

VICTORY CAPITAL CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

As at September 30, 2020
and for the three and nine-month periods ended September 30, 2020 and 2019
(All figures expressed in Canadian dollars)

Victory Capital Corp. Management's Discussion and Analysis

GENERAL

The following management discussion and analysis ("MD&A") of the financial condition of Victory Capital Corp. (the "Company" or "Victory") provides an overview of significant events that have affected the Company's business development for the three and nine-month periods ended September 30, 2020 and 2019. It should be read in conjunction with the unaudited interim financial statements of the Company together with the related notes thereto for the three and nine-month periods ended September 30, 2020 and 2019.

The unaudited interim financial statements for the three and nine-month periods ended September 30, 2020 and 2019 referred to in this MD&A have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The following MD&A and the Company's unaudited interim financial statements were approved by the Audit Committee and the Board of Directors on December 14, 2020.

All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified. Additional information relating to the Company is available on SEDAR at www.sedar.com.

CAUTIONARY STATEMENT ON FORWARD LOOKING STATEMENTS

This MD&A contains forward-looking information and statements. These forward-looking statements are based on current expectations and estimates, factors and assumptions as at the date of this MD&A. When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", "forecast", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. There are a number of risks and uncertainties that could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, but not limited to, change in general economic and political conditions, regulation and competitor change, industry related risks, regulatory approvals, continued availability of capital and financing, uncertainty in the future financial conditions and the impact of currency exchange rates and interest rates.

Given these risks and uncertainties, potential investors and readers are urged to consider these factors carefully in evaluating these forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments.

ABOUT VICTORY CAPITAL CORP. AND CURRENT NATURE OF OPERATIONS

Victory was incorporated on November 6, 2009 pursuant to the Business Corporation Act (Ontario) and is classified as a Capital Pool Corporation ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange Inc. ("the Exchange") Corporate Finance Manual. The principal business of Victory will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. A Qualifying Transaction is defined as a transaction where a CPC acquires significant assets, other cash, by way of purchase, merger amalgamation, or another such arrangement with another company or by other means. Victory is currently in the process of identifying potential acquisitions but has not yet entered into a Qualifying Transaction.

The Company proposes to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be accepted by the Exchange and in the case of a non-arm's Length Qualifying Transaction will also be subject to "Majority of the Minority Approval" as defined pursuant to the CPC Policy. The Company has not conducted commercial operations other than to begin the process of identifying potential acquisitions with a view to completing a Qualifying Transaction.

Until completion of a Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a Qualifying Transaction. With the consent of the Exchange, this may include the raising of additional funds in order to finance an acquisition. Except as described under "Restrictions on Use of Proceeds" and "Private Placements for Cash", the funds raised pursuant to the Offering and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions and not for any deposit, loan or direct investment in a potential acquisition.

Although the Company has commenced the process of identifying potential acquisitions with a view to completing the Qualifying Transaction, the Company has not yet entered into an Agreement in Principle as of the date of this MD&A.

The Company may use cash, secured or unsecured debt, issuance of treasury shares, public financing of debt or equity, or a combination of these, for the purpose of financing its proposed Qualifying Transaction. A Qualifying Transaction financed by the issue of treasury shares could result in a change in the control of the Company and may cause the shareholders' interest in the Company to be further diluted.

The board of directors of the Company must approve any proposed Qualifying Transaction. In exercising their powers and discharging their duties in relation to a proposed Qualifying Transaction, the directors must act honestly and in good faith with a view to the best interests of the Company and must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The acquisition of, or participation in, companies, assets or businesses may arise in numerous ways. The Company has not established pre-determined criteria for such participations or acquisitions other than sound business fundamentals. Such fundamentals include, but are not limited to: (i) the ratio of risk to reward; (ii) the potential for growth; (iii) the length of the payout period; and (iv) the rate of return.

The Company has not commenced commercial operations and has no assets other than cash.

INITIAL PUBLIC OFFERING

During the year ended December 31, 2017, the Company completed its initial public offering by issuing 3,888,750 common shares at a price of \$0.20 per share for gross proceeds of \$777,750. In connection with the initial public offering, the Company paid a commission of \$77,775 and issued agents warrants to acquire 388,875 common shares of the Company at a price of \$0.20 per share for a period of 24 months from the date of listing of the Company's common shares on the TSX Venture Exchange (see note 6 of the Financial Statements).

SELECTED ANNUAL INFORMATION

The following selected financial data for the Company's most recently completed financial periods are derived from the audited financial statements of the Company, unless otherwise noted.

	As at and for the Year Ended December 31, 2019 (\$)	As at and for the Year Ended December 31, 2018 (\$)	As at and for the Year Ended December 31, 2017 (\$)
Net loss for the year	(67,164)	(56,314)	(146,171)
Comprehensive loss for the year	(67,164)	(56,314)	(146,171)
Non-current assets	Nil	Nil	Nil
Current Assets	524,218	604,199	658,677
Non-current liabilities	Nil	Nil	Nil
Current Liabilities	16,028	33,852	32,016
Working Capital	508,190	570,347	626,661
Deferred Income Taxes	Nil	Nil	Nil
Share Capital	767,579	726,610	726,610
Shareholders' Equity	508,190	570,347	626,661

SELECTED QUARTERLY INFORMATION

The following table shows selected financial information related to the results of the Company's most recent periods. The information contained in this table should be read in conjunction with the Company's financial statements.

Fiscal Year	2020			2019			2018		
	Sep	Jun	Mar	Dec	Sep	Jun	Mar	Dec	Sep
For the quarters ended	\$								
Net Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss for the period	(40,190)	(5,016)	(22,250)	(22,956)	(7,677)	(26,313)	(10,218)	(32,809)	(5,070)
Comprehensive loss for the period	(40,190)	(5,016)	(22,250)	(22,956)	(7,677)	(26,313)	(10,218)	(32,809)	(5,070)
Loss per share, basic and diluted	(0.01)	Nil	Nil	Nil	Nil	Nil	Nil	(0.01)	Nil

RESULTS OF OPERATIONS

For the three and nine-month periods ended September 30, 2020, the Company realized a net loss of \$40,190 and \$67,456 respectively (2019-\$7,677 and \$44,208). During the nine-month period ended September 30, 2020 and the years ended December 31, 2019 and 2018, the Company focused its efforts on the preparation of its preliminary prospectuses and completing its initial public offering. In 2019, the Company entered into a letter of intent with 1788938 Ontario Ltd., operating as EquineX North America ("EquineX NA"), to complete a proposed arm's length transaction pursuant to which Victory would acquire all of the issued and outstanding common shares in the capital of EquineX NA by way of an arrangement, amalgamation, share exchange or similar transaction and continue the business of EquineX NA. The proposed transaction was expected to constitute Victory's qualifying transaction under the policies of the TSX Venture Exchange. The letter of intent between Victory and EquineX NA to complete a qualifying transaction has been terminated subsequently and the transaction contemplated therein will not proceed. In 2018, the Company entered into a letter of intent with Gravitas Ilium Corporation ("GIC") to complete a going-public transaction. This proposed transaction would have resulted in a reverse take-over of Victory. The transaction has been subsequently terminated. Victory will continue to seek a qualifying transaction in accordance with the policies of the TSX Venture Exchange (the "TSXV") and will provide further updates in due course. No deposit or cash advance was made by Victory to EquineX NA and GIC in connection with the mentioned intents. The loss for the quarter was primarily affected by the following factors:

Filing Fees

During the three and nine-month periods ended September 30, 2020, the Company incurred filing fees of \$3,300 and \$13,797 (2019-\$4,390 and \$13,454) related to the listing and filing fees.

Professional Fees

During the three and nine-month periods ended September 30, 2020, the Company incurred professional fees of \$36,890 and \$53,533 (2019-\$3,287 and \$29,907) related to legal and accounting fees. The substantial increase of \$33,603 for the three-months period ended September 30, 2020 was due to the legal fees incurred to communicate with/ report to TSXV, and services of drafting and reviewing related formal documentations on proposed transactions. No contingent lawsuit was involved.

LIQUIDITY, CAPITAL RESOURCES AND FINANCIAL POSITION

As at September 30, 2020, the Company had a total of \$477,311 cash available within its operating bank account to pay current liabilities of \$36,577. Current liabilities consist of accounts payable and accrued liabilities for accounting and legal fees incurred. The Company anticipates generating negative cash flows from operating activities on a quarterly basis until a Qualifying Acquisition has been completed and the Company generates revenue.

As at September 30, 2020, the net assets of the Company were \$440,734 (2019-\$526,139).

The Company may not have sufficient funds to secure such businesses or assets once identified and evaluated and additional funds may be required. The CPC Policy provides that until Completion of the Qualifying Transaction and except as otherwise provided in the CPC Policy, a Maximum of the lesser of (i) 30% of the gross proceeds realized by the Company in respect of the sale of its securities, and (ii) \$210,000, may be used for purposes other than evaluating businesses or assets.

If the Company requires additional funding for ongoing expenses or costs in connection with a potential Qualifying Acquisition, the Company may seek funding by way of unsecured loans from its Sponsor, which loans would, unless approved otherwise by the TSX, bear interest at no more than prime rate plus 1%. Otherwise, and subject to any relief granted by the TSX, the Company may seek to raise additional funds through a rights offering of shares available to its shareholders, in accordance with the requirements of applicable securities legislation, and subject to placing the required funds raised in the escrow account in accordance with applicable TSX rules. Other than the foregoing, the Company will not be able to obtain any form of debt or equity financing other than in accordance with applicable securities laws and only with the consent of the TSX. There is no assurance that the Company's plans to raise capital or to consummate a Qualifying Acquisition will be successful.

The Company has not entered into any off-balance sheet financing arrangements and has not guaranteed any debt or

commitments of other entities or entered into any options on non-financial assets. Further, the Company has no contractual or purchase type of obligations other than those reported in the Company's statement of financial position as of September 30, 2020.

RELATED PARTIES

There were no transactions with related parties during the three and nine-month periods ended September 30, 2020 or 2019.

OUTSTANDING SHARES AND WARRANTS

The following table sets forth information regarding the issued and outstanding securities of the Company as at June 30, 2020:

	TOTAL
Common Shares	5,088,750
Warrants	Nil
Stock Options	407,100
Total	5,495,850

388,875 agent's warrants expired during the year ended December 31, 2019, and at June 30, 2020 there were no outstanding warrants on the balance.

During the year ended December 31, 2017, the Company granted 508,875 stock options. During the year ended December 31, 2019, the Company granted 101,775 stock options. Each option entitles the holder to acquire one common share of the Company at a price of \$0.20 per share. Each option shall expire on the later of (i) twelve months following the completion of a Qualifying Transaction; and (ii) 90 days following cessation of the Optionee's position with the Company, provided that if cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, provided that no options may expire later than five years from date such options are granted, that date being December 13, 2022.

During the year ended December 31, 2019, 203,550 stock options expired due to a resignation of two directors of the Company. At June 30, 2002 and December 31, 2019, there were 407,100 exercisable stock options outstanding.

BASIS OF PRESENTATION, CRITICAL ACCOUNTING ESTIMATES AND SIGNIFICANT ACCOUNTING POLICIES

The preparation of the Company's financial statements requires the Company to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates and assumptions affect the Company's reported amounts of assets, liabilities, and items in net income or loss, and the related disclosure of contingent assets and liabilities, if any. The Company evaluates its estimates on an ongoing basis. Such estimates are based on various assumptions that the Company believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amount of items in net earnings or loss that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

A summary of the significant judgments and estimates made by management and a summary of the Company's significant accounting policies used in the preparation of its financial information is provided within the Company's December 31, 2019 audited Financial Statements.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are designed to provide reasonable, but not absolute, assurance that all material information is obtained, analyzed and reported to senior management on a timely basis in order for management to make reasonable decisions regarding public disclosure.

The Company's certifying officers, the Chief Executive Officer and the Chief Financial Officer, have reviewed the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on their

review, they have concluded that the Company's disclosure controls and procedures, as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings of the Canadian Securities Regulators, were effective and provide reasonable assurance that information required to be disclosed in interim, annual and special filings are submitted under Canadian securities laws and are recorded, processed, summarized and reported in a timely fashion.

MANAGING RISK

Except as otherwise disclosed in this MD&A and in the Company's unaudited interim Financial Statements for the three- and nine-month periods ended September 30, 2020 and 2019, there have been no significant changes to the nature and scope of the risks faced by the Company as further described in the final prospectus of the Company dated May 24, 2017, and the amended and restated prospectus dated August 24, 2017, which are available on SEDAR at www.sedar.com. Interested parties when evaluating the Company's performance and its outlook should consider these business risks.

PROSPECTUS

On May 24, 2017, the Company filed a prospectus for an initial public offering with the Ontario Securities Commission. Pursuant to an Agency Agreement dated May 24, 2017, the Company has appointed Gravititas Securities Inc. (the "Agent") as lead agent of the initial public offering with gross proceeds of a minimum of \$400,000 to a maximum of \$2,200,000 consisting of a minimum of 2,000,000 Common Shares to a maximum of 11,000,000 common shares at a price of \$0.20 per common share by way of an Initial Public Offering ("the Offering") pursuant to the policies of the TSX Venture Exchange governing CPCs. The Company will pay the Agent a commission of 10% of the gross proceeds of the Offering, payable immediately upon closing by certified cheque by the Company. During the year ended December 31, 2016, the Company paid the Agent a Corporate Finance Fee of \$25,000 which was due and payable upon execution of a letter agreement between the parties. In addition, the Company will grant to the Agent options to purchase the number of common shares as is equal to 10% of all common shares issued in the agency agreement. The Agent's option will be exercisable at any time up until 24 months after the listing of the shares of the Company on the TSX Venture Exchange at the issue price. On August 24, 2017, this Prospectus was replaced by an Amended and Restated Prospectus with the same terms.

SUBSEQUENT EVENTS

COVID-19

Subsequent to 2019 year-end and currently, there is a global outbreak of COVID-19 (coronavirus), which has a significant impact on businesses through restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolations/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

While the extent of the impact is unknown, we anticipate that this outbreak may cause reduced customer demand, supply chain disruptions, staff shortages and increased government regulations, all of which may negatively impact the Company's business and financial condition.

Proposed Qualifying Transaction

On November 24, 2020, the Company entered into a letter of intent (the "LOI") with Acapulco Gold Corporation ("Acapulco"). Pursuant to the LOI, the Company and Acapulco will negotiate and enter into a definitive agreement on or before December 30, 2020 (the "Definitive Agreement"), pursuant to which it is anticipated that the Company will acquire all of the issued and outstanding securities of Acapulco at an exchange ratio to be determined in accordance with the Definitive Agreement, resulting in the reverse takeover of the Company by Acapulco (the "Acapulco Transaction").

Subsequent to the execution of the LOI and the approval of the TSXV, the Company will provide Acapulco with a bridge loan in the amount of up to \$100,000 (the "Loan") for working capital purposes, of which \$25,000 may be immediately

advanced to Acapulco pursuant section 8.5(b) of Policy 2.4 of the policies of the TSXV.

In conjunction with the Acapulco Transaction, Acapulco intends to complete a concurrent private placement (the "Private Placement") for aggregate gross proceeds of a minimum of \$2,000,000 up to a maximum of \$3,000,000, through the offering of securities of Acapulco to be sold at an issue price to be determined in the context of the market. Acapulco intends to use the net proceeds from the Private Placement for expenditures for the further advancement of its mining properties and general corporate purposes.

The completion of the Acapulco Transaction will be subject to a number of conditions precedent, including but not limited to satisfactory due diligence review, negotiation and execution of the Definitive Agreement and accompanying transaction documents, approval by the boards of directors of each of Victory and Acapulco, approval of the shareholders of Acapulco (if applicable), obtaining necessary third party approvals, TSXV acceptance and closing of the Private Placement for gross proceeds of not less than \$2,000,000. There can be no assurance that the Acapulco Transaction or the Private Placement will be completed as proposed, or at all.

Dated: December 14, 2020, Toronto, Ontario