

ALTINA CAPITAL CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020

INTRODUCTION

The following Management's Discussion and Analysis ("MD&A") is dated April 30, 2021 and should be read in conjunction with financial statements of Altina Capital Corp.'s ("Altina" or the "Company") for the year ended December 31, 2020. Altina 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 Altina 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.

Altina's financial statements, MD&A and all other continuous disclosure documents are filed with Canadian securities regulators and are available for review under the Altina Capital Corp. profile at www.sedar.com.

FORWARD-LOOKING STATEMENTS

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 on August 23, 2019 under the laws of British Columbia and is a Capital Pool Company ("CPC") as defined in the TSX Venture Exchange (TSX-V) Policy 2.4. The Company will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. The Company's common shares are listed for trading on the TSX-V under the trading symbol ALTN.P. The Company's registered and records office is located at Suite 2500 – 700 West Georgia Street, Vancouver, BC, V7Y 1B3.

The Company's continuing operations are dependent on the continued financial support of its shareholders, and the completion of a Qualifying Transaction. Any acquisition or investment proposed by the Company will be subject to regulatory approval. There is no assurance that the Company will identify a business or asset that warrants acquisition or participation within such time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or de-list the Company's common shares from trading.

All amounts are presented in Canadian dollars, which is the functional currency of the Company, unless otherwise noted.

PROPOSED TRANSACTION

On October 30, 2020, the Company entered into a binding letter of intent (the "Letter Agreement") to complete a proposed business combination (the "Transaction") with Omega Gold Corp. ("Omega Gold"). The Transaction will constitute the Company's "Qualifying Transaction" as defined in Policy 2.4 – Capital Pool Companies of the TSX Venture Exchange (the "TSXV").

Pursuant to several current option agreement arrangements, Omega Gold will have a 51% ownership of Formacion Yura. In addition, Omega Gold is currently arranging five staged options (collectively, the "Property Option Agreements") to acquire a further 48.69% interest in Formacion Yura (aggregate 99.69%) over up to a five-year period with rights to accelerate ownership, by making the required payments to complete the Option Agreements. To complete all Option Agreements, Omega Gold will be required to issue 23,000,000 common shares to the optionor, make payments to conduct exploration on the Property of US\$9,000,000, pay US\$3,500,000 in vendor cost recoveries (the "Recoveries"), and pay administration, security, ongoing and outstanding Property taxes and Property burden, as well as the cost of remediation, which interest is subject to a 2.0% net smelter return royalty, half of which can be purchased at any time prior to production for US\$4,500,000. Amounts due for payment of Recoveries may be payable, at Omega Gold's option, through

the issuance of common shares in the capital of the Resulting Issuer (as defined below) at a price of \$1.00 per share at such time as the Resulting Issuer's shares trade at \$1.00 or higher for a specified period of time. Omega Gold shall make best efforts to acquire the remaining residual 0.31% interest in Formacion Yura, with such interest subject to ongoing dilution from aforementioned spending relating to the acquisition of Formacion Yura.

A separate long-term lease of 50 years applies to two of the Property claims that are to be leased to Omega Gold in their entirety.

A total of 94.69% of Formacion Yura will be titled in the name of Omega Gold prior to the closing of the Transaction (even though Omega Gold has agreed ownership of 51% of Formacion Yura) to streamline the future property option earn in's under pending revised Property Option Agreements that allow Omega Gold to earn an aggregate 99.69% interest in Formacion Yura.

The Letter Agreement provides that the Company, Omega Gold and the shareholders of Omega Gold will enter into a definitive agreement (the "Definitive Agreement") pursuant to which the Company will acquire all of the issued and outstanding Omega Gold Securities (as defined below). It is anticipated that the corporation resulting from the Transaction (the "Resulting Issuer") will continue under the name "Omega Gold Corp." or such other name as the parties may agree, and carry on the business of Omega Gold.

Pursuant to the Transaction, each issued and outstanding security of Omega Gold, including any issued pursuant to the Concurrent Financings described below, (collectively, the "Omega Gold Securities") will be exchanged for equivalent securities of the Company on a one-for-one basis. The current issued and outstanding Omega Gold Securities consist of: (i) 67,897,859 common shares in the capital of Omega Gold; (ii) 1,167,667 common share purchase warrants each exercisable at \$0.45 per share for 12 months from closing of the Transaction; (iii) 798,125 common share purchase warrants each exercisable at \$0.40 per share for 12 months from closing of the Transaction; (iv) 3,316,975 common share purchase warrants each exercisable at \$0.50 per share for 12 months from closing of the Transaction; (v) and 5,000,000 performance warrants each exercisable at \$1.00 per share for five years from the closing of the Transaction, subject to approval of the TSXV.

Completion of the Transaction is conditional upon, among other standard conditions for a transaction of this nature: (i) the execution and delivery of the Definitive Agreement; (ii) Omega Gold providing a current Technical Report that is acceptable to the TSXV and the Company; (iii) Omega Gold delivering audited annual financial statements and any applicable unaudited interim financial statements that are acceptable to the Company and compliant with TSXV policies; (iv) Omega Gold delivering a title opinion for the Rio Bravo Project in a form and content reasonably satisfactory to the Company; (v) receipt of all required consents and approvals for the Transaction and the Definitive Agreement, including from the directors and shareholders of Omega Gold, from the directors and, if required, the shareholders of the Company, and from the TSXV; (vi) completion of the Concurrent Financings with aggregate gross proceeds including at least the Omega Minimum and the Company completing one or more Concurrent Financings with aggregate gross proceeds of not less than \$5,000,000 (all as defined below); and (vii) completion of satisfactory due diligence.

In accordance with the Letter Agreement, closing of the Transaction was expected to occur prior to March 1, 2021, or such date as extended at the option of either the Company or Omega Gold for up to two consecutive 30 calendar day renewal periods, and either the Company or Omega Gold could terminate the Letter Agreement if the Definitive Agreement was not entered into on or before January 31, 2021. This date has been extended to May 15, 2021.

Under the Letter Agreement, Omega Gold is required to complete one or more Concurrent Financings with aggregate gross proceeds of not less than \$1,500,000 (the "Omega Minimum") and not more than \$3,000,000 (each such Concurrent Financing referred to together as the "Omega Concurrent Financing"). The Omega Concurrent Financing may be comprised of units (or special warrants or subscription receipts convertible to units) of Omega Gold (each, an "Omega Gold Unit"), with each Omega Gold Unit having a subscription price of not less than \$0.20 per Omega Gold Unit, and being comprised of not more than one common share and one share purchase warrant (each, an "Omega Unit Warrant") of Omega Gold, and with each such Omega Unit Warrant being exercisable for a common share in the capital of Omega Gold at a price per share of not less than \$0.50 and for a period of not more than one year from the listing of the common shares of the Resulting Issuer.

In accordance with the Letter Agreement, the Company will also complete one or more Concurrent Financings with aggregate gross proceeds of not more than \$6,500,000 (each such Concurrent Financing referred to

together as the “Company Concurrent Financing”). The Company Concurrent Financing will be comprised of units (or special warrants or subscription receipts convertible to units) of the Company (each, a “Company Unit”), with each such Company Unit having a subscription price of \$0.25 per Company Unit, and being comprised of one common share and one share purchase warrant (each, a “Company Unit Warrant”) of the Company, and with each such Company Unit Warrant being exercisable for a common share in the capital of the Company at \$0.50 and for a period of one year from date of issuance. The closing of the Company Concurrent Financing is subject to approval of the TSXV and, subject to compliance with applicable TSXV Policies, is not conditional upon closing of the Transaction and is not subject to any minimum subscription amount.

OVERALL PERFORMANCE

Since its incorporation on August 23, 2019, the Company has focused on the identification of a Qualifying Transaction and has incurred expenses relevant to such activity during the year ended December 31, 2020 as characterized by professional fees.

Loss and comprehensive loss for the year ended December 31, 2020, was \$74,141, which is further explained in “Discussion of Operations” below.

DISCUSSION OF OPERATIONS

Key components of loss and comprehensive loss for the year ended December 31, 2020 were as follows:

- Legal and accounting fees of \$30,467 relating to listing and financial reporting needs;
- Filing fees of \$14,011 in connection with compliance requirements;
- Share—based payments of \$29,663 relating to the fair value of 700,000 stock options granted during the period, determined using the Black-Scholes option pricing model.

SUMMARY OF ANNUAL RESULTS

The following table sets forth selected financial information of the Company for the last two fiscal years. This financial information is derived from the audited financial statements of the Company:

	Year Ended 12-31-2020 \$	Year Ended 12-31-2019 \$
Revenue	–	–
Net Loss	(74,141)	(5,000)
Loss per Share	(0.02)	(0.00)
Total Assets	532,891	130,000
Total Long Term Liabilities	–	–

For the year ended December 31, 2020, there was an increase in net loss of \$69,141 as compared to the year ended December 31, 2019. The increase was mainly comprised of an increase to professional fees of \$25,467, an increase in filing fees of \$14,011 related to the Company’s IPO and related compliance costs, and an increase in share-based payments of \$29,663. Total assets increased as at December 31, 2020 from 2019 as a result of the issue of common shares for proceeds of \$70,000 as well as the issuance of 4,000,000 common shares pursuant to the Company’s IPO for net proceeds of \$305,250, partially offset by payments for operating expenses.

SUMMARY OF QUARTERLY RESULTS

The following table shows the results of operations for previous fiscal quarters since incorporation:

	4th Qtr Ended 12-31-2020 \$	3rd Qtr Ended 9-30-2020 \$	2nd Qtr Ended 6-30-2020 \$	1st Qtr Ended 3-31-2020 \$	4th Qtr Ended 12-31-2019 \$	Period Ended 9-30-2019 \$
Total Assets	532,891	514,811	182,060	194,750	130,000	–
Working Capital	455,772	478,227	182,060	189,750	125,000	–
Revenue	–	–	–	–	–	–
Net Loss	(2,455)	(29,083)	(7,690)	(34,913)	(5,000)	–
Loss per Share	(0.00)	(0.01)	(0.00)	(0.01)	(0.00)	0.00

For the three months ended December 31, 2019, there was an increase in net loss of \$5,000 as compared to the fiscal quarter ended September 30, 2019 as a result of professional fees incurred. Total assets and working capital increased as at December 31, 2019 from September 30, 2019 as a result of the issue of common shares for proceeds of \$130,000.

Net loss increased from \$5,000 for the three months ended December 31, 2019 to \$34,913 for the three months ended March 31, 2020 as a result of share based compensation of \$29,663 from the granting of 700,000 stock options on March 5, 2020. Total assets increased by \$64,750 at March 31, 2020 as compared to December 31, 2019 as a result of the issuance of 1,400,000 common shares for proceeds of \$70,000.

Net loss decreased from \$34,913 for the three months ended March 31, 2020 to \$7,690 for the three months ended June 30, 2020 as a result of a reduction in filing fees and share based compensation during the quarter. Total assets decreased by \$12,690 at June 30, 2020 as compared to March 31, 2020 as a result of the use of cash in operating activities.

Net loss increased from \$7,690 for the three months ended June 30, 2020 to \$29,083 for the three months ended September 30, 2020 as a result of an increase in legal and accounting fees during the quarter. Total assets increased by \$332,751 at September 30, 2020 as compared to June 30, 2020 as a result of the Company completing its IPO.

Net loss decreased from \$29,083 for the three months ended September 30, 2020 to \$2,455 for the three months ended December 31, 2020 as a result of a decrease in legal and accounting fees during the quarter. Total assets increased by \$18,080 at December 31, 2020 as compared to September 30, 2020 as a result of deferred financing costs incurred during the period.

LIQUIDITY AND CAPITAL RESOURCES

The Company utilizes existing cash and the issuance of common shares to provide liquidity to the Company. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue the plans of identifying and completing a Qualifying Transaction, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's capital management approach is also disclosed in Note 9 of the financial statements.

During the year ended December 31, 2020, the Company's cash increased by \$393,499 driven primarily by the issuance of 1,400,000 common shares for proceeds of \$70,000 as well as the issuance of 4,000,000 common shares pursuant to the Company's IPO for net proceeds of \$305,250.

CONTRACTUAL OBLIGATIONS

The Company has no significant contractual obligations.

OFF-BALANCE SHEET ARRANGEMENTS

There are no 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 August 23, 2019, 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. The Company has only limited funds with which to identify and evaluate potential acquisitions of a material asset or a business (Qualifying Transaction, or Proposed Transaction) and there can be no assurance that the Company will be able to do so. Even if a Proposed Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction.

No Assurance of Market for Shares

There can be no assurance that an active and liquid market for the Company's common shares will develop and a shareholder may find it difficult to resell its common shares.

Halt of Trading

Upon public announcement of a potential Proposed Transaction, trading in the common shares of the Company will be halted and will remain halted until Completion of the Proposed Transaction, or sooner pursuant to Policy 2.4. Neither the Exchange nor any securities regulatory authority passes upon the merits of the potential Proposed Transaction.

Exchange May Not Approve a Qualifying Transaction

Completion of a Proposed Transaction is subject to a number of conditions including acceptance by the Exchange 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 Proposed Transaction; the Exchange may not approve a Proposed Transaction:

- (a) if the Company fails to meet the initial listing requirements prescribed by Policy 2.1 – Initial Listing Requirements of the Exchange upon Completion of the Proposed 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 Proposed Transaction is not acceptable to the Exchange; or
- (d) for any other reason at the sole discretion of the Exchange.

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 Proposed 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 shareholders 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 transaction, shareholders 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 the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. The Company's significant estimates and judgments are disclosed in Note 4 to the audited financial statements for the year ended December 31, 2020.

FINANCIAL INSTRUMENTS

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are described below.

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Classification of financial instruments

Financial assets:	Classification:	Subsequent measurement:
Cash	FVTPL	Fair value
Due from related party	Amortized cost	Amortized cost
Financial liabilities:	Classification:	Subsequent measurement:
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost

The Company's financial instruments with the exception of cash approximate their fair values. Cash, under the fair value hierarchy is based on Level 1 quoted prices in active markets for identical assets or liabilities.

Fair value of financial instruments

The Company is exposed to varying degrees to a variety of financial instrument related risks. The Board of

Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is management is provided within Note 10 of the financial statements.

NEW ACCOUNTING STANDARD ADOPTED

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after January 1, 2020. The Company has determined that there were no new accounting standards, interpretations or amendments to existing accounting standards that had any effect on the Company's financial statements. 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.

RELATED PARTY TRANSACTIONS

Key management personnel include those persons having the authority and responsibility of planning, directing and executing the activities of the Company. The Company has determined that its key management personnel consist of its Executive Officers and Directors. Other related parties to the Company include companies in which key management have control or significant influence. Key management personnel receive no salaries, non-cash benefits (other than incentive stock options), or other remuneration directly from the Company.

As of December 31, 2020, there were no amounts due to related parties.

Key management compensation

During the year ended December 31, 2020, 700,000 stock options were granted to Officers and Directors of the Company with a fair value of \$29,663, which was recorded as share-based payment expense.

OUTSTANDING SHARE DATA

Common shares

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

Total common shares at April 30, 2021	8,000,000
Total outstanding stock options	700,000
Total outstanding warrants	400,000
Total diluted common shares at April 30, 2021	9,100,000

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 Venture 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.