

Rozdil Capital Corporation
Management Discussion and Analysis
For the Period ended August 31, 2019

October 30, 2019

The following management discussion and analysis (“MD&A”) of the results of the operations and financial position of Rozdil Capital Corporation (the “Corporation” or “Rozdil”) for the three and six month periods ended August 31, 2019, for the three month period ended August 31, 2018 and for the period from incorporation (May 3, 2018) to August 31, 2018 should be read in conjunction with the Corporation’s unaudited condensed interim financial statements for the three and six month periods ended August 31, 2019, for the three month period ended August 31, 2018 and for the period from incorporation (May 3, 2018) to August 31, 2018. All figures contained in this MD&A are presented in Canadian dollars.

Forward-Looking Statements

Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Corporation’s future performance. All statements, other than statements of historical fact, may be forward-looking statements.

Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “propose”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. The Corporation’s actual results could differ materially from those anticipated in these forward-looking statements as a result of various risk factors.

The Corporation

The Corporation was incorporated under the *Business Corporations Act* (Ontario) on May 3, 2018 and is classified as a Capital Pool Corporation as defined in Policy 2.4 of the TSX Venture Exchange (the “Exchange”).

The principal business of the Corporation is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction (“QT”). The Corporation has not commenced operations and has no assets other than cash. The Corporation’s continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an

acquisition, or business, or an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned and, in the case of a non-arm's length transaction, of the majority of the minority shareholders.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to the lesser of 30% of the gross proceeds realized by the Corporation in respect of the sale of its securities or \$210,000, may be used for purposes other than evaluating businesses or assets. These restrictions apply until completion of a QT by the Corporation as defined under the policies of the TSX Venture. The Corporation is required to complete its QT on or before two years from the date the Corporation receives regulatory approval.

During the period ended February 28, 2019, the Corporation issued, as seed shares, 2,350,000 common shares at \$0.05 per share for total proceeds of \$117,500.

On July 16, 2019, the Corporation completed its Initial Public Offering ("IPO") of 2,150,000 common shares at \$0.10 per share for total proceeds of \$215,000. The Corporation paid a commission of 10% of the gross proceeds to Haywood Securities Inc. (the "Agent") and granted the Agent warrants to acquire 10% of the common shares issued in the offering exercisable for a period ending twenty-four months from the date the Corporation's common shares are listed on the TSX Venture Exchange, exercisable at \$0.10 per share. The Corporation also paid a corporate finance fee and reimbursed the Agent for legal fees and other reasonable expenses incurred pursuant to the Offering. Cash issuance costs of \$52,369 were associated with these issuances and the value attributed to the warrants granted to the Agent is \$11,351.

The Corporation's common shares commenced trading on the TSX Venture Exchange under the trading symbol "ROZ.P" on July 16, 2019.

The Corporation granted stock options to officers and directors to collectively acquire 375,000 of the outstanding common shares of the Corporation at an exercise price of \$0.10 per share and expiring five years from the date of grant. The Corporation granted stock options to a technical consultant to acquire 50,000 of the outstanding common shares of the Corporation at an exercise price of \$0.10 per share and expiring three years from the date of grant.

The head office and the registered head office of the Corporation is located at 4 King Street West, Suite 401, Toronto, Ontario, M5H 1B6.

On October 28, 2019 the Board of Directors approved the unaudited condensed interim financial statements for the three and six month periods ended August 31, 2019, for the three month period ended August 31, 2018 and for the period from incorporation (May 3, 2018) to August 31, 2018.

Summary of Quarterly Results

| | August 31, 2019 | May 31, 2019 | February 28, 2019 | November 30, 2018 | August 31, 2018 | May 31, 2018 |
|--------------------------------------|-----------------|--------------|-------------------|-------------------|-----------------|--------------|
| Total Assets | \$201,251 | \$80,886 | \$107,514 | \$110,068 | \$117,500 | \$117,500 |
| Total Revenues | nil | nil | nil | nil | nil | nil |
| Total Expenses | \$60,342 | \$42,988 | \$3,194 | \$2,432 | \$2,500 | \$- |
| Net Loss | (\$60,342) | (\$42,988) | (\$3,194) | (\$2,432) | (\$2,500) | \$- |
| Basic and diluted net loss per share | (\$0.06) | \$- | \$- | \$- | \$- | \$- |

Results of Operations

Three month period ended August 31, 2019

The Corporation recorded a net loss of \$60,342 during the three month period ended August 31, 2019 (2018 - \$2,500). The net loss for the three month period ended August 31, 2019 is due mainly to costs in relation to its listing on the Exchange, professional fees and costs in relation to the stock option plan.

Six month period ended August 31, 2019

The Corporation recorded a net loss of \$103,330 during the six month period ended August 31, 2019 (2018 - \$2,500). The net loss for the six month period ended August 31, 2019 is due mainly to costs in relation to its listing on the Exchange, professional fees and costs in relation to the stock option plan.

Additional Disclosure for Venture Issuers without Significant Revenue

Since the Corporation has no revenue from operations, the following is a breakdown of the material costs incurred from the date of incorporation (May 3, 2018) to August 31, 2019:

| Material Costs | Period from date of incorporation (May 3, 2018) to August 31, 2019 |
|-------------------|--|
| Professional fees | \$43,878 |
| Filing fees | \$36,457 |

| | |
|--------------------------|----------|
| Stock-based compensation | \$31,096 |
| Bank charges | \$25 |

Liquidity and Capital Resources

As at August 31, 2019, the Corporation had cash of \$201,251. The Corporation had current liabilities of \$1,480 and working capital of \$199,771.

Negative cash flows of \$58,894 (2018 – positive cash flows of \$2,500) were recorded from operating activities during the six month period ended August 31, 2019. This is primarily due to outflows relating to filing fees, professional fees and share based compensation.

Outstanding Share Data

As of the date of this MD&A, 4,500,000 common shares are issued and outstanding.

Off-Balance Sheet Arrangements

The Corporation has not had any off-balance sheet arrangements from the date of its incorporation to the date of this MD&A.

Related Party Transactions

There was no remuneration paid to key management personnel during the three and six month periods ended August 31, 2019 and no related party transactions have occurred during this period.

Capital Management

The Corporation's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Corporation includes equity, comprised of share capital, contributed surplus and deficit, in the definition of capital.

The Corporation'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 these plans, the Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or \$210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Corporation. These restrictions apply until completion of a Qualifying Transaction by the Corporation as defined under the Exchange Policy 2.4.

Risk Disclosures and Fair Values

The Corporation's financial instruments, consisting of cash and accrued liabilities approximate fair value due to the relatively short-term maturity of the instruments. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Critical Accounting Estimates

The Corporation's significant accounting policies are summarized in Note 2 to the audited financial statements for the period from incorporation (May 3, 2018) to February 28, 2019.

Additional Information

For further detail, see the Corporation's unaudited condensed interim financial statements for the three and six month periods ended August 31, 2019, for the three month period ended August 31, 2018 and for the period from incorporation (May 3, 2018) to August 31, 2018. Additional information about the Corporation can also be found on SEDAR.