NAVION CAPITAL INC.
(also referred to as "Navion" or the "Corporation")

MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE YEAR ENDED NOVEMBER 30, 2018

The following discussion and analysis should be read in conjunction with the financial statements for the year ended November 30, 2018 prepared in accordance with International Financial Reporting Standards ("IFRS"). Additional information regarding the Corporation is available on SEDAR at www.sedar.com.

All dollar figures included therein and in the following discussion analysis are quoted in Canadian dollars unless otherwise noted.

DATE

This management's discussion and analysis ("MD&A") is dated March 28, 2019 and is in respect of the year ended November 30, 2018. The discussion in this management's discussion and analysis focuses on this period. Estimates and forward-looking information are based on assumptions of future events and actual results may vary from these estimates.

DESCRIPTION OF NAVION'S BUSINESS AND OVERALL PERFORMANCE

Navion Capital Inc. (the "Corporation" or "Navion") was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on October 18, 2017. The Corporation is a Capital Pool Company ("CPC") as defined pursuant to Policy 2.4 of The TSX Venture Exchange (the "TSXV"). On May 18, 2018, the Corporation announced the completion of its initial public offering (the "IPO") of 2,000,000 common shares at a price of $0.10 per common share and filed for listing as a Capital Pool Company on the TSX Venture Exchange. The common shares of the Corporation commenced trading on May 23, 2018 under the trading symbol NAVN.P.

The Corporation issued seed stock of 2,000,000 common shares at a price of $0.05 per share on October 18, 2017 to founders of the Corporation.

The Corporation proposes to identify and evaluate corporations, businesses or assets for acquisition and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder and regulatory approval.

PROPOSED TRANSACTION

As announced in its press release of August 22, 2018, on August 17, 2018 the Corporation signed a letter of intent ("LOI") with Hollyweed North Cannabis Inc. ("Hollyweed"), a private Canadian company incorporated in British Columbia in 2017. Hollyweed has operating subsidiaries specializing in the growth, manufacturing, licensing and production of cannabis and other pharma-grade products.

The LOI outlines the general terms and conditions pursuant to which the Corporation intends to complete a transaction that will result in a reverse take-over of the Corporation by the security holders of Hollyweed and is intended to constitute the "qualifying transaction" of the Corporation under Policy 2.4 – Capital Pool Companies of the TSX Venture Exchange (the "TSXV"). The Corporation expects to be classified as a Life Sciences issuer upon completion of the transaction.

The transaction is expected to result in the security holders of Hollyweed exchanging all securities, 84,902,686 common shares (following completion of the Financing, as defined below), 4,181,843 stock options and 56,000 share purchase warrants for 84,902,686 shares, 4,181,843 stock options and 56,000 share purchase warrants of the Corporation, on the same terms. It is expected that the Corporation and Hollyweed will enter into a definitive agreement during the second quarter of 2019. The Transaction is conditional upon the parties completing successful due diligence reviews of each other, the completion by Hollyweed (with the assistance of Navion) of an interim financing yielding at least $2 million in gross proceeds, requisite regulatory approvals, including the approval of the TSXV, and standard closing conditions.

The LOI provides that completion of the Transaction is subject to a number of conditions including:

- A concurrent private placement to raise a minimum CDN$2,000,000 in additional funds by the issuance of common shares of Hollyweed (the "Financing") at an effective price of $1.00 per share. The proceeds of the Financing will be used by the Resulting Issuer for improvements to the Hollyweed facility, the purchase of equipment, and general and administrative expenses.
- The completion of satisfactory due diligence by each party;
- The approval of the Transaction by the board of directors of each of Hollyweed and Navion;
- The Corporation will have obtained all necessary approvals, consents and acceptances, including all necessary approvals from the applicable securities regulatory authorities.
- It is a further term of the LOI that upon completion of the Transaction the resulting issuer's board will be comprised of directors that will be nominated by Hollyweed and Navion jointly.

RISKS AND UNCERTAINTIES

The Corporation does not have a history of earnings, nor has it paid any dividends. The Corporation has only limited funds and there is no assurance that the Corporation will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the TSXV, at which time the exchange may suspend or de-list the Corporation's shares from trading.

SELECTED FINANCIAL INFORMATION

The Corporation was incorporated on October 18, 2017 and was not yet a "Reporting Issuer" pursuant to applicable securities legislation until February 20, 2018, the date of the final receipt for the Prospectus as issued by the Alberta and British Columbia Securities Commissions, thereby becoming a "Reporting Issuer" in each of the provinces of Alberta and British Columbia.

The following table is a summary of selected annual financial information derived from the Corporation's audited financial statements prepared in accordance with International Financial Reporting Standards:

		November 30, 2018		**November 30, 2017**
Total assets	$	169,036	$	97,375
Total liabilities		5,733		9,050
Net loss and comprehensive loss for the period		(68,575)		(11,675)
Basic and diluted net loss per share for the period	$	(0.06)	$	-
Weighted average number outstanding		1,073,973		-

For the year ended November 30, 2018, the Corporation reported no discontinued operations and declared no cash dividends.

RESULTS OF OPERATIONS

During the year ended November 30, 2018 the Corporation incurred a loss of $68,575 (2017 - $11,675) which mainly relates to regulatory, filing and transfer agent fees, share-based compensation, professional fees related to negotiating the reverse-takeover transaction with Hollyweed and ongoing office and administration costs.

SUMMARY OF QUARTERLY RESULTS

The figures for the quarter ended November 30, 2017 are derived from the Corporation's audited annual financial statements. All other quarterly figures are derived from the Corporation's unaudited condensed interim financial statements.

Period ending	Quarter	Comprehensive loss	Basic and fully diluted loss per share	Total Assets
November 30, 2018	Q4	(20,899)	(0.01)	169,036
August 31, 2018	Q3	(15,582)	(0.00)	184,202
May 31, 2018	Q2	(31,315)	(0.01)	199,984
February 28, 2018	Q1	(779)	(0.00)	73,568
November 30, 2017	Q4	(11,675)	-	97,375

The Corporation acknowledges that there can be material fluctuations in quarterly results. In the above table, large variances in quarterly results are primarily due to the the share-based compensation of $30,001 which occurred in the quarter ending May 31, 2018. In Q3 and Q4 2018, the Company incurred additional professional fees and other costs, mainly related to the identification of its qualifying transaction and related to the Hollyweed negotiations.

Fourth quarter 2018

During the quarter ended November 30, 2018 the Corporation incurred a loss of $20,899 (2017 - $11,675) which mainly relates to regulatory and filing fees, professional fees related to negotiating the transaction with Hollyweed and office and administration costs.

OUTSTANDING SHARE DATA

Common Shares

As at November 30, 2018 and the date of this MD&A the Corporation has 4,000,000 common shares issued and outstanding.

Stock Options

At November 30, 2018, there were 600,000 stock options outstanding (including 200,000 agent options) entitling the holders thereof the right to purchase one common share for each option held as follows:

Numbers of options outstanding	Exercise price	Expiry Date
400,000	$ 0.10	May 18, 2023
200,000	$ 0.10	May 23, 2020
600,000		

LIQUIDITY AND CAPITAL RESOURCES

The Corporation completed an initial public offering as a Capital Pool Company pursuant to Policy 2.4 of the TSX Venture Exchange. The Corporation received net proceeds of $113,552 (gross proceeds of $200,000 less cash share issuance costs of $86,448), representing the issuance of 2,000,000 common shares of the Corporation at an issuance price of $0.10.

At November 30, 2018, the Corporation had net working capital of approximately $163,000.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

For the year ended November 30, 2018 the Corporation incurred professional fees of $15,578 and share issuance costs of $29,923 from a company related to a director of the Corporation, Scott Reeves.

The Corporation incurred the following expenses for directors and officers of the Corporation during the year ended November 30, 2018:

	For the year ended November 30, 2018
Share-based compensation	$ 30,001
	$ 30,001

FINANCIAL INSTRUMENTS

The Corporation's risk exposures and the impact on the Corporation's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Corporation to concentrations of credit risks consist principally of cash. The cash is currently being held in a solicitor's trust account and a high quality financial institution.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation currently settles its financial obligations out of cash. The ability to do this relies on the Corporation raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

The Corporation is not exposed to any significant interest rate risk.

Foreign currency risk

The Corporation believes it is currently not exposed to foreign currency risk since all of it assets, liabilities and operations are denominated in Canadian dollars.

Price risk

The Corporation believes it currently has no price risk.

The carrying amount of cash, accounts payable and accrued liabilities approximates their fair value due to their short-term nature.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

There were no new accounting standards or amendments adopted during the year ended November 30, 2018.

Accounting standards and amendments that are mandatory for accounting periods beginning on or after January 1, 2018 are disclosed in Note 2 to the audited annual financial statements for the year ended November 30, 2018 and are not expected to have a significant effect on the Company's future results and financial position.

CRITICAL ACCOUNTING ESTIMATES

This MD&A is based on the financial statements which have been prepared in accordance with IFRS. The preparation of the financial statements requires that certain estimates and judgments are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances.

The accounting estimates for share based payments is based on the Black-Scholes option valuation model which was developed for use in estimating the fair value of traded options which were fully tradable with no vesting restrictions. This option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Since the Corporation's stock options have characteristics significantly different from those of traded options and since changes in the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

Deferred tax liabilities and assets

Deferred tax liabilities and assets are measured at tax rates expected in the period during which the asset is realized or the liability is settled, based on tax rates (and tax laws) that are enacted or substantively enacted at the end of the reporting period of the financial information. The measurement of liabilities and deferred tax assets reflects the tax consequences that result from the manner in which the Company expects, at the end of the reporting period of the financial information, to recover or settle the carrying amount of its assets and liabilities.

Share-based payments

The fair value of stock options issued are subject to the limitations of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

CAPITAL RISK MANAGEMENT

The Corporation's capital currently consists of common shares. The Corporation defines capital as total equity which was $163,303 at November 30, 2018. Its principal source of cash is from the issuance of common shares. The Corporation's capital management objectives are to safeguard its ability to continue as a going-concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in a business or assets.

The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares.

Subsequent to the IPO, proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or business for future investment, with the exception that not more than the lessor of 30% of the gross proceeds from the issuance of shares issued in the IPO may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Corporation. These restrictions apply until the completion of a Qualifying Transaction.

FORWARD LOOKING INFORMATION

This MD&A contains forward-looking information in the “Risks and Uncertainties” and “Outlook” sections that involves material assumptions and known and unknown risks and uncertainties, certain of which are beyond the Corporation’s control. Such assumptions, risks and uncertainties include, without limitation, those associated with, loss of markets, volatility of commodity prices, currency fluctuations, delays resulting from the inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources, the effect of general economic conditions in Canada and the United States, industry conditions, changes in laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. The Corporation’s actual results, performance or achievements could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits the Corporation will derive therefrom. The forward-looking information is made as at the date of this MD&A and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward-looking information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.