

**Moon River Capital Ltd.**  
**Management Discussion and Analysis**  
**For the year ended December 31, 2019**

This Management Discussion and Analysis (“**MD&A**”) of Moon River Capital Ltd. (the “**Company**”) dated as of April 23, 2020 provides analysis of the Company’s financial results for the period from incorporation (August 6, 2019) to December 31, 2019. The following information should be read in conjunction with the audited financial statements and the notes thereto, for the period from incorporation (August 6, 2019) to December 31, 2019 which have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”). These documents along with others published by the Company are available on SEDAR at [www.sedar.com](http://www.sedar.com).

**Company Description:**

Moon River Capital Ltd. (the "Company") is a private company incorporated under the laws of the Province of Ontario on August 6, 2019. The principal business of the Corporation will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT"). The Corporation has not commenced commercial operations and has no assets other than a minimum amount of cash.

On March 20, 2020 the Company completed its Initial Public Offering (“**IPO**”) issuing 2,600,000 common shares for gross proceeds of \$260,000.

Canaccord Genuity Corp. (the “**Agent**”) acted as agent for the Offering. In connection with the Offering, the Company granted to the Agent, options to acquire up to an aggregate of 260,000 Common Shares at a price of \$0.10 per share for a period of 24 months from the date the Common Shares are listed on the TSX-V. In connection with the Offering, the Agent also received a commission of \$26,000, representing 10% of the aggregate gross proceeds of the Offering.

At the closing of the Offering, the Company also granted stock options (the “**Options**”) to directors and officers of the Company to acquire up to an aggregate of 300,000 Common Shares. The Options may be exercised any time prior to March 20, 2025 at a price of \$0.10 per share.

The Common Shares commenced trading on the TSX-V under the stock symbol “**MOO.P**” on March 20, 2020.

**Selected Annual Information:**

(Canadian \$)

	<b>From incorporation to Dec 31, 2019</b>
	<b>\$</b>
Revenue	-
Net loss	17,291
Net loss per share	0.00
Total assets	434,209

## Results of Operations

The Company recorded a loss of \$17,291 (\$0.00 per share for the period from incorporation (August 6, 2019) to December 31, 2019. The loss for the period consisted of professional fees of \$11,500 and listing expenses of \$5,650 in connection with the completion of the Company's IPO.

### Summary of Quarterly Results:

	Revenue \$	Net Income (loss) \$	Total Assets \$	Income (loss) per share \$
December 31, 2019	-	(17,291)	434,209	-
September 30, 2019	-	(Nil)	1	-

### Liquidity and capital resources

For the period ended December 31, 2019 the Company used cash operations of \$40,895 and had received cash from financing activities of \$440,000 through the issuance of common shares. The Company had working capital at December 31, 2019 amounting to \$422,709.

### Financing activities and capital expenditures

The Company issued a total of 8,800,000 common shares at a price of \$0.05 per share for gross proceeds of \$440,000.

### Capital Management

The Company's policy is to attain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risks characteristic of the underlying resource assets. As a junior resource exploration company, the Company considers its capital structure to comprise only working capital. In order to maintain or adjust the capital structure, the Company may from time to time issue shares and adjust its capital spending to manage current and projected expenditure levels.

The Company has not paid or declared any dividends since the date of its incorporation, nor are any dividends contemplated in the foreseeable future.

The Company does not have any externally imposed capital requirements.

There were no changes in the Company's approach to capital management during the period.

### Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

### Related party transactions and balances:

Of the common shares issued in the period 6,000,000 common shares for gross proceeds of \$300,000 were issued to 2 individuals who are directors of the Company and to JB Levy Corp. a company owned by a director.

The above transactions were in the normal course of operations and were measured at the exchange amount, which are the amounts agreed to by the related parties.

**New accounting policies issued but not yet adopted:**

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods after the current year end.

As at December 31, 2019 there are no new accounting policies issued but not yet adopted that in management’s opinion would have an affect on the Company in its current state of operations.

**Outstanding Share Data**

**Authorized**

Unlimited common shares

Unlimited number of special shares issuable in series

**Issued**

Type of Security	Balance as of December 31, 2019	Balance as of the date of this MDA	Exercise price	Expiry date
Common shares	8,800,000	11,400,00	NA	NA
Agent’s option	-	260,000	\$0.10	March 20, 2022
Director and employee options	-	300,000	\$0.10	March 20, 2025
Total	8,800,000	11,960,000		

**Events Subsequent to period end**

On January 20, 2020 the Company filed a long form prospectus in the Provinces of Alberta, Manitoba, Saskatchewan, British Columbia and Ontario to qualify the distribution of 2,600,000 common shares for gross proceeds of \$260,000. In addition, pursuant to the Agency Agreement, the Corporation will grant the Agent’s Option to the Agent, or any sub agents, to purchase an aggregate of 260,000 Common Shares at a price of \$0.10 per Common Share, exercisable for a period of 24 months from the date of listing of the Common Shares on the Exchange, which option is qualified under this prospectus. The Incentive Stock Options to be granted to the directors and officers of the Corporation to purchase, in aggregate, 300,000 Common Shares at a price of \$0.10 per Common Share, exercisable for a period of 5 years from the date of grant, are also qualified under this prospectus. On March 20, 2020 the Company closed its IPO,

**Risk Factors**

The Company is currently in the process of identifying and evaluating assets or businesses in order to complete a Qualifying Transaction and has no source of revenue. The Company is not permitted to carry on any other business other than the identification and evaluation of assets or business to complete a Qualifying Transaction.

There can be no assurance the Company will successfully identify an assets or businesses to complete a Qualifying Transaction or have the necessary financial resources to complete a Qualifying Transaction. There can be no assurance that the Company will be able to successfully obtain the necessary financing in the future on terms acceptable to the Company or at all.

The Company is exposed to credit risk and liquidity risk. The Company's primary risk management objective is to protect assets, earnings and cash flow and, ultimately, shareholder value. Risk management strategies, as discussed below, are designed and implemented to ensure that the Company's risks and the related exposure are consistent with its business objectives and risk tolerance. There have been no changes to the risks to which the Company is exposed or to the corresponding risk management strategies during the current period.

#### ***Credit risk***

The Company's accounts receivable include amounts that are recoverable on account of harmonized sales tax. These amounts are subject to verification through audits that may be conducted by Canada Revenue Agency. The accounts receivable do not contain any past due amounts and the Company has no history of bad debts.

#### ***Liquidity risk***

The Company currently has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it to enable it to meet its obligations as they become due. Although the Company has been successful in the past in financing its activities, there can be no assurance that it will be able to do so in the future.

#### ***Additional capital***

#### ***Key officers, consultants and employees***

The success of the Company will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success. The Company has not purchased any key-man insurance with respect to any of its directors, officers or consultants and has no current plans to do so.

#### ***Conflicts of interest***

Certain directors and officers of the Company are or may become associated with other natural resource companies which may give rise to conflicts of interest. In accordance with the *Business Corporations Act* (Ontario), directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to the best interests of the Company. The directors and officers of the Company have either other full-time employment or other business or time restrictions placed on them and, accordingly, the Company will not be the only business enterprise of these directors and officers.

#### ***Uninsured risks***

The Company currently does not have liability insurance.

#### ***Dividend policy***

No dividends on the common shares of the Company have been paid by the Company to date. The Company intends to retain its earnings, if any, to finance the growth and development of its business and has no present intention of paying dividends or making any other distributions in the foreseeable future.

### **Forward Looking Information**

Certain statements in this MD&A may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and its subsidiary, or the industry in which they operate, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this report, the words "estimate", "believe", "anticipate", "intend", "expect", "plan", "may", "should", "will", the negative thereof or other variations thereon or comparable terminology are intended to identify forward-looking statements.

Such forward-looking statements reflect the current expectations of the Management of the Company with respect to future events based on currently available information and are subject to risks and uncertainties that could cause actual results, performance or achievements to differ materially from those expressed or implied by those forward-looking statements, such as reduced funding, currency and interest rate fluctuations, increased competition and general economic and market factors and including the risk factors summarized above under the heading “Risk Factors”. New risk factors may arise from time to time and it is not possible for Management of the Company to predict all of those risk factors or the extent to which any factor or combination of factors may cause actual results, performance or achievements of the Company to be materially different from those expressed or implied in such forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Although the forward-looking statements contained in this MD&A are based upon what Management believes to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements contained in this MD&A speak only as of the date hereof. The Company does not undertake or assume any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by law.

### **Disclosure controls and procedures**

In connection with National Instrument 52-109 (Certification of Disclosure in Issuer’s Annual and Interim Filings) (“NI 52-109”), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the financial statements for the period ended December 31, 2019 and this accompanying MD&A (together the “Annual filings”).

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at [www.sedar.com](http://www.sedar.com)

Additional Information:

- (1) Additional information about the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com).
- (2) Additional information is provided in the Company’s financial statements for the most recently completed financial reporting period (December 31, 2019) which were prepared under IFRS.