

**VON Capital Corp.**  
**INTERIM MD&A – QUARTERLY HIGHLIGHTS**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017**

**Background and Corporate Update**

This Management Discussion and Analysis – Quarterly Highlights (“Quarterly Highlights”) for VON Capital Corp. (“VON” or the “Company”) is prepared as at November 29, 2017 and should be read in conjunction with the Company’s unaudited condensed interim financial statements for the three months ended September 30, 2017 and in conjunction with its audited financial statements as at June 30, 2017 and for the period from incorporation on February 24, 2017 to June 30, 2017.

The unaudited condensed interim financial statements for the three months ended September 30, 2017, and comparative information presented therein, have been prepared in accordance with International Financial Reporting Standard (“IFRS”) and with International Accounting Standard 34, “Interim Financial Reporting”, as issued by the International Accounting Standards Board (“IASB”).

All dollar figures included therein and in the following Quarterly Highlights are quoted in Canadian dollars. Additional information relevant to the Company’s activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

The Company is a Capital Pool Corporation (a “CPC”), defined by Policy 2.4 of the TSX-Venture Exchange (“TSX-V”). As a CPC, the Company’s immediate objective is to identify and acquire either operating assets or a business, subject to shareholders’ approval, that meet the criteria of a Qualifying Transaction, as defined by the TSX-V (“Qualifying Transaction”). Until such time that a Qualifying Transaction is completed, the Company will have no significant revenue and will incur expenses primarily for Qualifying Transaction investigation, TSX-V listing and filing requirements, professional services and office facilities and administration, subject to certain restrictions under Policy 2.4.

During the three months ended September 30, 2017, the Company did not investigate or pursue any specific potential Qualifying Transactions as the focus was on completing the Initial Public Offering (see below). As of the date of these Quarterly Highlights, the Company continues to seek a potential Qualifying Transaction.

The head office, principal address and registered and records office of the Company are located at Suite 1100 – 1111 Melville Street, Vancouver, BC, V6E 3V6.

**Initial Public Offering**

On October 30, 2017, the Company completed its initial public offering (“IPO”) of 3,000,000 common shares at \$0.10 per common share for gross proceeds of \$300,000, and the Company’s shares commenced trading on the TSX-V under the symbol “VON.P”. The Company paid a cash commission of 10% of the gross proceeds, paid a corporate finance fee of \$10,000 and issued to the IPO agent, PI Financial Corp., 300,000 agent’s options (the “Agent’s Options”) to purchase an aggregate of 300,000 common shares of the Company at an exercise price of \$0.10 per share. The Agent’s Options expire on October 29, 2019.

Following the IPO, the Company has 5,000,000 common shares outstanding of which 2,000,000 are held in escrow and will be released over a 36-month period following the completion of a Qualifying Transaction. In addition, on November 23, 2017, the Company granted 500,000 incentive stock options to its directors, which are exercisable for a period of five years from the date of grant at an exercise price of \$0.21 per common share.

**Analysis of the Company’s Financial Performance and Condition**

The Company reported a loss of \$14,929 (\$0.01 per share) for the three months ended September 30, 2017. The loss was the result of \$14,929 of general and administrative charges, comprised of \$10,389 of filing fees, \$2,500 of

legal fees and \$2,040 accounting and audit related fees. The Company anticipates incurring legal fees and accounting and audit fees on an ongoing basis, however the majority of the filing fees relate to the Company's initial listing on the TSXV and IPO and as such are expected to be non-reoccurring.

### **Liquidity and Changes to Expense Structure**

As a CPC, the Company's routine expenses are limited to general administrative costs such as TSX-V listing and filing fees, audit fees and accounting fees. When the Company has identified a potential Qualifying Transaction, additional legal or other transaction-related costs may be incurred, regardless of whether or not the transaction is ultimately completed. It is uncertain as to when a Qualifying Transaction can be completed as a successful Qualifying Transaction may depend on the availability of financing for the resulting issuer and TSX-V approval in addition to identifying a viable commercial enterprise. However, the Company's current cash balance (post-IPO) will be sufficient to maintain on-going operations for the next 12 months and to pursue a potential Qualifying Transaction, should one arise.

### **Related Party Transactions**

There were no related party transactions during the three months ended September 30, 2017.

### **Forward-Looking Statements**

Certain statements contained in the following Quarterly Highlights may constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks include, but are not limited to, the Company completing a Qualifying Transaction, and its ability to raise sufficient capital for short-term operations and to fund a Qualifying Transaction. Readers are cautioned not to place undue reliance on these forward-looking statements.