

**MARCHING MOOSE CAPITAL CORP.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED MARCH 31, 2017**

The following Management's Discussion and Analysis ("MD&A") is dated July 13, 2017 and should be read in conjunction with the financial statements of Marching Moose Capital Corp. ("Marching Moose" or the "Company") for the year ended March 31, 2017. Marching Moose prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS").

For the purposes of preparing this 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 Marching Moose common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if 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 [www.sedar.com](http://www.sedar.com).

### **Cautionary Note Regarding Forward-Looking Information**

Certain statements contained in the following MD&A 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. Readers are cautioned not to place undue reliance on these forward-looking statements.

### **Description of Business**

The Company was incorporated as a private company by Certificate of Incorporation issued pursuant to the provisions of the *British Columbia Business Corporations Act* on September 24, 2013. It is classified as a Capital Pool Company ("CPC") in accordance with Policy 2.4 of the TSX Venture Exchange ("TSX-V"). The Company's common shares commenced trading on the TSX Venture on November 28, 2014, under the symbol "MMC.P."

The Company's head office and registered records office address is Suite 2300, 1066 West Hastings Street, Vancouver, British Columbia, Canada.

The Company has not commenced commercial operations and has no assets other than cash and receivables. The Company will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a transaction where the Company acquires significant assets, other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means (a "Qualifying Transaction"). Any proposed Qualifying Transaction must be accepted by the TSX-V.

See "Proposed Transactions" for details of a proposed Qualifying Transaction.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses. Such an acquisition will be subject to regulatory approval and may be subject to shareholder approval. The financial statements do not include any adjustments to assets or liabilities should the Company be unable to continue in existence.

The financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company, unless otherwise noted.

## OVERALL PERFORMANCE

### Performance Highlights

	Year ended March 31 2017	Year ended March 31 2016	Year ended March 31 2015
Revenue	\$ -	\$ -	\$ -
Net loss	(69,739)	(59,879)	(88,547)
Net loss per share – basic and diluted	(0.04)	(0.02)	(0.04)
Cash used in operations	(96,540)	(37,083)	(46,053)
Total assets	\$ 154,362	\$ 248,054	\$ 283,947

There was a net loss for the year ended March 31, 2017, of \$69,739 compared to a net loss of \$59,879 for the year ended March 31, 2016. Although both amounts are roughly comparable the increased loss in the current year is directly attributable to the legal fees associated with the advanced stage of the Company's proposed Qualifying Transaction with Avidian Gold Inc. ("Avidian"). It should be noted that much of the loss for the year ended March 31, 2016 was attributable to legal fees relating to the expired and less advanced Qualifying Transaction with Empower Environmental Solutions Ltd., ("Empower"). Those fees were subsequently forgiven by the Company's legal counsel on September 29, 2016, resulting in a reduction to professional fees of \$21,509 in the current year, thus reducing the overall loss for the current year. For information on the expired Qualifying Transaction with Empower and the current proposed Qualifying Transaction with Avidian Gold Inc. ("Avidian") please see "Proposed Transactions" below.

The Company continues to incur monthly rental fees associated with office space and to Computershare who acts as its escrow and transfer agent.

Cash used in operations for the year ended March 31, 2017, increased to \$96,540 compared to \$37,083 for the year ended March 31, 2016. The increase in cash used in operations is principally due to legal fees in relation to the proposed Qualifying Transaction with Avidian which as disclosed above, at a much more advanced stage than the expired Qualifying Transaction with Empower.

At March 31, 2017, the Company had total assets of \$154,362 compared to \$248,054 at March 31, 2016. The decrease is directly attributable to both every day operational costs of the Company and the work carried out on the proposed Qualifying Transaction with Avidian.

## RESULTS OF OPERATIONS

	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
Professional fees	\$ 57,062	\$ 40,738	\$ 13,915
Share-based payments	\$ -	\$ -	\$ 46,625
Regulatory fees	\$ 4,163	\$ 18,079	\$ 26,037

Professional fees for the year ended March 31, 2017, were \$57,062 compared to \$40,738 for the year ended March 31, 2016. The increase in the current year can again be explained by an increased level of work carried out on the advanced Qualifying Transaction with Avidian.

With respect to regulatory fees, the Company received a partial refund of \$5,460, from the TSX-V in September 2016, relating to a portion of the filing fee, paid during the year ended March 31, 2016, for the expired proposed Qualifying Transaction with Empower. The Company paid a smaller pre-filing fee to the TSX-V in November 2016, in respect of the current proposed Qualifying Transaction with Avidian. The recovery of fees paid and the fact that the Company's annual listing fee became due after March 31, 2017 explains the reduction in regulatory fees for the current year.

## LIQUIDITY AND CAPITAL RESOURCES

### Liquidity

The Company utilizes existing cash and the issuance of equity instruments to provide liquidity to the Company. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

As at March 31, 2017, the Company had working capital of \$138,460 (March 31, 2016 - \$208,199). Management believes that this is sufficient to meet anticipated expenses in relation to the closing of the proposed Qualifying Transaction with Avidian and if the Qualifying Transaction does not close, for the next fiscal year.

### Contractual Obligations

There are no significant contractual obligations other than the proposed transaction noted below.

### Proposed Transactions

The Company entered into an agreement in principle dated November 2, 2015, (the "LOI") for the acquisition of Empower, a private company (the "Proposed Qualifying Transaction") which expired during the year ended March 31, 2017, and could not be renegotiated despite repeated best efforts by both parties. The parties found difficulty in engaging a brokerage firm that would agree to provide a private placement financing on terms that Empower would accept.

On October 26, 2016, the Company announced that it entered into a Letter of Intent dated October 20, 2016, for the acquisition of Avidian. Avidian is in the business of acquiring and exploring gold projects in the United States and Canada.

In connection with the Letter of Intent, a wholly-owned subsidiary of the Company will be formed for the purpose of completing a three-cornered amalgamation with Avidian, by which the Avidian shareholders will receive one post-consolidated common share of the Company for every 2.17 Avidian shares held (the "Transaction"). Prior to completion of the Transaction, the Company agreed to and has completed a share consolidation on a 2 to 1 basis.

## SELECTED QUARTERLY FINANCIAL INFORMATION

### Financial Quarter Ended (Unaudited)

	2017		2016	
	Mar 31	Dec 31	Sept 30	June 30
Revenue	-	-	-	-
Net income (loss)	\$ (31,725)	\$ (54,927)	\$ 23,997	\$ (7,084)
Basic and diluted income (loss) per share	\$ (0.02)	\$ (0.01)	\$ 0.01	\$ (0.01)
Total assets	\$ 154,362	\$ 183,450	\$ 231,998	\$ 238,300
	2016		2015	
	Mar 31	Dec 31	Sept 30	June 30
Revenue	\$ -	\$ -	\$ -	\$ -
Net loss	\$ (16,906)	\$ (35,367)	\$ (4,364)	\$ (3,242)
Basic and diluted loss per share	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)
Total assets	\$ 248,054	\$ 256,492	\$ 274,647	\$ 276,031

For the quarter ended March 31, 2017, the Company incurred a loss of \$31,725. Other than day to day operating costs the loss is directly attributable to legal fees in relation to the proposed Qualifying Transaction with Avidian.

For the quarter ended December 31, 2016, the Company incurred a loss of \$54,927. Other than day to day operating costs the increase in loss is directly attributable to legal fees in relation to the proposed Qualifying Transaction with Avidian.

For the quarter ended September 30, 2016, the Company earned net income of \$23,997. This is due to a forgiveness of accrued professional fees by the Company's legal counsel, and a refund of regulatory fees previously paid to the TSX-V in respect of the Company's expired proposed Qualifying Transaction with Empower.

For the quarter ended June 30, 2016 the Company incurred costs associated with rent and professional fees (legal and accounting) commensurate with the day to day running costs of the Company

For the quarter ended March 31, 2016 the Company incurred costs associated with rent, professional fees (legal and audit) and regulatory fees in respect of its continuing listing on the TSX-V.

For the quarter ended December 31, 2015, the Company entered into an LOI with Empower. These circumstances resulted in an increase to the Company's net loss for the quarter ended December 31, 2015.

During the quarters ended September 30, 2015, June 30, 2015 the Company remained minimally active as the expired proposed Qualifying Transaction with Empower remained pending.

## **OFF-BALANCE SHEET ARRANGEMENTS**

Disclosure is required of all off-balance sheet arrangements that are reasonably likely to have a current or future effect on the results of operations or financial condition of the Company. Marching Moose does not have such off-balance sheet arrangements.

## **Risk Factors**

Investing in the common shares of the Company involves risk. Prospective investors should carefully consider the risks described below, together with all of the other information included in this MD&A before making an investment decision. If any of the following risks actually occurs, the business, financial condition or results of operations of the Company could be harmed. In such an event, the trading price of the common shares could decline and prospective investors may lose part or all of their investment.

### ***No Operating History***

The Company was incorporated on September 24, 2013, has not commenced commercial operations, and has no assets other than cash. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future. Until completion of a Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions.

The Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify a suitable Qualifying Transaction. Even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction.

### ***Possible Trading Suspension or Delisting***

The TSX-V may suspend from trading or delist the securities of the Company where the Company has failed to complete a Qualifying Transaction within the 24 months of the date of listing or if the Company fails to meet initial listing requirements of the TSX-V upon Completion of the Qualifying Transaction. Suspension from trading of the common shares may, and delisting of the common shares will, result in the regulatory securities authorities issuing an interim cease trade order against the Company. In addition, delisting of the common shares will result in the cancellation of all of the currently issued and outstanding common shares of the Company held by Insiders. Trading in the common shares of the Company may be halted at other times for other reasons, including for failure by the Company to submit documents to the TSX-V in the time periods required.

The Company was unable to complete a Qualifying Transaction within the 24 month period required by the TSX-V Policy 2.4. As a result the Company was put on a notice to delist by the TSX-V on December 7, 2016 whereby the Company must close a Qualifying Transaction by March 7, 2017 to avoid being delisted from the TSX-V. The Company is currently in discussions with the TSX-V regarding an extension to the 24 month period whilst it continues to work on closing the proposed Qualifying Transaction with Avidian.

### ***Halt of Trading***

Upon public announcement of a potential Qualifying Transaction, trading in the common shares of the Company will be halted and will remain halted until Completion of the Qualifying Transaction, or

sooner pursuant to Policy 2.4. Neither the TSX-V nor any securities regulatory authority passes upon the merits of the potential Qualifying Transaction.

### ***TSX-V May Not Approve a Qualifying Transaction***

Completion of a Qualifying Transaction is subject to a number of conditions including acceptance by the TSX-V and in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval as such terms are defined in Policy 2.4.

Notwithstanding that a transaction may meet the definition of a Qualifying Transaction; the TSX-V may not approve a Qualifying Transaction:

- (a) if the Company fails to meet the initial listing requirements prescribed by Policy 2.1 – Initial Listing Requirements of the TSX-V upon Completion of the Qualifying Transaction;
- (b) if, following Completion of the Qualifying Transaction, the Company will be a finance company or a mutual fund as defined under applicable securities laws;
- (c) the consideration proposed to be paid by the Company in connection with the Qualifying Transaction is not acceptable to the TSX-V; or
- (d) for any other reason at the sole discretion of the TSX-V.

### ***Approval by the Majority of the Minority***

Where Majority of the Minority Approval is required, unless the shareholder has the right to dissent and be paid fair value in accordance with the applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Company of fair value for the common shares.

### ***Dilution***

If the Company issues treasury shares to finance acquisition or participation opportunities, control of the Company may change and subscribers may suffer dilution of their investment.

### ***Directors and Officers***

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company but will be devoting such time as required to effectively manage the Company. Some of the directors and officers of the Company are engaged and will continue to be engaged in the search for assets or businesses on their own behalf or on behalf of others such that conflicts may arise from time to time. As a consequence of such conflicts, the Company may be exposed to liability and its ability to achieve its business objectives may be impaired.

### ***Reliance on Management***

The Company is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of its directors and officers. The loss of any of its directors or officers could have a material adverse effect upon the business and prospects of the Company.

### ***Foreign Acquisition***

In the event the Company identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or

impossible to enforce against such persons, judgments obtained in Canadian courts.

### **Critical Accounting Estimates**

The preparation of financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements.

Significant estimates, judgments and assumptions relate to, but are not limited to, the recognition to deferred income taxes which includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and deferred income tax provisions or recoveries could be affected. Actual results could differ from these estimates.

### **NEW ACCOUNTING STANDARDS**

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 9: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

### **FINANCIAL INSTRUMENTS**

For information about the Company's financial instruments and financial risk management refer to Note 8 within the audited financial statements for the year ended March 31, 2016.

### **CONTROLS AND PROCEDURES**

Disclosure controls and procedures ('DC&P') are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ('ICFR') are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

TSX-V listed companies are not required to provide representations in filings relating to the establishment and maintenance of DC&P and ICFR, as defined in Multinational Instrument MI- 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's financial reporting framework. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding

absence of misrepresentations and fair disclosures of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in MI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

## RELATED PARTY TRANSACTIONS

During the year ended March 31, 2017, the Company paid \$41,907 in fees to a law firm controlled by the former director and officer of the Company, David Smalley Law Corp (“DSLCL”). During the current year, DSLCL forgave unbilled fees which the Company had accrued for, in the amount of \$21,509. This was recorded as a reduction to professional fees. As at March 31, 2017, the Company had accrued liabilities of \$13,170 to DSLCL.

## OUTSTANDING SHARE DATA

### Common shares

The following table sets forth the Company’s outstanding share data:

Total common shares at March 31, 2017	1,820,003
Total outstanding stock options	173,325
Fully diluted common shares at March 31, 2017	1,993,328

The Company previously had 100,000 warrants outstanding. These warrants expired on November 28, 2016 and therefore as of March 31, 2017 there are currently no warrants outstanding.

As at March 31, 2017, the Company had stock options outstanding and exercisable as follows:

Number of Options	Number Exercisable	Exercise Price	Expiry Date
173,325	173,325	\$ 0.30	November 19, 2024

As part of the agreement regarding the proposed Transaction the holders of stock options in the Company have agreed to cancel their stock options save and except 55,200 options held by David W. Smalley.

### Proposed Share Consolidation

On November 25, 2015 the shareholders approved by special resolution that the authorized share structure of the Company be altered by consolidating all of the issued and outstanding common shares of the Company on the basis of two existing common shares for one new common share, or such lower ratio as the Board of Directors may determine. On April 25, 2017, the Company completed its share consolidation. All share and per share amounts in the Financial Statements and figures above have been shown on a post consolidated basis.