

**Spirit Banner Capital
Corp.**
Management Discussion and Analysis
For the Three and Nine Months Ended September 30, 2019

The following interim Management's Discussion & Analysis ("Interim MD&A") of Spirit Banner Capital Corp. ("Spirit Banner" or the "Company" or the "Corporation") for the three and nine months ended September 30, 2019 has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual financial statements of the Company for the period ended December 31, 2018, together with the notes thereto, and unaudited condensed interim financial statements of the Company for the three and nine months ended September 30, 2019, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of November 29, 2019, unless otherwise indicated. For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Spirit Banner's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from the offices of the Company or on SEDAR at www.sedar.com.

Forward-Looking Statements

Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Corporation's future performance. All statements, other than statements of historical fact, may be forward-looking statements.

Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. The Corporation's actual results could differ materially from those anticipated in these forward-looking statements as a result of various risk factors.

The Corporation

The Corporation was incorporated under the Canada Business Corporations Act on June 5, 2017 and is classified as a Capital Pool corporation, as defined in the Policy 2.4 of the TSX Venture Exchange (the "Exchange").

The principal business of the Corporation is the identification and evaluation of assets or businesses with a view

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to completing a Qualifying Transaction ("QT"). The Corporation has not commenced operations and has no assets other than cash. The Corporation's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition, or business, or an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned and, in the case of a non-arm's length transaction, of most of the minority shareholders.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to the lesser of 30% of the gross proceeds realized by the Corporation in respect of the sale of its securities or \$210,000, may be used for purposes other than evaluating businesses or assets. These restrictions apply until completion of a QT by the Corporation as defined under the policies of the TSX Venture. The Corporation is required to complete its QT on or before two years from the date the Corporation receives regulatory approval.

On June 5, 2017 the Corporation issued 2,210,780 common shares at \$0.05 per share for total proceeds of \$110,539.

On September 20, 2017, the Corporation issued 6,820,000 common shares at \$0.05 per share for total proceeds of \$341,000.

On February 21, 2018, the Corporation filed its prospectus and raised \$1,000,000 by an initial public offer of 10,000,000 common shares and began trading on the Exchange.

Pursuant to an agency agreement, the Agent received 10% of the gross proceeds of the offering as well as compensation options ("Broker Options") to acquire up to 10% of the number of offered shares sold under the offering at a price of \$0.10 per common share, exercisable for a period of 24 months from the date of listing of the Corporation's common shares on the Exchange. The Company incurred a total transaction costs of \$107,537 in relation to the initial public offering.

The issued and outstanding common shares will be held in escrow pursuant to the requirements of the Exchange. 10% of the escrowed Common Shares will be released from escrow on the issuance of the Final Exchange Bulletin (the "Initial Release") and an additional 15% will be released on each of the dates which are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release.

All common shares acquired on exercise of stock options granted to directors and officers prior to the completion of a Qualifying Transaction, must also be deposited in escrow until the final exchange bulletin is issued.

All common shares of the Corporation acquired in the secondary market prior to the completion of a Qualifying Transaction by a Control Person, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Corporation held by principals of the resulting issuer will also be escrowed.

The registered office of the Corporation is located at 1015-4th Street SW, Suite 730, Calgary, Alberta T2R 1J4. The head office of the corporation is located at Suite 400, 90 Adelaide Street West, Toronto, Ontario M5J 4A6.

On February 27, 2019 the Corporation announced that it entered into a Letter of Intent with Ion Energy Ltd which outlines the terms and conditions pursuant to which Spirit Banner and Ion Energy will complete a transaction that will result in the reverse takeover of Spirit Banner by Ion Energy. This transaction, if completed, will constitute Spirit Banner's Qualifying Transaction.

On November 29, 2019, the Board of Directors approved the unaudited interim financial statements for the nine months ended September 30, 2019.

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On August 20, 2019, the Corporation announced that it has entered into a definitive agreement with Ion Energy Ltd. to complete a business combination as previously announced on March 4, 2019. Pursuant to the Definitive Agreement, Spirit Banner will acquire all of the outstanding and issued Ion Energy common shares.

On November 18, 2019, Spirit Banner Capital Corp announced that Ion Energy Ltd. intends to complete a non-brokered private placement concurrent to the announced business combination transaction with Spirit Banner and Ion Energy, previously disclosed in the Company's press releases of March 4, 2019 and August 20, 2019. The Proposed Transaction will, if completed, constitute Spirit Banner's "Qualifying Transaction" as such term is defined in Policy 2.4 ("Policy 2.4") of the TSX Venture Exchange (the "TSXV").

On November 18, 2019, Spirit Banner Capital Corp and Ion Energy entered into an agreement whereby the Corporation will advance \$225,000 to Ion Energy as a refundable deposit for the proposed Qualifying Transaction, as contemplated by Section 8.5(a) of TSXV Policy 2.4. The Advance of Funds does not bear interest and is due and payable on the earlier of (a) January 31, 2020; or (b) if the Qualifying Transaction does not complete, on the date 10 days after the termination of the Qualifying Transaction. The Advance of Funds is subject to TSXV approval and the requirements of section 8.5 of Policy 2.4 of the TSXV.

Ion Energy Ltd.

Ion Energy is a private company incorporated under the Business Corporations Act (Ontario) on August 3, 2017 and has been engaged in the business of seeking and identifying lithium assets in Asia since incorporation. Ion Energy LLC, a company incorporated in Mongolia and a wholly owned subsidiary of Ion Energy, is the owner of a lithium exploration license to explore an area approximately 81,758 hectares in size containing lithium brine targets (the "Baavhai-Uul Project" or the "Property"). Limited work by the Mongolian University of Science and Technology has indicated lithium content in brines of up to 810ppm Li for brine and lake sediment samples on the Baavhai-Uul Project.

Pursuant to the Definitive Agreement, Spirit Banner and Ion Energy have agreed that the Business Combination is conditional upon certain conditions precedent, including, but not limited to, the consolidation of the Spirit Banner common shares prior to completion of the Business Combination on the basis of one post-consolidation Spirit Banner Share for each two pre-consolidation Spirit Banner Shares, as well as the consolidation of the Ion Energy Shares prior to completion of the Business Combination on the basis of one post-consolidation Ion Energy Share for each two pre-consolidation Ion Energy Shares. The Business Combination will result in Spirit Banner acquiring all of the issued and outstanding Ion Energy Shares in consideration for the issuance of common shares of the Resulting Issuer to holders of Ion Energy Shares on a one-to-one basis. The deemed issue price per Resulting Issuer Share to be issued to the Ion Energy shareholders in consideration for the Ion Energy Shares pursuant to the Definitive Agreement is \$0.20 per Resulting Issuer Share.

Additional information is available publicly on Sedar.

On November 29, 2019, the Board of Directors approved the unaudited interim financial statements for the three and nine months ended September 30, 2019.

Financial Highlights

The following table sets forth selected unaudited interim financial information of the Company as at September 30, 2019. This financial information is derived from, and should be read in conjunction with, the unaudited interim financial statements of the Corporation for the three months ended March 31, 2019, six months ended June 30, 2019, and nine months ended September 30, 2019 and the notes thereto. Financial information presented below is prepared in accordance with accounting policies in accordance with IFRS unless otherwise stated.

	March 31, 2019	June 30, 2019	September 30, 2019
Total Assets	1,174,526	1,131,516	1,087,229
Cash	1,170,632	1,123,531	1,079,824
Property and Equipment	3,894	3,704	3,450
Current Liabilities	10,146	nil	Nil
Total Liabilities	10,146	nil	Nil
Net Income (Loss)	(20,501)	(53,365)	(97,651)
Basic and Diluted Net Income (Loss) per Share	nil	nil	nil

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Results of Operations

Nine months ended September 30, 2019

During the nine months ended September 30, 2019, the Corporation reported a net loss of \$97,651 with basic and diluted loss per share of \$nil.

Additional Disclosure for Venture Issuers without Significant Revenue

Since the Corporation has no revenue from operations, the following is a breakdown of the material costs incurred in the three and nine months ended September 30, 2019:

Material Costs	Three months ended September 30, 2019	Nine Months Ended September 30, 2019
Professional fees	\$10,509	\$23,916
Filing Fees	\$1,312	\$13,833
Due Diligence cost	\$14,094	\$35,412
General and office	\$22,788	\$33,902

Liquidity and Capital Resources

As at September 30, 2019, the Corporation had cash of \$1,079,824, accounts receivable of \$3,955 and fixed assets of \$3,450 resulting in total assets of \$1,087,229. The Corporation had current liabilities of \$nil and working capital of \$1,087,229.

Negative cash flows of \$108,941 was recorded from operating activities for the nine months ended September 30, 2019. This is primarily due to outflows relating to Professional fees, Filing fees, Due Diligence costs and General and Office expenses.

During the year ended December 31, 2018, the Corporation purchased a \$1,000,000 Guaranteed Investment Certificate which matured on January 15, 2019. During the three and nine months ended September 30, 2019 total of \$9,579 in interest income have been recognized in the condensed interim statements of loss and comprehensive loss.

Outstanding Share Data

The Corporation is authorized to issue an unlimited number of common shares. Each common share entitles the holder to one vote at all meetings of shareholders and represents an interest in dividends declared by the Corporation and an undivided interest in the net assets of the Corporation. As at the date of this MD&A, the outstanding securities of Spirit Banner consists of 19,030,780 common shares, 1,903,078 stock options and 1,000,000 broker warrants, with each stock option and broker warrant exercisable to acquire one common share at \$0.10 per common share.

The Corporation's common shares commenced trading on the TSX Venture Exchange on February 27, 2017 under the trading symbol "SBCC.P".

Off-Balance Sheet Arrangements

The Corporation has not had any off-balance sheet arrangements since incorporation to the date of this MD&A.

Related Party Transactions

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as persons performing similar functions.

The Company pays ATMACORP Ltd. office rent, Aneel Waraich is a director of this Company. Total amount incurred for the nine months ended September 30, 2019 is \$17,515. This is reflected in general & administrative expenses.

There was no other related party transaction during the three and nine months ended September 30, 2019.

Capital Management

The Corporation's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Corporation includes equity, comprised of share capital, contributed surplus and deficit, in the definition of capital.

The Corporation's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or \$210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Corporation. These restrictions apply until completion of a Qualifying Transaction by the Corporation as defined under the Exchange policy 2.4.

Risk Disclosures and Fair Values

The Corporation's financial instruments, consisting of cash held in trust and due to shareholder approximate fair value due to the relatively short-term maturity of the instruments. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Critical Accounting Estimates

The Corporation's significant accounting policies are summarized in Note 2 to the unaudited financial statements for the period ended September 30, 2019.

Changes in Accounting Policies

(i) On June 7, 2017, the IASB issued IFRIC Interpretation 23 Uncertainty over Income Tax Treatments. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. Earlier application is permitted. The Corporation has adopted the Interpretation in its financial statements for the nine months ended September 30, 2019. The Interpretation has no material impact on the financial statements.

(ii) On January 13, 2016, the IASB issued IFRS 16 Leases. The new standard is effective for annual periods

beginning on or after January 1, 2019. IFRS 16 will replace IAS 17 Leases. This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. IFRS 16 substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors. Other areas of the lease accounting model have been impacted, including the definition of a lease. Transitional provisions have been provided. The Corporation has adopted IFRS 16 in its financial statements for the nine months ended September 30, 2019. The Interpretation has no material impact on the financial statements.

Additional Information

For further detail, see the Corporation's unaudited interim financial statements for the three and nine months ended September 30, 2019. Additional information about the Corporation can also be found on SEDAR.