(1,069,443)	(800,919)	(1,174,766)	(1,723,058)
Other income								
Capital contribution to FPPLLC	-	-	-	(249,000)	-	-	-	-
Foreign exchange gain (loss)	427,379	131,577	217,055	(370,528)	354,945	(16,301)	113,644	171,391
Gain on disposal of exploration and evaluation assets	-	-	-	(67,343)	190,829	-	-	-
Gain on sale of power entity	-	-	-	1,388,375	1,111,515	-	-	-
Interest and other income	-	-	-	414	3,650	42,375	5,829	276,345
Misappropriation of corporate assets	-	-	-	-	(102,230)	(234,109)	(129,254)	(83,481)
Reversal of impairment loss (impairment loss)	-	-	-	(34,432,087)	2,701,952	-	-	(43,777,581)
	427,379	131,577	217,055	(33,730,169)	4,260,661	(208,035)	(9,781)	(43,413,326)
Net income (loss) before discontinued	24,789	(770,546)	(371,842)	(35,126,282)	3,191,218	(1,008,954)	(1,184,547)	(45,136,384)
Income (loss) on discontinued operations	-	-	-	-	-	-	-	(6,838)
Future income tax (expense) recovery	-	-	-	11,964,864	(641,705)	4,581	(5,402)	2,662,072
Comprehensive Income (Loss)	24,789	(770,546)	(371,842)	(23,161,418)	2,549,513	(1,004,373)	(1,189,949)	(42,481,150)
Per share - basic and diluted before discontinued operations	-	(0.01)	(0.01)	(0.32)	0.04	(0.01)	(0.02)	(0.59)
Per share - basic and diluted discontinued operations	-	-	-	-	-	-	-	(0.00)
Per share - basic and diluted	-	(0.01)	(0.01)	(0.32)	0.04	(0.01)	(0.02)	(0.59)

EmberClear

Consolidated Financial Results for the Period ended March 31, 2015

The table below outlines selected information for the nine and three month periods ended March 31, 2015 and 2014:

	Nine Months		Three Months	
	2015	2014	2015	2014
Total revenue	-	-	-	-
Net income (loss) before discontinued operations	(1,117,599)	(2,194,322)	(24,789)	(1,005,031)
Net income (loss)	(1,117,599)	(2,194,322)	(24,789)	(1,005,031)
Net loss per share – basic and diluted before discontinued operations	(0.02)	(0.03)	-	(0.01)
Net loss per share – basic and diluted	(0.02)	(0.03)	-	(0.01)
Total assets	2,174,261	34,875,852	2,174,261	34,875,852
Total liabilities	7,186,752	18,223,312	7,186,752	18,223,312

Revenue

No revenue was recognized during the nine and three month periods ended March 31, 2015.

Expenses

Several categories of expenses for the nine and three month periods ended March 31, 2015, decreased somewhat as compared to the comparable period in the prior year, as follows, with significant changes discussed thereafter.

	Nine Months		Three Months	
	2015	2014	2015	2014
Licensing and technology	244,411	740,997	116,871	330,725
Financing costs	637,826	451,847	107,253	226,510
General and administrative	974,198	660,064	176,515	232,750
Depreciation and amortization	34,125	8,622	1,951	4,307
Share-based payments	2,960	13,537	-	3,285

Licensing and technology

Licensing and technology expenses consist primarily of marketing, travel and ongoing licensing fees with respect to the clean energy project development business.

Licensing and technology expenses decreased by 67.0% and 64.7% respectively for the nine and three month periods ended March 31, 2015, as compared to the same periods in 2014. The reduction in licensing and technology costs is due to having the projects mature and reach a stage where the Company could start looking for potential project partners.

General and administrative

General and administrative ("G&A") expenses consist primarily of salaries, travel and office-related costs for support staff as well as legal fees, accounting, public company costs and general corporate overhead.

General and administrative expenses increased by 47.6% and decreased by 24.2% respectively for the nine and three month periods ended March 31, 2015, as compared to the same periods in 2014. The increase was related to increased activity arising from progressing the power projects to Notice to Proceed and settlement of the breach of distribution agreement for $220,000.

Financing Costs

Financing costs for the nine and three month periods ended March 31, 2015 were $637,826 and $107,253 respectively as compared to $451,847 and $226,510 for the same periods in 2014. The increase in financing costs is due to fair value adjustments of the Company's debt warrants, accretion on its debentures and additional interest on the debentures issued during the period.

Depreciation and amortization

Amortization for the nine and three month periods ended March 31, 2015 were $34,125 and $1,951 as compared to $8,632 and $4,307 in the prior year. The increase is due to write-off of $26,817 of leasehold improvements as related to a former office space.

Share-based Payments

Share-based payments represent a charge upon issuance of stock options, using Black-Scholes option pricing model to calculate the fair value of options issued

Other Income (Expense)

	Nine Months		Three Months	
	2015	**2014**	**2015**	**2014**
Interest and other income	-	47,876	-	42,047
Foreign exchange gain (loss)	776,011	(366,310)	427,379	(254,082)
	776,011	(318,434)	427,379	(212,035)

Interest and Other Income

EmberClear earns interest on its cash and cash equivalents. Interest earned in the nine and three month periods ended March 31, 2015 was 100.0% lower respectively than the same periods in the prior year, due to lower cash balances on hand and the lower rate of interest received in respective periods.

Foreign Exchange

EmberClear's foreign exchange gains and losses are as a result of the movement of the exchange rate between US and Canadian dollars with most based on historical costs associated with investments and equity. EmberClear's foreign exchange gain was $776,011 and $427,379 respectively for the nine and three month periods ended March 31, 2015 as compared to a loss of $366,310 and $254,082 for the same periods in 2014.

Net Loss

Net loss for the nine and three month periods ended March 31, 2015 was $1,117,599 and $24,789 as compared to income of $355,191 and $2,549,513 for the same periods in 2014.

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Discontinued Operations

The following section reviews the results of Camera Business, which has now been sold, as described in Note 19 in the June 30, 2011 audited consolidated financial statements.

		2015		2014				2013
		Q2	Q1	Q4	Q3	Q2	Q1	Q4
Expenses								
General and administrative	-	-	-	-	-	-	-	6,838
	-	-	-	-	-	-	-	6,838
Loss before other income (expense)	-	-	-	-	-	-	-	(6,838)
Other income		-	-		-	-	-	-
Net income (loss)	-	-	-	-	-	-	-	(6,838)
Income (loss) per share - basic	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income (loss) per share - fully diluted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Research and development expense is related to the maintenance of assets and intellectual property to support its sale.

On March 31, 2011, the Company sold all assets related to the Camera Business, other than certain intellectual property. The proceeds were $1,000,000 CDN in cash, and $675,000 CDN as a note receivable due March 31, 2012, secured by a general security agreement. On June 7, 2012, the Company amended the terms of the note receivable to receive instalments of $250,000 CDN by June 30, 2012 (along with the accrued interest to June 6, 2012), $175,000 CDN by March 31, 2012, another $175,000 CDN by March 31, 2012 and with the remaining balance due no later than March 31, 2013. To date, we have received $425,000 CDN and the remaining note was assigned to the plaintiff as part of the settlement of breach of distribution agreement.

Liquidity and Capital Resources

At the end of March 31, 2015, the Company had a working capital deficit of $5,278,168 as compared to working capital deficit of $5,872,559 at June 30, 2014.

As of March 31, 2015, EmberClear had $4,505 (June 30, 2014 **-** $85,062) of cash and cash equivalents available for general corporate purposes.

The Company regularly reviews the level of capital resources, and adjusts spending plans accordingly. This review includes discretionary capital requirements and potential sources of capital. The evaluation takes into account factors such as the current economic environment, the state of equity markets, ability to complete equity financings on favorable terms and the availability and prudence of debt financing.

Management has been and continues to be proactive in seeking new sources of funding to continue advancing low emission energy projects. The Company plans to fund future exploration and development activities by way of financings, such as public offering or private placement of debt or equity securities and is in the process of selling assets including, but not limited to its remaining 50% interest in the Good Spring Power projects. The inability of the Company to raise additional financing or sell assets will cast significant doubt on the Company’s ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability to achieve and maintain profitable operations and generate funds there from, to continue to raise equity or debt financing sufficient to meet current and future obligations, to restructure existing debt and payables and sell assets.

The timing of cash outflows as at the end of the reporting year relating to financial liabilities repayable within specified time frames are outlined in the table below:

	< 1 year	1-3 years	4-5 years	Total
Trade and other payables	$1,858,840	$ -	$ -	$1,858,840
Debenture payable	3,662,057	1,625,208	-	5,287,265
	$5,520,897	$1,625,208	$ -	$7,146,105

The Company plans to pay off its long-term liabilities from the sale proceeds of its remaining 50% interest in Good Spring Power Project 1. Management is considering a hybrid financing to meet its short-term obligations that includes interest on debentures. There can be no assurance that the Company will be able to successfully complete the above mentioned or any other financing.

Off-Balance Sheet Arrangement

The Company does not have any off-balance sheet arrangements.

Share Capital

As of May 28, 2015 and June 30, 2014, there were 72,518,460 common shares issued and outstanding and 4,783,000 options to purchase common shares outstanding.

Related Party Transactions

For the nine and three months period ended March 31, 2015, the Company incurred $Nil CDN (March 31, 2014 – $26,585 CDN) of legal fees with a law firm in which a former Director of the Company is a partner. At March 31, 2015, $Nil (June 30, 2014 - $Nil CDN) of these fees are in trade and other payables.

For the nine and three months period ended March 31, 2015, the Company incurred interest of $Nil (March 31, 2014 - $149,720) to a company owned by a relative of an officer and Director of the Company. At March 31, 2015, $Nil (June 30, 2014 - $Nil) amounts were owing to the company.

These transactions were in the normal course of operations and were measured at the amount of consideration established and agreed to by the related parties.

Financial Instruments

The Company, as part of its operations, carries a number of financial instruments. For full disclosure and discussion, please refer to the audited consolidated financial statements, as follows:

- Classification of financial instruments
- Financial risks

Events after the Reporting Date

On April 3, 2015, EmberClear Company entered an Assignment Agreement with Tyr Energy to assign the remaining 50% interest in the Good Spring Projects to Tyr. The Company also signed Development Success Fee and Consultant Services Agreements with Tyr Energy. Accordingly, EmberClear will no longer be responsible for on-going development cost of the projects and earn a consulting fee for the services provided. Additionally, EmberClear will receive $4 million as success fee following the project closing and consummation of project financing.

On April 17, 2015, EmberClear Company's wholly owned subsidiary Birdsboro Power LLC signed an agreement with AEIF Birdsboro, LLC, a wholly owned entity of Ares, a $86 billion asset management fund to develop a 400Mw power project in Northeastern Pennsylvania. AEIF will provide a loan to the development entity to fund all development cost and pay a monthly retainer to EmberClear for managing the project. EmberClear will also earn a success fee and retain a carried interest in the project.

Trends, Commitments and Events

The power generation industry, historically, has been characterized by electric utility monopolies producing electricity from increasing ageing, inefficient, high-cost generating facilities selling to a captive customer base. Industry trends and regulatory initiatives have transformed the historic market into a more competitive market where end users purchase electricity from a variety of suppliers, including non-utility generators, power marketers, public utilities and others. In response to increasing customer demand for low-cost electricity and enhanced services, new regulatory initiatives have been and are continuing to be implemented to increase competition in the U.S.A. and international power generation industries.

Many countries, including the United States, are concerned with over reliance on foreign sources of oil for domestic energy consumption. As a result, public policy and opinion increasingly favour energy producers who rely on domestic sources of fuel. In addition, environmental regulations continue to become more stringent favouring energy producers who have a low impact on the environment. The Company is of the view that there is a significant need for additional power generating capacity in the United States and internationally from clean energy sources using local supplies of fuel such as natural gas or coal.

The United States has seen a multi-year increase in the production of natural gas leading to supply and storage inventory achieving unprecedented levels. The increase in natural gas production is the result of factors such as advances in horizontal drilling technology, development of hydraulic fracturing techniques, and oil production. In the case of oil production, high crude oil prices in recent years have increased oil-drilling activity in the United States. Drilling activities often include the presence of natural gas in the recovered oil. This associated natural gas is considered a secondary product for companies interested in producing crude oil and regulations limiting the disposal methods allowed for natural gas result in most of the associated natural gas from oil drilling being sold into the market regardless of price. The total output of natural gas from the Marcellus Shale (region closest to EmberClear's Good Spring Power projects) has been steadily going up and likely to become the largest shale based natural gas producing region in the United States. Standard and Poor's issued a report in October 2012 estimating almost half of the current proven natural gas reserves in the U.S. reside in the Marcellus Shale and that US Government figures are out dated and too low.

A recent trend of U.S.A. based coal plants being retired has been attributed to factors such as the age of existing plants (industry average is 46 years), market prices for electricity, favourable market prices for natural gas, and regulations for emissions. While 3rd party estimates for the amount of coal based electricity retirements can be found to range from 19 GW to 35 GW, the United States Department of Energy's EIA has reported plant owners indicate 27 GW of capacity from 175 coal-fired plants will retire between 2012 and 2016. In the PJM Mid-Atlantic region where the Good Spring Power projects are located, 31% of electricity is provided by coal plants older than 40 years of age and smaller than 400 megawatts in output. According to the PJM, plants comprising the 31% of old and small coal-fired plants are most likely candidates for de-commissioning. PJM capacity auctions held in May 2012 reported 2014 forward capacity fixed prices at $67 per megawatt-day an increase of 22% versus the prior year. In 2013, the average price cleared lower than the prior year at $59 but the May 2014 auction cleared at $120. Additionally, the auction favours the newer NGCC projects because they are more energy efficient.

Accounting Standards issued but not yet applied

There have been no new or revised accounting pronouncements that would materially impact the Company since those adopted on July 1, 2014, as disclosed in Note 4 to the unaudited interim consolidated financial statements for the nine and three month periods ended March 31, 2015.

Risks and Uncertainties

EmberClear intends to develop several NGCC power plants in the U.S.A. EmberClear will be required to secure favourable long-term natural gas contracts for the NGCC projects. EmberClear's management believes that such long-term contracts will be necessary for the purpose of negotiating purchase power agreements. Without long-term natural gas supply contracts, EmberClear cannot be sure that electricity produced at the NGCC projects will be economically feasible or that the facility will be able to operate profitably. If EmberClear is unable to enter into long-term contracts at economically attractive prices with producers, suppliers, wholesalers, and/or traders of natural gas, it may not be able to successfully sell or otherwise monetize its interest in the NGCC projects.

A key component of EmberClear's business plan is selling or otherwise monetizing all or part of its interest in the Good Spring Power projects prior to construction. If EmberClear is unable to sell or otherwise monetize its remaining 50% interest in the Good Spring Power projects from Tyr Energy, it would adversely affect EmberClear's business and ability to generate revenue. If EmberClear is unable to monetize its interest in the Good Spring Power projects from Tyr Energy, it may be required to look for other investments partners in order to receive a return on its investment in the projects. Construction of the Good Spring Power projects would require significant additional financing which EmberClear may not be able to obtain without the help of a strong partner. If required to construct and operate the Good Spring Power projects, EmberClear will be subject to a number of additional significant risks which could adversely affect EmberClear's business and which are not described herein.

To successfully develop EmberClear's project development business, it will need to identify other projects with similar attributes as the Good Spring Power projects in which to take an equity interest in. EmberClear may not be successful in identifying other projects for development pursuant to its project development business or it may not be able to obtain an equity interest in such projects. In addition, any projects that EmberClear identifies may have less attractive attributes than the Good Spring Power projects relating to supplies of natural gas, rail, road and power grid infrastructure, proximity to high demand power markets, political climate for the development of advanced energy projects and demand for electricity. To the extent that any projects identified for EmberClear's project development business do not have the same positive attributes as the Good Spring Power projects, it may have an adverse effect on EmberClear's return on investment.

The development of power plants are subject to complex and stringent energy, environmental and other governmental laws and regulations. The construction and operation of power generation facilities require numerous permits, approvals and certificates from appropriate federal, state and local governmental agencies, as well as compliance with environmental protection legislation and other regulations.

EmberClear’s business relies on its ability to obtain and satisfy the requisite approvals, permits and requirements for the construction and operation of energy plants. EmberClear may be unable to obtain all necessary licenses, permits, approvals and certificates for proposed projects, and completed facilities may not comply with all applicable permit conditions, statutes or regulations.

EmberClear operates in a competitive and dynamic market. These markets are subject to technological advancements in the process and procedures for energy production (including using natural gas as a feedstock). It is possible that these advances could make the NGCC equipment that EmberClear intends to utilize in its project development business and development services business less efficient or obsolete.

Although EmberClear believes that it will be able to continue to develop projects and to provide development services despite any advances in technology which make the current energy technology used by EmberClear less efficient or obsolete, such technological advances could adversely affect EmberClear's ability to develop projects economically and profitably and to market its development services.

All aspects of EmberClear's business will be subject to competition from other parties. EmberClear, as an independent participant, may face competition from other companies and entities with much greater financial, marketing and management resources and technical facilities than itself.

Mineral exploration and development involves a high degree of risk and there are no assurance that if coal is discovered that the coal deposits would be economically viable for commercial production. The commercial viability of a mineral deposit is also dependent upon a number of factors that are beyond our control. Some of these factors are the attributes of the coal deposit, commodity prices, government policies and regulations and environmental protection. There is a degree of uncertainty attributable to the calculation of resources and reserves. Reserve and resource estimates are dependent partially on statistical inferences drawn from drilling, sampling and other data.

The measured and indicated and inferred resources that may be set forth by EmberClear are estimates and there is no certainty that the measured and indicated levels of coal will be realized. Declines in market price for coal may adversely affect the economics of a resource and may require EmberClear to reduce its estimates.

EmberClear counters these and other business risks with our ability to attract and retain business and technical expertise of its management. As EmberClear's operations expand, additional general management resources will be required. In addition, the expansion of EmberClear's development services business will require EmberClear to hire additional employees and consultants including engineering and sales staff. There is no guarantee that EmberClear will be successful in attracting and retaining such employees and consultants.

Any changes in government policies could have a significant impact on EmberClear's business ventures. Risks of changes of government policies include, but are not necessarily limited to, changes of laws affecting foreign ownership, government participation and regulation, taxation, royalties, duties, rates of exchange, inflation and exchange control. There are no assurances that the economic and political conditions in the jurisdiction in which EmberClear operates and intends to operate will continue as they are at the present time. The effect of these factors cannot be accurately predicted.

EmberClear will require a significant amount of additional financing to execute its business plan over the medium and long-term; however, there is no assurance that adequate financing will be available on acceptable terms, if at all.

From time to time, EmberClear may enter into transactions to acquire assets or the shares of other organizations. These or other transactions may be financed in whole or in part with debt, which may increase EmberClear's debt levels above industry standards for companies of similar size. Depending upon future capital plans, EmberClear may require additional equity and/or debt financing that may not be available or, if available, may not be available on favourable terms. Neither EmberClear's articles nor its bylaws limit the amount of indebtedness that EmberClear may incur.

The level of EmberClear's indebtedness from time to time could impair EmberClear's ability to obtain additional financing on a timely basis to take advantage of business opportunities that may arise. Any equity financing undertaken may dilute the interests of EmberClear shareholders.

Risks to the Projects

The energy industry is characterized by government and regulatory oversight. This project requires many such authorities to grant the requisite permissions and approvals in order to pursue the business opportunities. There can be no assurance that such permissions and approvals can be obtained in a timely manner.

In the United States, there have been many changes in the regulation of emissions. Such changes are likely to continue and the ramifications of those changes could either benefit or harm the economic viability of the projects that we develop.

Good Spring Power projects intend to sell electricity into the PJM Grid market in the United States. This market segment is characterized by many alternative suppliers, which may become more or less competitive based on changes in many factors including (but not limited to); price regulation, subsidies, credits, cost of feedstock, competition, de-regulation, seasonality, consumer usage patterns, industrial usage patterns, transmission changes, deployment of new technologies such as smart grids, and political activism.

A key component of the business plan is selling or otherwise monetizing remaining part of the Company's interest in the power projects prior to construction of the NGCC power plants. If EmberClear is unable to sell or otherwise monetize their remaining 50% interest in the Good Spring Power projects, it would adversely affect EmberClear's business and the ability to generate revenue.

The oil and gas industry is subject to significant government and regulatory oversight. The projects require the regulatory bodies to grant the necessary operating permits to pursue the business opportunities of the natural gas-to-liquid projects. There can be no assurance that the necessary permits and approvals of EmberClear's GTL Projects can be received or obtained in a timely manner.

The market place is characterized by various suppliers, which may become more or less competitive based in changes in many factors including (but not limited to); future long-term contract pricing of natural gas as feedstock, discovery of new technologies for conventional oil and gas companies, new technologies for companies producing biofuels, price regulation, subsidies, credits, competition, de-regulation, seasonality, consumer demand, industrial demand and political activism.