

ACCELEWARE CORP.

Management's Discussion and Analysis
For the Quarter Ended September 30, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FOR ACCELEWARE CORP.

This management discussion and analysis focuses on key statistics from the financial statements and pertains to known risks and uncertainties relating to Acceleware Corp. (formerly Poseidon Capital Corp.). This discussion should not be considered all-inclusive, as it excludes changes that may occur in general economic, political and environmental conditions. This discussion also includes various forward-looking statements regarding Acceleware Corp. and its future activities and financial results. These statements are based on certain assumptions that are considered reasonable by management. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties and actual results could differ materially from those indicated by such forward-looking statements. This discussion and analysis of the financial condition and results of operations for the nine month period ended September 30, 2007 should be read in conjunction with the unaudited September 30, 2007 financial statements of Acceleware Corp. and related notes contained in other parts of this report, and the Acceleware Corp. audited financial statements for the seventeen-month period ended December 31, 2006. Management's discussion and analysis is presented as of November 29, 2007. All financial information contained herein is expressed in Canadian dollars unless otherwise indicated.

Background

Acceleware Corp. was incorporated as Poseidon Capital Corp. under the *Business Corporations Act* (Alberta) on August 6, 2004. Effective June 12, 2006, Poseidon Capital Corp. changed its name to "Acceleware Corp.". For the purposes of this discussion all references to Poseidon Capital Corp. prior to June 12, 2006 are in the name of Acceleware Corp.

Pursuant to a final prospectus dated January 14, 2005, Acceleware Corp. completed its initial public offering of 4,000,000 common shares ("Common Shares") at a price of \$0.20 per share for gross proceeds of \$800,000 on March 30, 2005. Subsequently, the Common Shares were listed on the TSX Venture Exchange Inc. (the "TSXV") and began trading on April 6, 2005.

Acceleware Corp. executed a letter of intent dated July 25, 2005 (as amended August 15, 2005) to acquire all of the issued and outstanding shares (the "Acquisition") of Acceleware Inc. an Alberta corporation. Acceleware Inc. was a technology company based in Calgary, Alberta that specialized in the development, manufacturing and marketing of special purpose software/hardware accelerators used to reduce engineering design simulation and data processing run times. On December 22, 2005, Acceleware Corp., Acceleware Inc. and the shareholders of Acceleware Inc. entered into a share purchase agreement (the "Acquisition Agreement") in connection with the Acquisition. In addition, Acceleware Corp. filed a filing statement on www.sedar.com dated December 22, 2005, which contained complete disclosure of the details of the Acquisition (the "Filing Statement").

On January 12, 2006, Acceleware Corp. acquired all of the issued and outstanding securities of Acceleware Inc. pursuant to the Acquisition Agreement. Pursuant to the Acquisition Agreement, Acceleware Corp. issued 11,623,952 Common Shares to the Acceleware Inc. shareholders on a pro rata basis. In addition, Acceleware Corp. issued 673,930 options to purchase Common Shares to certain principals and employees of Acceleware Inc. in exchange for the cancellation of 1,110,000 Acceleware Inc. options. Following completion of the Acquisition, Acceleware Inc. became a wholly-owned subsidiary of Acceleware Corp.

As the shareholders of Acceleware Inc. were issued sufficient voting shares to obtain voting control of Acceleware Corp., the transaction is accounted in accordance with Canadian Institute of Chartered Accountants' Emerging Issues Committee Abstract 10 – Reverse Takeover Accounting. The transaction is accounted as a continuation of Acceleware Inc. where the transaction is treated as an issuance of shares by Acceleware Inc. for the net monetary assets of Acceleware Corp. The assets and liabilities of Acceleware are included in the consolidated balance sheet at their historical carrying values, and the net monetary assets of Acceleware Corp. less the transaction costs are accounted as cash received on the issuance of shares.

Acceleware Inc. previously had a July 31 year-end. Following the reverse takeover transaction, Acceleware Inc. changed its fiscal year-end to December 31. Financial statements for those quarters prior to the Acquisition have not been prepared for Acceleware Inc. and therefore are not presented in this Management Discussion & Analysis (“MD&A”). On December 31, 2006, Acceleware Inc. amalgamated with Acceleware Corp., with Acceleware Corp. as the continuing entity.

Overall Performance

As at September 30, 2007, the Company had \$5,706,409 in working capital and no debt. Acceleware had recognized revenue of \$1,606,924 and gross margins averaging 47% during the nine-month period ended September 30, 2007 compared with recognized revenue of \$792,187 and gross margins averaging 49% for the fourteen-month period ended September 30, 2006. During the three-month period ended September 30, 2007, the Company reported revenues of \$644,023, its highest revenue quarter to date and an increase of 470% over the prior year quarter of \$136,151. The Company continues to demonstrate consecutive quarter over quarter growth representing continued market adoption of the Company's products.

For the nine-months ended September 30, 2007, the Company had a net loss of \$4,616,323, which includes a fifteen percent or \$216,710 write-down of asset-backed commercial paper (“ABCP”), compared to a net loss of \$1,566,422 for the fourteen-months ended September 30, 2006. Net losses increased for the period, as the Company continues to add resources for development of optimized, distributed, hardware accelerated software that leverages the current electromagnetic simulation technology for the oil & gas and biomedical imaging markets. The Company's R&D team will continue to be an important area of growth in 2008 as we anticipate evolving several generations of products in four vertical markets. Acceleware is also continuing to mature its marketing and sales infrastructure. The Company has expanded from twenty people at September 30, 2006 to sixty people at September 30, 2007, representing a three fold increase in staff in twelve months.

On January 22, 2007, NVIDIA Corporation (NASDAQ: NVDA) invested \$2,925,000 in Acceleware. Following NVIDIA's investment, Acceleware raised additional funds through a brokered private placement for gross proceeds of \$8,000,000, which closed on February 14, 2007. On May 14, 2007, Acceleware completed a \$97,200 non-brokered private placement to Robert Miller, Vice President of Marketing and Product Development for Acceleware. Subsequent to September 30, 2007, the company has closed a further \$2,000,000 equity financing and has entered into a \$3,000,000 bought deal private placement that is anticipated to close on or about December 3, 2007.

Markets

Currently, Acceleware is selling product into the electromagnetic simulation (EM) market consisting of the largest mobility, electronics, and government organizations in the world. Within this market there are approximately forty potential channel partners operating in the Computer Assisted Design (CAD) and Computer Assisted Engineering (CAE) space. As at September 30, 2007, the Company had established partnership agreements with seven such CAD/CAE companies with others in various stages of negotiation.

In June 2007, Acceleware exhibited at both the IEEE MTT-S International Microwave Symposium/Exhibition and the IEEE Antennas & Propagation Symposium in Honolulu, Hawaii. These exhibitions increased Acceleware's

exposure within the electromagnetic industry and, along with our channel partners, promoted our acceleration products to potential adopters.

In September 2007, Acceleware, in co-operation with NVIDIA and HP, demonstrated hardware acceleration of a complete Kirchhoff Pre-stacked Time Migration application for seismic processing within the HP booth during the annual Society of Exploration Geophysicists Conference (SEG) in San Antonio, Texas.

In October 2007, Acceleware exhibited at the European Microwave week tradeshow in Munch, Germany and was also invited to participate in promotional activities with Acceleware's channel partners: CST, Remcom, SPEAG and the Company's newly announced partner, Agilent Technologies.

Most of the major mobile phone manufacturers in the world are using Acceleware's products. These companies run what is referred to as a "cell-phone head" simulation on dual-CPU workstations. These simulations take in the order of five to eight hours. Acceleware's technology, by comparison, offers manufacturers dramatically enhanced performance. For example, when running identical simulations on the Company's dual-board ClusterInABox™, completion times are in the range of 15 to 30 minutes, a 16 times speed up in processing the data.

Acceleware is continuing its development of products for the oil & gas industry and currently have two field trials which are processing 2D and 3D seismic data using Kirchoff (pre-stacked) Time Migration. Acceleware expects revenue from this vertical market in the fourth quarter of 2007.

The Company is also continuing its development of products for biomedical imaging markets, as well as investigating new markets such as computational finance and looks forward to announcing plans for these markets in the new year.

Technology Leadership

On June 5, 2007, Acceleware announced the commercial release of the "30" series ClusterInABox™ Quad, the latest addition to Acceleware's line of "Realworld Supercomputing™" products, furthering our technical leadership. This new solution has four NVIDIA GPUs with 6 GB of on-board memory, in a single system. In the EM market, simulations for finely meshed models of up to 200 Million cells including boundaries are now available - a 350% increase in simulation size compared to our biggest previous generation product. The ClusterInABox™ Quad product line performs at EM simulation speeds up to 1.7 GCells/s (1700 MCells/s), resulting in a 35 times speed up over non accelerated applications. Previously, engineers have had to compromise their analysis due to memory and time constraints. Acceleware's new ClusterInABox Quad Q30 product increases its previous memory limit which affords engineers the time to analyze their problems to a previously unreachable accuracy. The end result is a higher degree of confidence and reliability in designs that are simulated with the Acceleware product family.

ClusterInABox™ Quad delivers computing power greater than that of clusters of servers, giving engineers, geophysicists and research users the competitive advantage of having greater computing power available to them beside their desk, on demand. Simulation results using existing software tools can be obtained in a fraction of the time compared to a high-end workstation. This now provides customers with the flexibility to run multiple simulations per day instead of being limited to a single, overnight run. Acceleware customers have redesigned their workflows to utilize sophisticated computer-aided optimization techniques while still delivering timely results.

In the quarter ended September 30, 2007, Acceleware had sales attributable to a new solver, the Finite Integration Technique ("FIT"), in the EM market space. Our newest solver product provides hardware acceleration to our channel partner CST Microwave Studio, the world's 2nd largest supplier of EM simulation software in the world.

The Company expects that its ability to continually improve products will result in sustained and growing revenue streams as end-users adopt and upgrade to increasingly faster and more powerful acceleration products in pursuit of markedly enhanced performance and improved return on investment (ROI) in the simulation and processing technology they deploy.

New Acceleware products and partnerships are expected to be announced in 2008.

NVIDIA

For over three years, Acceleware has been collaborating with NVIDIA Corporation (NASDAQ: NVDA), the worldwide leader in programmable graphics processor technologies. As a result of the Company's research and development efforts, Acceleware has become a global leader in fostering the commercial deployment of graphical processing units (GPUs) for non-graphics applications, and the first to provide a standard commercial product offering in the electromagnetic simulation market.

As part of NVIDIA's investment of January 22, 2007, Acceleware granted NVIDIA a non-voting observer seat on Acceleware's board of directors. On June 20, 2007, Acceleware was invited by NVIDIA to participate in their Financial Analyst Day, where NVIDIA announced a new class of processors called the NVIDIA® Tesla™ brand. Acceleware was also invited to exhibit in NVIDIA's booth at the International Supercomputing trade show in Dresden, Germany on June 26, 2007. Acceleware continues to collaborate with NVIDIA at all corporate levels and has recently jointly presented the following two webinars, which are archived on Acceleware's website:

The Advantages of Tesla: The Next Generation of Supercomputing

Broadcast Date: September 26, 2007

Presented by: NVIDIA's General Manager of GPU Computing, Andy Keane and Acceleware's Director of Product Management, Chris Mason

Harnessing the Power of GPUs for Accelerated Seismic Processing

Broadcast Date: November 28, 2007

Time: 10:00 am PST, 1:00 pm EST

Presented by: Steve Joachims, VP Business Development, Acceleware Corp. David Hoff, Senior Product Manager CUDA, NVIDIA

At the Supercomputing conference, held in November 2007, Acceleware rolled out the NVIDIA® Tesla-based super computer in both NVIDIA's and Verari Systems' booth promoting Acceleware's seismic software solution. Acceleware's CTO, Ryan Schneider, was quoted on CNNMoney promoting acceleration of the NVIDIA hardware.

The continued collaborative relationship between NVIDIA and Acceleware mutually enhances our ability to develop, market and deliver product to the high performance computing markets.

Results of Operations

During the three-month period ended September 30, 2007, the Company reported revenues of \$644,023, compared to \$136,151 for the three-months ended September 30, 2006. For the nine-month period ended September 30, 2007, the Company reported revenues of \$1,606,924, compared to \$792,187 for the fourteen-months ended September 30, 2006. Cost of products sold for the three-months ended September 30, 2007 was \$341,694, compared to \$59,192 for the three-months ended September 30, 2006 and cost of products for the nine-months ended September 30, 2007 were \$765,236, compared to \$398,750 for the fourteen-months ended September 30, 2006.

For the three months ending on September 30, 2007 research and development expenditures were \$626,508 compared to \$262,454 in the three months ending on September 30, 2006 and for the nine months ending on September 30, 2007, research and development expenditures were \$1,317,647 compared to \$750,280 for the fourteen-months ended September 30, 2006. Research and development costs include salaries and related costs of personnel directly engaged in R&D, direct materials and any associated depreciation, offset by the benefit of \$25,196 of government assistance through the NRC - Industrial Research Assistance Program for the three-month period ended September 30, 2007. Included in the research and development expenses for the three-month period ended September 30, 2007, was \$19,135 in respect of stock-based compensation, compared to \$4,574 for the three-month period ended September 30, 2006 and for the nine-months ended September 30, 2007 was \$59,973 in respect

of stock-based compensation, compared to \$42,693 for the fourteen-months ended September 30, 2006. These research and development expenditures were incurred in the further development of the Company's existing and new hardware acceleration products and integration of the products with the Company's channel partners.

General and administrative expenses include: all salaries (excluding research and development personnel) and related expenses (including benefits and payroll taxes); sales and marketing activities; facility costs; professional and public company fees; insurance costs; investor relations; and foreign exchange expenses. For the three-months ended September 30, 2007, the Company incurred general and administrative expenses of \$1,204,220, compared to \$373,811 for the three-months ended September 30, 2006 and for the nine-months ended September 30, 2007, the Company incurred general and administrative expenses of \$3,785,228, compared to \$1,187,668 for the fourteen-months ended September 30, 2006. Included in the general and administrative expenses for the three-month period ended September 30, 2007 was \$79,771 of stock-based compensation compared to \$82,565 for the three-month period ended September 30, 2006 and for the nine-months ended September 30, 2007 was \$352,481 in respect of stock based compensation, compared to \$109,452 for the fourteen-months ended September 30, 2006.

For the quarter ended September 30, 2007, the Company recorded a write-down on investment of fifteen percent or \$216,710, in recognition of the uncertainty in estimating the amount and timing of cash flows of the Company's ABCP investment.

The increase in both research and development expenditures and general and administrative expenses for the nine-month period ended September 30, 2007 was primarily due to the increase in employees, sales and marketing activities, stock based compensation and moving and setup costs related to the new facilities.

Overall, the Company had a net loss of \$1,795,667 for the three-month period ended September 30, 2007 compared to a net loss of \$564,840 for the three-month period ended September 30, 2006 and a net loss of \$4,616,323 for the nine-months ended September 30, 2007, compared to a net loss of \$1,566,422 for the fourteen-months ended September 30, 2006.

Summary of Quarterly Results

The following table highlights revenue, net income and loss per share by quarter for the period ended September 30, 2007.

	Sept 30, 2007	Jun 30, 2007	Mar 31, 2007	Dec 31, 2006	Sept 30, 2006
Revenue	\$644,023	\$596,060	\$366,841	\$260,113	136,151
Net Income/(Loss)	(\$1,795,667)	(\$1,644,729)	(\$1,175,926)	(\$701,316)	(\$564,840)
Earnings/(Loss) Per Share	(\$0.05)	(\$0.05)	(\$0.06)	(\$0.03)	(\$0.03)

Liquidity and Capital Resources

Operating Activities

Cash flow used for operations totalled \$1,592,054 for the three-months ended September 30, 2007, compared to \$177,016 for the three-months ended September 30, 2006 and cash flow used for operations for the nine-months ended September 30, 2007 totalled \$4,592,917 compared to \$1,378,409 for the fourteen-months ended September 30, 2006. Accounts receivable as at September 30, 2007 were \$966,210. Inventories increased to \$819,569 as the Company acquired hardware parts to assemble its hardware acceleration products in anticipation of near-term sales and short-term field evaluation products. Maintenance revenue is deferred and recognized to income over the term of the contracts. Revenue of \$168,491 was deferred, of which \$150,784 will be recognized over a period of one year or less and the remaining \$17,707 will be recognized over approximately five years. The funds associated with the deferred revenue have been received by the Company.

In the quarter ended September 30, 2007, the Company recorded a write-down on investment of fifteen percent or \$216,710, in recognition of the uncertainty in estimating the amount and timing of cash flows of the Company's ABCP investment and also has reclassified the ABCP from cash equivalent to investment for an amount of \$1,444,733.

As at September 30, 2007, the Company had current liabilities of \$613,394. The current liabilities are comprised mainly of deferred revenue, inventory purchases, general trade payables and accrued payroll liability for employee vacation entitlements.

Investing Activities

In the quarter there were capital asset additions of \$290,704 and due to the uncertainty in estimating the amount and timing of cash flows associated with the Company's ABCP, the Company has reclassified the ABCP from cash equivalent to investment in an amount of \$1,444,733 for a total investing activity for the three-months ended September 30, 2007 of \$1,735,436, compared to \$86,902 for the three-months ended September 30, 2006. For the nine-month period ended September 30, 2007, capital asset additions and ABCP totaled \$2,744,254, compared to \$216,726 for the fourteen-months ended September 30, 2006. As at June 30, 2007, the Company secured a five year premise lease and to date has incurred costs for leasehold improvements of \$531,891 and furniture of \$235,465 which are recorded as capital asset additions

Financing Activities

The Company has financed operations, research and development and capital expenditures primarily through equity offerings of shares, government assistance and tax credits from NRC and SR&ED respectively. Net proceeds from the issuance of Common Shares and warrants totaled \$11,152,184 from the private placements by NVIDIA (gross proceeds of \$2,925,000), Northern Securities (gross proceeds of \$8,000,000), Rob Miller (gross proceeds of \$97,200) and the exercise of warrants (gross proceeds of \$861,642) and employee and agent options (gross proceeds of \$75,120) for the nine-months ended September 30, 2007, compared to \$3,010,962 for the fourteen-months ended September 30, 2006.

As at September 30, 2007 Acceleware's cash and cash equivalents were \$4,442,009 and Acceleware had a working capital surplus of \$5,706,409. Due to the uncertainty estimating the amount and timing of cash flows associated with the ABCP paper, cash and cash equivalents and working capital significantly decreased from the prior period. The Company reclassified from cash equivalent to investment an amount of \$1,444,732. The Company had no debt as at September 30, 2007 nor at September 30, 2006.

Off-Balance Sheet Arrangements

Guarantees

Generally, it is not the Company's policy to issue guarantees to third parties, however, it has entered into certain agreements as more fully described in Note 10 to the December 31, 2006 Audited Financial Statements. As of September 30, 2007, the Company believes that it is remote that the indemnification provisions described therein would require any material cash payment. As is the case with any business, the Company may be subject to certain regulatory investigations, claims, lawsuits and other proceedings in the ordinary course of its business.

Risk Factors and Uncertainties

There have been no material changes in any risks or uncertainties facing the Company since December 31, 2006, except as noted under Critical Accounting Policies and Estimates below. A discussion of risks affecting the Company and its business is set forth under the Risk Factors and Uncertainties in Management's Discussion and Analysis for the period ended December 31, 2006.

Transactions with Related Parties

There were no transactions with related parties during the nine-month period ended September 30, 2007. During the fourteen-months ended September 30, 2006, raw materials in an amount of \$76,725 were purchased from a company controlled by an officer of Acceleware. Since September 30, 2006, no amount was payable to the related party. These transactions occurred in the normal course of operations and have been recognized at the agreed to exchange amount, which in the opinion of management approximates the fair value of the transaction. The company

controlled by the officer had accounts with various hardware suppliers that Acceleware utilized, while Acceleware was awaiting approval from these suppliers to create accounts of its own. Effective May 30, 2006, Acceleware ceased purchasing from the officer's company.

Critical Accounting Policies Estimates

General

The Management's Discussion and Analysis ("MD&A") for the year ended December 31, 2006 outlined critical accounting policies including key estimates and assumptions that management has made under these policies and how they affect the amounts reported in the financial statements.

During the quarter ended September 30, 2007, the Company had \$1,444,733 of its cash equivalents invested in Structured Investment Trust III, Series A ("SIT"). The SIT is administered by Coventree Capital Group Inc. At the time of purchase, this asset-backed commercial paper ("ABCP") had a credit rating of R-1 High (highest rating available for short-term commercial paper) by Dominion Bond Rating Service. The ABCP did not settle as it matured as a result of liquidity issues in the ABCP market.

There is a significant amount of uncertainty in estimating the amount and timing of cash flows associated with the ABCP. The Company estimates the fair value of the ABCP by discounting expected cash flows considering the best available data. Since the fair value of the ABCP is based on the Company's assessment of current conditions, amounts reported may change materially in subsequent periods.

The ABCP was classified as available for sale on initial adoption of the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3855. A write-down of fifteen percent, which equates to \$216,709 has been recorded at September 30, 2007 to reflect the lack of liquidity in the ABCP market.

There have been no other material changes in management's key estimates and assumptions and the unaudited interim financial statements follow the same accounting policies and methods of application as the most recent annual consolidated financial statements with the exceptions noted below:

Changes in Accounting Policies including Initial Adoption

a) Initial Adoption

The Company adopted new accounting standards effective January 1, 2007, which had no material effect on the accounts of the financial statements. Readers should refer to Note 2 of the unaudited consolidated financial statements at September 30, 2007 for a full description of the accounting policy changes. These new accounting standards did not have a significant effect on the Company's financial results upon adoption in Fiscal 2007.

b) Primary sources of GAAP that have been issued but have not yet come into effect or have not been adopted:

As described in the Company's MD&A in respect of its December 31, 2006 audited financial statements, there were a number of new standards issued by the CICA which will come into effect for Acceleware in fiscal 2008 and beyond. Other than the new standards discussed therein, there have been no further issuances of primary sources of Canadian Generally Accepted Accounting Principles ("GAAP") issued that are anticipated to affect the Company.

Subsequent Events

On October 3, 2007, Acceleware Corp. completed a non-brokered private placement of 2,409,699 shares at a price of \$0.83 per share for aggregate gross proceeds of \$2,000,050. Acceleware incurred selling costs of \$150,000 and issued 100,000 agent options, a non cash cost of \$33,843, for total selling costs of \$183,843. Each agent option entitles the holder to one Common Share at a price of \$1.30 per share until December 14, 2008. The fair value of the agent options issued was estimated to be \$33,843 using the Black-Scholes option pricing model based on the

following assumptions: dividend yield (Nil), expected volatility (125%), risk free interest rate (4.14%), and weighted average life of 14 months.

On October 15, 2007, Acceleware Corp. granted to certain employees an aggregate of 17,500 options to acquire common shares of Acceleware. The options have an exercise price of \$0.88 per share and expire on October 15, 2012. Ten percent of the options vested immediately, thirty percent will vest on October 15, 2008, and thirty percent will vest on October 15, 2009 and thirty percent will vest on October 15, 2010.

On November 19, 2007 Acceleware Corp. announced a private placement of 3,529,412 common shares at a price of \$0.85 per common share for aggregate gross proceeds of \$3,000,000. In connection with the Offering, Acceleware will incur selling costs of 7.5% of the gross proceeds and a number of broker warrants equal to 5% of the number of common shares sold under the Offering. Each broker warrant will entitle the holder thereof to acquire one Common Share at a price of \$1.30 for a period of 24 months from date of issuance of the broker warrants. Closing of the Offering is expected to occur on or about December 3, 2007.

Disclosure of Outstanding Share Data

As at November 29, 2007, Acceleware Corp. had the following common shares, options and warrants outstanding:

Common Shares	37,714,030
Stock Options	3,209,143
Warrants	984,715 @ \$0.70 2,250,000 @ \$1.29 90,000 @ \$1.80 3,076,923 @ \$2.00
Agent's Options	62,571 @ \$0.42 100,000 @ \$1.30
Broker Warrants*	492,308 @ \$1.30**

* Referenced as Agent Options in the unaudited financial statements for September 30, 2007.

** Each Broker Warrant consists of one common share and one half of one common share purchase warrant at \$2.00.

Disclosure Controls And Procedures

Disclosure controls and procedures have been designed to ensure that information required to be disclosed by Acceleware Corp. is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure. The Company's Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation as of September 30, 2007, that the Company's disclosure controls and procedures are effective to provide reasonable assurance that material information related to Acceleware Corp. is made known to them by others within the entity. It should be noted that while the Company's Chief Executive Officer and Chief Financial Officer believe that the Company's disclosure controls and procedures are effective and provide a reasonable level of assurance, they do not expect that the disclosure controls and procedures will necessarily and in every conceivable circumstance, prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Internal Controls Over Financial Reporting

The Corporation's management is responsible for establishing and maintaining adequate internal controls over financial reporting. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be designed effectively can provide only reasonable assurance with respect to financial statement preparation and presentation. The Corporation did not make any change in its internal controls over financial reporting during the quarter ended September 30, 2007 that has materially affected, or is reasonably likely to affect, the Corporation's internal controls over financial reporting.

Additional Disclosure for Venture Issuers Without Significant Revenue

Additional disclosure concerning the Company's research and development expenses and general and administrative expenses is provided in the unaudited financial statements for September 30, 2007 and the audited financial statements for the seventeen-month period ended December 31, 2006, which are available on www.sedar.com.