

**Skyscape Capital Inc.**  
**Management Discussion and Analysis**  
**For the Three and Nine Months Ended September 30, 2021**

**November 29, 2021**

The following management discussion and analysis (“MD&A”) of the results of the operations and financial position of Skyscape Capital Inc. (the “Corporation” or “Skyscape”) for the three and nine months ended September 30, 2021 and 2020 should be read in conjunction with the Corporation’s unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2021 and 2020. 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**

Skyscape Capital Inc. was incorporated under the Business Corporations Act (Ontario) on January 9, 2018 and is classified as a Capital Pool Company, as defined in Policy 2.4 of the TSX Venture Exchange (the “Exchange”) Corporate Finance Manual (the “Manual”). The head office and the registered head office of the Corporation is located at 77 King Street West, Suite 700, Toronto, Ontario M5K 1G8. The Corporation’s common shares commenced trading on the Exchange under the trading symbol “SKY.P” on March 6, 2018.

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 operations and has no assets other than cash held in trust. 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 \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT.

During the period from incorporation (January 9, 2018) to December 31, 2018, the Corporation issued 1,000,000 common shares at \$0.25 per share for gross proceeds of \$250,000.

On March 6, 2018, the Corporation completed its Initial Public Offering ("IPO") of 1,000,000 common shares at \$0.50 per share (\$500,000). The Corporation paid a commission of 10% of the gross proceeds to Canaccord Genuity Corp. (the "Agent"), and granted the Agent warrants to acquire 10% of the common shares issued in the IPO exercisable for a period ending twenty-four months from the closing of the IPO, exercisable at \$0.50 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 \$72,202 were associated with these issuances and the value attributed to warrants granted to the Agent is \$26,444.

On March 6, 2020, 100,000 warrants granted to the Agent expired unexercised.

Concurrently with the completion of the Offering, the Corporation granted 200,000 stock options to its directors and officers at an exercise price of \$0.50 per share for a period of five years from the grant date.

On March 8, 2021, the Corporation entered an amalgamation agreement between the Corporation, PesoRama Inc. ("PesoRama") and 11518003 Canada Corp. ("Subco"), a wholly owned subsidiary of the Corporation, which sets forth the terms and conditions upon which the Corporation will acquire PesoRama by way of reverse takeover. PesoRama is a private company incorporated and existing under the Canada Business Corporations Act. It is intended that the Transaction will constitute the "Qualifying Transaction" of the Corporation, as such term is defined in the policies of the Exchange.

The transaction is subject to customary approvals of the shareholders and the Exchange.

On November 29, 2021 the Board of Directors approved the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2021 and 2020.

The global outbreak of COVID-19 (coronavirus) has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Corporation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

### Summary of Quarterly Results

	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019
Total Assets	\$35,487	\$39,050	\$60,023	\$237,992	\$237,991	\$249,049	\$252,900	\$273,098
Total Revenues	Nil	Nil	nil	nil	nil	nil	nil	nil
Total Expenses	\$132,632	\$196,458	\$72,832	\$110,307	\$17,263	\$14,243	\$17,517	\$45,660
Net Income (Loss)	(\$132,632)	(\$196,458)	(\$72,832)	(\$110,307)	(\$17,263)	(\$14,243)	(\$17,517)	(\$45,660)
Basic and diluted net loss per share	(\$0.07)	(\$0.12)	(\$0.07)	(\$0.11)	(\$0.02)	(\$0.01)	(\$0.02)	(\$0.05)

### Results of Operations

#### Three months ended September 30, 2021

The Corporation recorded a net loss of \$132,632 during the three months ended September 30, 2021. The net loss for the three months ended September 30, 2021 is due mainly to costs in relation to its listing on the Exchange as well as professional fees.

#### For the nine months ended September 30, 2021

The Corporation recorded a net loss of \$401,922 during the nine months ended September 30, 2021. The net loss for the nine months ended September 30, 2021 is due mainly to costs in relation to its listing on the Exchange as well as professional fees.

## 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 (January 9, 2018) to September 30, 2021:

<b>Material Costs</b>	<b>Period from the date of incorporation (January 9, 2018) to September 30, 2021:</b>
Professional fees	\$883,671
Filing fees	\$88,008
Stock-based compensation	\$74,919

### Liquidity and Capital Resources

As at September 30, 2021, the Corporation had cash of \$35,487 (2020 – \$237,991). The Corporation had current liabilities of \$329,368 (2020 - \$19,643) and negative working capital of \$293,881 (2020 - \$218,348).

Negative cash flows of \$202,505 (2020 – \$35,107) were recorded from operating activities during the nine months ended September 30, 2021. This is primarily due to outflows relating to filing fees and professional fees.

### Outstanding Share Data

As of the date of this MD&A, 2,000,000 common shares are issued and outstanding. Of these, 1,000,000 shares are held in escrow in accordance with Exchange regulations.

As of the date of this MD&A, following the Offering, there are 200,000 stock options outstanding, exercisable at \$0.50 per share, expiring on March 6, 2023.

### 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

During the nine months ended September 30, 2021, the Corporation incurred legal fees of approximately \$364,729 (2020 - \$27,265) for services provided by a law firm whose partner is a director of the Corporation. As at September 30, 2021, \$318,670 (2020 - \$19,643) is included in accounts payable & accrued liabilities for these services.

There were no other transactions with related parties and no remuneration was paid to key management personnel during the nine months ended September 30, 2021 and 2020.

### **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 share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a QT.

### **Risks and Uncertainties**

The following describes certain risks, events and uncertainties that could affect the Corporation and that each reader should carefully consider. Please refer to the Corporation's final prospectus dated February 20, 2018 for additional risks, events and uncertainties that could affect the Corporation.

External financing may be required to fund the Corporation's activities primarily through the issuance of common shares. There can be no assurance that the Corporation will be able to obtain adequate financing. The securities of the Corporation should be considered a highly speculative investment.

The Corporation has not generated significant revenues and does not expect to generate significant revenues in the near future. In the event that the Corporation generates significant revenues in the future, the Corporation intends to retain its earnings in order to finance further growth. Furthermore, the Corporation has not paid any dividends in the past and does not expect to pay any dividends in the foreseeable future.

### **Risk Disclosures and Fair Values**

The Corporation's financial instruments, consisting of cash held in trust 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.

### **Additional Information**

For further detail, see the Corporation's unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2021 and 2020. Additional information about the Corporation can also be found on SEDAR.