Walmer Capital Corp.
(a capital pool corporation)

Management's Discussion and Analysis

Years ended December 31, 2016 and 2015

The following management's discussion and analysis ("MD&A") should be read in conjunction with the Corporation's audited financial statements and notes thereto for the year ended December 31, 2016. Additional information relating to the Corporation is available on SEDAR at www.sedar.com.

This MD&A was prepared by management of Walmer Capital Corp. (the "Corporation"), and it and the audited financial statements of the Corporation for the year ended December 31, 2016 were approved by the Board of Directors on January 16, 2017. All amounts are in Canadian dollars unless otherwise stated.

Forward-Looking Statements

Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", used by any of the Corporation's management, are intended to identify forward-looking statements. Such statements reflect the Corporation's forecasts, estimates and expectations, as they relate to the Corporation's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Corporation'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. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Corporation 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, except as required by law, regulatory practice or requirement.

Description of the Business

The Corporation was incorporated under the Business Corporations Act (Alberta) June 27, 2011 and December 31 is the date of its fiscal year end.

The Corporation is classified as a Capital Pool Company ("CPC") for the purposes of the policies of the TSX Venture Exchange (the "Exchange"). The Corporation has completed a final prospectus dated February 7, 2012 and listed its common shares on the Exchange on May 8, 2012.

Its registered head office is located 1500, 850 2nd Street S. W., Calgary, Alberta, Canada T2P 0R0 and it conducts its business from 22 Coulson Avenue in Toronto, Ontario, Canada M4V 1Y5.

The Corporation's business is to identify and evaluate businesses and assets with a view to completing a "Qualifying Transaction" as defined in the policies of the Exchange. Any proposed Qualifying Transaction must be accepted by the Exchange and in the case of a non-arm's length Qualifying Transaction is also subject to "majority of the minority approval" in accordance with Policy 2.4 of the Exchange. To date, the Corporation has not conducted commercial operations. The Corporation had entered into a Letter of Intent as of April 1, 2014 (the "LOI") with a view to completing a Qualifying Transaction, which LOI has now been terminated. An Agreement for a new Qualifying Transaction was then entered into on March 25, 2015. A Comprehensive Press Release pursuant to the Policies of the Exchange was issued on March 26, 2015 and is available on www.sedar.com. However, the Corporation was unable to complete this proposed Qualifying Transaction owing to the inability to raise the $1,000,000 to fund the purchase and exploration programme called for. As a result, a further press release was issued on February 1, 2016 terminating the Agreement.

On August 17, 2016, the Company issued a Comprehensive Press Release announcing the signing of an agreement to acquire the Johan Beetz Feldspar property and its intention that this be the Corporation's Qualifying Transaction. It further expressed its intention to raise additional equity capital to fund the acquisition of the property and its exploration. A National Instrument 43-101 Technical Report is expected to be filed on SEDAR soon and the Qualifying Transaction is expected to close in January 2017. Towards these ends, the Company closed two financing transactions of Issues of Flow Through Shares and Subscription Receipts on December 7, 2016 and December 12, 2016 respectively. In conjunction with these financings the Corporation issued 7,110,000 Flow Through Shares for gross proceeds of $355,500 and

10,250,000 Subscription Receipts, exchangeable upon closing of a Qualifying Transaction, into one common share and one half warrant.

The proposed Qualifying Transaction commits the Corporation to paying cash of $100,000 and issue 2,000,000 common shares to the vendor by the fifth business day after the Exchange approves this Qualifying Transaction. The Corporation is further required to pay a 2.5% Gross Metal Royalty.;

The Corporation has no fixed exploration requirement but expects to be commencing ground exploration in Spring 2017 as the weather at site is unfavourable until then.

Until completion of a Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential 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 in the Corporation's final CPC prospectus dated February 7, 2012 the funds raised pursuant to the Corporation's initial public offering and any subsequent financing have been utilized only for the identification and evaluation of potential Qualifying Transactions and not for any deposit, loan or direct investment in a potential acquisition except as may be permitted by Exchange policies.

Selected Financial Information

The following selected financial data is derived from the financial statements of the Corporation prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards ("IFRS").

Statement of Financial Position data	As at December 31, 2016	As at December 31, 2015
Cash and restricted cash and equivalents	$ 784,908	$ 31,903
Total current liabilities	557,742	18,250
Total Shareholders' Equity	229,700	23,940

Results of Operations

The Corporation does not have any operations and may not conduct any business other than the identification and evaluation of business and assets for potential acquisition. Net loss for the year ended December 31, 2016 was $39,148 (2015 - $96,440). The only expenditures recognized during the year ended December 31, 2016 were $39,148 in professional and filing fees (2016 - $57,440) to maintain the public company status of the Corporation and an additional $39,000 in the 2015 period for property acquisition costs.

Summary of Quarterly Results

Historical quarterly information of the eight most recently completed quarters is as follows:

	Mar. 31, 2015	June 30 2015	Sept. 30, 2015	Dec. 31, 2015	Mar. 31, 2016	June 30. 2016	September 30, 2016	December 31, 2016
Revenue	-	-	-	-	-	-	-	-

Net loss	33,624	15,579	26,534	20,703	1,883	7,556	8,063	21,646
Loss per share	(0.01)	(0.00)	(0.01)	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)

Liquidity, Capital Resources, and Outlook

An initial public offering ("Offering") was completed on May 3, 2012 raising gross proceeds of $300,000 pursuant to a prospectus dated February 7, 2012. An aggregate of 3,000,000 Common shares in the capital of the Corporation (the "Shares") were subscribed for at a price of $0.10 per share. The Shares began trading under the stock symbol WAL.P on May 8, 2012.

The Agent received a cash commission equal to 10% of the gross proceeds of the Offering and an option (now expired unexercised) to purchase 300,000 Shares at a price of $0.10 per share for a period of 24 months from the date of listing of the Shares on the TSX Venture Exchange ("Exchange")(now expired unexercised). The Agent also received a corporate finance fee of $15,000.

The Corporation granted 500,000 incentive options to its directors and officers which are exercisable within 10 years from the date of the grant at an exercise price of $0.10 per share.

As a result of the closing of the Offering, the Corporation had 5,000,000 Shares issued and outstanding until the cancellation of 50% being one million of the Founders' shares on August 7, 2014, owing to the failure to complete a Qualifying Transaction within the prescribed two year period. As a result, there are now 4,000,000 shares outstanding. The cancellation effectively repriced the Founders' shares to $0.10 per share, the same price as the 3,000,000 IPO shares were issued at. At the same time, the Corporation's shares were relegated to the NEX exchange and the symbol therefor was changed to WAL.H.

As at December 31, 2016 the Corporation had $784,908 in cash and cash equivalents, and $557,742 in liabilities. $781,100 of the cash and cash equivalents was restricted with the condition for its release being the completion of the Qualifying Transaction , expected later in January (see below for discussion on financings related to restricted cash and cash equivalents). $461,250 of the liabilities similarly are in respect of the Subscription Receipts issue which will automatically convert to 10,250,000shares and 5,125,000 warrants upon Completion of the Qualifying Transaction, which liability will be converted to Share capital and Warrants upon Closing of the Qualifying Transacton..

On December 7, 2016, the Corporation completed a non-brokered private placement of 10,250,000 Subscription Receipts at a price of $0.05 per Subscription Receipt for aggregate gross proceeds of $512,500. Upon the Release Date of the Subscription Receipts financing, each Subscription Receipt will entitle the holder to receive one Unit consisting of one common share and one half common share purchase warrant. Each full warrant entitles the holder to acquire one common share of the Corporation at a price of $0.10 expiring eighteen months from the Closing Date. Cash share issuance costs includes both a corporate finance fee and sales commission paid to the Finder of $10,250 and $41,000 respectively. In addition, upon closing of the private placement, the Finder will receive corporate finance options and selling compensation options (collectively the "Broker Warrants") entitling the Finder to acquire 205,000 Units and 820,000 Units, respectively. These Units have the same terms and conditions as those Units to be issued to the holders of the Subscription Receipts.

On December 12, 2016, the Corporation completed a non-brokered private placement through the issuance of 7,110,000 flow-through shares at $0.05 per share for gross proceeds of $355,500. In connection with the flow-through private placement 711,000 broker warrants were issued exercisable at $0.05 per warrant to acquire 711,000 common shares expiring on June 12, 2018. Cash share issuance costs includes both a corporate finance fee and sales commission paid to the Finder of $7,110 and $28,440 respectively. In addition, the Finder received corporate finance options and selling compensation options (collectively the "Broker Warrants") entitling the Finder to acquire 142,200 shares and 568,800 shares, respectively.

Resulting from the flow-through shares issued during the year ended December 31, 2016, $71,100 of the gross proceeds were allocated as a flow-through share premium, equal to the estimated premium that the subscribers paid for the flow-through tax benefit. As expenditures are incurred against the Corporation's associated flow-through commitment, the premium liability will be charged to operations, offset as a deferred income tax recovery.

Pursuant to the agreement signed between the Corporation, First Republic and Garfinkle Biderman LLP (the "Lawyer"), the financing proceeds, net of finder's fee commissions, received by the Corporation from both the hard dollar and flow-through financing will be held in escrow by the Lawyer until the completion, satisfaction or waiver of all conditions precedent to the Qualifying Transaction. Further, pending occurrence of the release event disbursements and legal expenses of First Republic up to a maximum of $45,000 plus disbursements and applicable taxes will be paid by the Company.

In conjunction with the escrow proceeds, the Lawyer holds in escrow subscription receipt units related to the hard dollar financing, in the total amount of 10,250,000 units, to be released upon completion or waiver of the Qualifying Transaction. In addition, all related broker warrants on the hard dollar financing are held in escrow and have not been reflected in these financial statements.

The deadline to release the escrow shares and proceeds is January 31, 2017, at 5:00pm Eastern Standard time. At such time if the Qualifying Transaction has not occurred, the funds will be returned to each of the subscription receipt holders, less any applicable withholding taxes, if any. Any shortfall arising as a result of payment of the finder's fees on the closing date shall be paid by the Corporation.

The Corporation has committed and each of its Directors has undertaken to ensure that no proceeds of the Flow Through share Issue be used until the Closing of the QT.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements as at December 31, 2016.

Subsequent Events

Counsel for the Corporation, Garfinkle Biderman LLP of Toronto are preparing the Filing Statement for review by the Exchange which is expected to take place in the coming days

The Corporation has also announced the intention to change its name to EnerSpar Corp. and anticipates a corresponding change of symbol if, as and when it is readmitted to trading on the TSX Venture Exchange.

Critical Accounting Policies and Estimates

Use of estimates and judgments

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Judgments made by management that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the current and following fiscal years are discussed below. The most significant judgments and estimates relate to, but are not limited to, the following:

- Assessment of the going concern presumption to the financial statements;

- The calculation of the fair value of share-based payments and equity settled transactions requires the use of estimates of inputs in the Black-Scholes option pricing valuation model;

Valuation of equity instruments

The Company has adopted the residual method with respect to the measurement of common shares and warrants issued as private placement units or initial public offering units. Warrants attached to units are valued based on the fair value of the warrants using the Black-Scholes option pricing model and the share price at the time of financing, and the difference between the proceeds raised and the value assigned to the warrants is the residual fair value of the shares.

The proceeds from the issue of units are allocated between share capital and reserve for warrants. If and when the warrants are exercised, the applicable amounts of reserve for warrants are transferred to capital stock. Consideration paid on the exercise of the warrants is credited to capital stock.

Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held-to-maturity, available-for-sale, loans-and-receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through the statement of comprehensive loss. The Company's cash and restricted cash and cash equivalents are classified as FVTPL.

Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as either FVTPL or other-financial-liabilities.

Financial liabilities classified as other-financial-liabilities are initially recognized at fair value less directly attributable transaction costs. The Company's trade and other payables, flow through premium liability and financing proceeds held in escrow are classified as other-financial-liabilities

Financial Instruments and Other Instruments

The Corporation's financial instruments consist of cash, restricted cash and accounts payable and accrued liabilities. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values.

Risks and Uncertainties

The Corporation has a limited history of existence. There can be no assurance that a Qualifying Transaction will be completed. There can be no assurance that the Corporation will be able to obtain adequate financing to continue its exploration beyond the first year program which would be financed by the release of the escrowed funds from the completion of the Qualifying Transaction. The securities of the Corporation should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Corporation's securities:

(a) until completion of a Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions;

(b) the Corporation has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Corporation will be able to identify a suitable Qualifying Transaction;

(c) even when a proposed Qualifying Transaction has been identified, there can be no assurance that the Corporation would be able to successfully complete the transaction;

(d) a Qualifying Transaction may need to be financed in all or part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation; and

(e) there can be no assurance that an active and liquid market for the common shares will develop and an investor may find it difficult to resell its common shares;

(f) since the public announcement of the first proposed Qualifying Transaction, trading in the common shares has been halted (and subsequently suspended) and will remain halted and suspended for an indefinite period of time, typically until a Sponsor has been retained and certain preliminary reviews have been conducted. The common shares may be reinstated to trading before the Exchange has reviewed a subsequent proposed transaction and before a Sponsor has completed its full review (but is expected to remain suspended until the completion or termination of a proposed Qualifying Transaction). Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Corporation completing a proposed Qualifying Transaction; and

(g) trading in the common shares may be halted at other times for other reasons, including for failure by the Corporation to submit documents to the Exchange or file them on SEDAR in the time periods required.

(h) the proposed Qualifying Transaction being the acquisition of a resource property would expose the Corporation to all of the inherent risks of activity in the resource world including fluctuating commodity and other resource prices, exploration risk, environmental risk, management risk, and potentially construction, financing, production, safety and other execution risks if the Corporation were to go beyond the exploration stage and seek to put a resource project into production.

Disclosure of Outstanding Share Data

As at the date of this MD&A, the following is a description of the outstanding equity securities and convertible securities previously issued by the Corporation:

Voting or equity securities:	Authorized	Outstanding
	Unlimited Common Shares	11,110,000 Common Shares.

The anticipated share issues referred to above will result in the issue of 2,000,000 shares to Globex, 10,500,000 shares ultimately to Subscription Receipt subscribers, 5,250,000 share purchase warrants in that connection and Broker Warrants numbering 1,050,000 for units and 711,000 for shares.

Disclosure Controls and Procedures

Management has designed disclosure controls and procedures to provide reasonable assurance that material information relating to the Corporation is made known to the Chief Executive Officer and the Chief Financial Officer by others within the Corporation, in an accurate and timely manner in order for the Corporation to comply with its continuous disclosure and financial reporting obligations and in order to safeguard assets.

Other Information

Additional information about the Corporation is available on SEDAR at www.sedar.com .

The Corporation is grateful for the patience of its shareholders and other stakeholders through the long path leading to its Qualifying Transaction and looks forward to its pending more dynamic existence. It welcomes queries from its shareholders and looks forward to the launch of its own website as part of a programme of being able to keep its shareholders fully informed of its activities and progress.

"James A. Richardson"

Chief Executive Officer

January 17, 2017