

MINAEAN SP CONSTRUCTION CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

March 31, 2019

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1.1 Date

This Management Discussion and Analysis (“MD&A”) of Minaean SP Construction Corp. (“Minaean” or the “Company”) has been prepared by management as of July 29, 2019 and should be read in conjunction with the audited consolidated financial statements and related notes thereto of the Company for the years ended March 31, 2019 and 2018, which were prepared in accordance with International Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and International Financial Reporting Interpretations Committee (“IFRIC”).

This MD&A contains forward-looking information which reflects management's expectations regarding the Company's growth, results of operation, performance and business prospects and opportunities. The use of words such as “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “should”, “believe”, “outlook”, “forecast” and similar expressions are intended to identify forward-looking statements.

Forward-looking statements in this MD&A include, but not limited to, the Company's expectation of future activities and results, of its working capital needs and its ability to identify, evaluate and pursue suitable business opportunity. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results of events to differ materially from those anticipated in these forward-looking statements. Readers should not put undue reliance on forward-looking information.

Unless required by law, the Company undertakes no obligation to publicly update or review the forward-looking statements whether as a result of new information, future events or otherwise.

Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

1.2 Overall Performance

The Company was incorporated under the Business Corporations Act (Alberta) on November 5, 1998 and continued into British Columbia on August 28, 2015. On April 29, 2003, Minaean completed a share exchange with Minaean Building Solutions Inc. (“MBSolutions”). On August 28, 2015, Minaean changed its name to Minaean SP Construction Corp. and consolidated its common shares on a 2:1 basis as part of its corporate reorganization. Effective August 28, 2015, the Company's common shares commenced trading on a post-consolidated basis under its new name “Minaean SP Construction Corp.” and under its new trading symbol “MSP”.

At March 31, 2019, the Company has four wholly-owned subsidiaries, MBSolutions, Minaean Habitat India Private Limited (“MHIPL”), Minaean (Ghana) Limited (“MGhana”) and Minaean SP SL Ltd (“MSL”).

The Company's North American subsidiary, Minaean Building Structures Inc., dissolved on February 24, 2018.

The Company is in the business of developing contracts for its affiliate, Shapoorji Palloni International and providing general contracting services including engineering, procurement, construction and design-build capabilities in the residential, commercial, industrial, healthcare, and hospitality sectors.

In view of the negative industry outlook towards securing construction contracts using its core products - Light Gauge Steel Quik-Build systems, management has decided to divert its focus and freeze its business model on developing contracts on a sole sourcing basis, with the support of Canadian Commercial Corporation (“CCC”), a Canadian crown corporation. CCC is a government business entity set up by the Canadian government to support Canadian companies globally for negotiating and executing contracts on a government to government basis. Minaean has obtained the approval of CCC to develop contracts with their support and execute on a joint venture basis through another Canadian

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corporation. These contracts will be financed by Export Development Canada, another Canadian crown corporation specifically set up for financing the export contracts of Canadian companies.

MINAEAN'S OUTLOOK FOR 2019-2020

Through SP Group's investment in Minaean, the Company has become an affiliate of the US\$6billion revenue Shapoorji Pallonji Group (SP Group) and a strategic partner with a business model to develop and execute contracts in the Americas and Africa. With SP Group's expertise in construction and infrastructure projects related to the sectors involving Housing, Healthcare, Education, Hospitality, Stadiums and through its subsidiaries in Ports, Railways, Refineries, Bridges, Tunnels, Solar Renewable Power, and Water Purification, Minaean's opportunity and ability to secure contracts is well defined by using its invaluable network in the Canadian market. These global contracts are developed and executed through the support of the Canadian crown corporations such as Canadian Trade Commissioners Services ("TCS"), CCC and Export Development Canada ("EDC") as mentioned above.

With the SP Group conducting business development and/or operating in fifteen African countries and seven Middle Eastern countries, Minaean is proactively expanding its business outreach into Africa and Latin American countries. Last fiscal year, Minaean has moved well ahead in its business development efforts in the African countries supported by CCC including Cote D'Ivoire, Ghana, Namibia, South Africa and Cameroon, where initial introductions have been made. This is a part of a long term business plan to lay a strong foundation in these specific countries with the support of its partnership with the large and credible construction group such as SP Group.

The construction work on a project developed by Minaean in Malta, construction of an acute care facility at Gozo Hospital and refurbishment at St. Luke's hospital, has now been bought over by "Steward Healthcare" of Boston, USA. This was the first contract to be executed under the strategic partnership with the SP Group to which Minaean was engaged through a consulting agreement with SPML for securing and managing the contract and has earned 0.75% of the contract value as consulting fee.

Africa

Minaean signed a Memorandum of Understanding (MOU) with the Ministry of Health (MoH), Cote D'Ivoire on December 10th, 2016 for the design and construction of a 140-bed Neurosciences Hospital in Abidjan with a current value of US\$80 Million. Though Minaean, with its Canadian partner, Alberta-based J.V. Driver International, have submitted, through CCC, the concept proposal, the government has decided to defer the project to after the next general elections to be held in 2020 when the government expects sufficient room in its budget to execute the project.

During the official meetings held, format the request of the government of Cote D'Ivoire, an Expression of Interest has been submitted by Minaean through CCC for construction of a US\$250 million budgeted University project. EDC has submitted an official confirmation to the Prime Minister's office in Cote D'Ivoire indicating their willingness to finance the project. While Minaean is awaiting progress on this effort, it is also in discussions with JV Driver for execution of a similar project which has received approvals from MoH as also financing from Deurz Bank, sovereign risk secured through UK government Export Credit Agency.

Minaean has finalized a memorandum of understanding with the MoH, Government of Cameroon for construction of a Greenfield 200-bed hospital project (Cancer and General) on a Build, Finance and Maintain model, a similar concept to that of Cote D'Ivoire. CCC's and EDC's in principle go ahead has been obtained. This MOU has been finalized and approved by the MoH and has been submitted to the President's office for approval. With the Presidential election now over, the approval on the signing of the MOU is expected shortly.

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Minaean has finalized the costing and is in contract negotiations with the developer, SURGE, appointed by Malawi Housing Corporation (MHC), an arm of the Republic of Malawi for construction of 2,516 housing units in four different locations. The detail project study with the drawings has been completed by SURGE and the contract has been finalized, pending signature due to government unrest caused by the latest elections. Minaean's contract value of US\$155 million has been agreed upon and will be signed upon new government taking oath.

Minaean is finalizing a Memorandum of Understanding with Dragados Canada, a division of multi-billion dollar global leader in infrastructure, ACS Group of Spain, for CCC approval on a Railway project in Namibia to be executed with AFCONS, SP Group's Infrastructure subsidiary, as subcontractors. This is a longterm project which will enable CCC to sign the MOU with Namibian government in due course.

Latin America

With Board approval, Minaean has taken a decision to promote and develop healthcare and other projects in Latin America.

Based on the business development efforts and visits of the CEO to Costa Rica, three projects have been shortlisted for financing and execution on a sole sourcing CCC/EDC support model. To confirm their support, EDC has issued a marketing letter for financing of construction of a hospital project. Further to the issuance of an Expression of Interest to the Health Dept. for construction of a Greenfield hospital project in the state of LIMON, valued at \$80 million and construction of a Port Cruise Terminal, a follow up visit was conducted by Minaean along with CCC and SPV partner JV Driver International in January 2019. This visit has resulted into the possibility of signing of an MOU with "JAPDEVA" for construction of a Cruise Port Terminal as also further discussions on construction of two hospitals. The outcome of this visit was meetings with the Port, Minister of Infrastructure and First Lady of Costa Rica where G to G concept was explained in detail and a foundation for moving forward has been laid. CCC has submitted the draft MOU to JAPDEVA and TCS is pursuing the signing of the same for further action.

Based on the SP management's request, an Expression of Interest has been submitted to Ministry of Agriculture, Peru for construction of the DELICIA Dam in the province of Lambayeque, Peru, a US\$260 million project. Minaean has received CCC's approval for execution of this project in partnership with JV Driver and AFCONS. Initial meetings have been held by CCC, TCS along with Minaean's local rep in Peru for laying the foundation towards moving forward.

Canada

Minaean has been given the go ahead for developing construction contracts in Vancouver region to be executed on a joint venture basis in partnership with a local partner with the support from SP Group's office in Dubai. Joint Ventures with three different local General Contractors has been agreed upon in principle to be finalized upon sourcing a suitable project for execution. "ANGUS PLAZA", a strip mall project of 46,000 sq. feet for construction in Toronto on a joint venture basis is under discussion. ICICI bank Toronto is looking at the possibility of financing the project through Stand By Letter of Credit provided by SP International in Dubai.

India

As at March 31, 2019, there are no ongoing contracts in progress.

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1.3 Selected Annual Information

March 31,	2019	2018	2017
Total revenues	\$ 351,675	\$ 814,711	\$ 1,750,921
Gross profit	\$ 349,125	\$ 611,683	\$ 905,743
Net Income (Loss)	\$ (145,452)	\$ 145,040	\$ 489,187
Earnings (Loss) per share	\$ (0.00)	\$ 0.00	\$ 0.01
Total assets	\$ 1,293,521	\$ 1,453,046	\$ 1,265,424
Total long term liabilities	\$ Nil	\$ Nil	\$ Nil
Cash dividends declared per share for each class of share	\$ Nil	\$ Nil	\$ Nil

1.4 Results of Operations

Year ended March 31, 2019

For the year ended March 31, 2019, the Company recorded a net loss of \$145,452 as compared to a net income of \$145,040 for the year ended March 31, 2018, an increase in net loss by \$290,492.

The Company earned \$351,675 in revenues during the year March 31, 2019 compared to \$814,711 for the year ending March 31, 2018 from projects in Sierra Leone and Canada.

Total cost of sales was \$2,550 for the year ended March 31, 2019, resulting in a gross profit of \$349,125 or 99%. In the comparative year ended March 31, 2018, cost of sales was \$203,028, resulting in a gross profit of \$611,683 or 75%. Cost of sales included labor, materials and material burden and other production costs.

Overall operating expenses remained consistent between the years ended March 31, 2019 and 2018 totaling \$497,326 and \$467,921, respectively.

Notable changes within the operating expenses are as follows:

- Bad debt increased by \$69,762 due to the Company's assessment of the collectability of certain receivables.
- Consulting fees decreased by \$10,498 as no consulting services were used in the year;
- Office and administration decreased by \$57,610 as there were less operational costs;
- Professional fees decreased by \$6,870 as the Company utilized fewer services by its legal counsel and external auditors.
- Project development costs increased by \$18,203 on architectural fees for project bidding;
- Regulatory and transfer agent fees decreased by \$2,154. In the prior year, the Company paid regulatory fees in connection to the additional of a new director. There were no such fees in the current fiscal year;
- Rent increased by \$10,384 as a result of increased rental costs;
- Travel and entertainment decreased by \$8,842 as a result of fewer travel arrangements made by the Company's CEO for business development; and
- Wages and benefits increased by \$20,574 as the Company increased staffing for business development.

Three months ended March 31, 2019

During the three months ended March 31, 2019, the Company recorded net income of \$169,453 compared to a net income of \$361,183 for the fourth quarter of fiscal 2018, a decrease in net income by \$191,730. The decrease in net income primarily resulted from the decrease in revenues and an increase in bad debt expense. All other expenditures did not have significant changes between the comparative periods.

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1.5 Summary of Quarterly Results

The following is a summary of certain consolidated financial information concerning the Company for each of the last eight reported quarters:

Quarter ended	Total Revenues	Gross Profit (Loss)	Net Income (Loss)	Earnings (Loss) per share
March 31, 2019	\$ 351,675	\$ 349,125	\$ 169,455	\$ 0.00
December 31, 2018	-	-	(97,576)	(0.00)
September 30, 2018	-	-	(120,278)	(0.00)
June 30, 2018	-	-	(97,051)	(0.00)
March 31, 2018	509,592	487,266	361,181	0.00
December 31, 2017	55,298	54,779	(36,642)	(0.00)
September 30, 2017	190,541	23,340	(132,943)	(0.00)
June 30, 2017	59,280	46,298	(46,556)	(0.00)

Quarter period	Analysis
March 31, 2018 and 2019	Higher net income due to increased revenues.
June 30, 2017, September 30, 2017 and December 31, 2017	Net loss due to lower gross profit margin earned in the quarter.
June 30, 2018, September 30, 2018 and December 31, 2018	Net loss due to no revenues earned during the interim periods.

1.6/1.7 Liquidity and Capital Resources

The Company reported working capital deficiency of \$6,450 at March 31, 2019 compared to working capital of \$702,605 at March 31, 2018, a decrease in working capital by \$709,055. As at March 31, 2019, the Company had net cash on hand of \$10,659 compared to \$67,451 at March 31, 2018.

As at March 31, 2019, the Company's primary source of liquidity included cash of \$10,659, short-term investments of \$30,993, receivables of \$374,084 and holdback receivables of \$21,728. Other current assets at March 31, 2019 consisted of prepaid expenses and deposits of \$4,667.

Current liabilities as at March 31, 2019 decreased by \$14,511.

During the year ended March 31, 2019, the Company utilized \$66,432 of cash from operations and received \$5,200 from options exercised and a loan of \$1,932 from the Company's significant shareholder.

To-date, the other sources of funds potentially available to the Company are through the exercise of outstanding 5,089,116 stock options at an exercise price of \$0.26 per share which expire August 30, 2020.

The Company's continuing operations are dependent upon its ability to either secure additional equity capital or generate consistent cash flow from operations in the future. During the year ended March 31, 2019, the Company generated revenues of \$351,675 (2018 - \$814,711) and incurred net loss of \$145,452 (2018 - \$145,040). As at March

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31, 2019, the Company has an accumulated deficit of \$11,395,885 (March 31, 2018 - \$11,250,433) and working capital deficiency of \$6,450 (March 31, 2018 – working capital of \$702,605).

1.8 Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

1.9 Transactions with Related Parties

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors. The remuneration of directors and other key management personnel during the year ended March 31, 2019 and 2018 were as follows:

	2019	2018
Management salaries	\$ 120,000	\$ 120,000
Total	\$ 120,000	\$ 120,000

The Company entered into the following related party transactions:

- (a) On October 1, 2014, the Company entered into an administrative agreement for administrative services in exchange for a monthly fee of \$4,000 plus applicable tax.

During the year ended March 31, 2019, the Company paid or accrued \$48,000 (March 31, 2018 - \$48,000) in administrative fees to Varshney Capital Corp. (“VCC”).

As at March 31, 2019, \$46,200 (March 31, 2018 - \$25,200) was owed to VCC pursuant to this agreement and is included in due to related parties.

- (b) During the year ended March 31, 2019, the Company paid \$36,000 (March 31, 2018 - \$25,000) in rent to a company controlled by the spouse of the CFO and director of the Company.

As at March 31, 2019, \$15,986 (March 31, 2018 – \$9,639) was owed to this company for rent. This amount has been included in accounts payable.

- (c) As at March 31, 2019, \$73,921 (March 31, 2018 - \$49,444) was included in due to related parties for amounts owing to the CEO and director of the Company.

- (d) During the year ended March 31, 2019, the Company recognized \$351,675 (2018 -\$686,587) in revenues from a significant shareholder of the Company. As at March 31, 2019, \$886,401 (March 31, 2018 - \$876,114) was receivable from a significant shareholder of the Company.

- (e) As at March 31, 2019, \$59,892 (March 31, 2018 - \$59,400) in loans from the SP Group, a shareholder of the Company, were included in due to related parties. The loan is non-interest bearing and is due upon demand.

Unless otherwise specified above, amounts due to related parties are unsecured and have no specified interest rate or terms of repayment.

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1.10 Fourth Quarter and Subsequent Event

During the fourth quarter, the Company recognized revenues from its consultancy services to the SP Group for the follow up and coordination on the recovery of the outstanding dues for the design and engineer services in connection to the Malta contract..

In March 2019, the Company terminated the subcontract for Hilton Freetown Cape Sierra Hotel project due to extended delays and financial difficulties faced by the project owner.

1.11 Proposed Transactions

None.

1.12 Critical Accounting Estimates

Not applicable to venture issuers.

1.13 Changes in Accounting Policies

The financial information presented in this MD&A has been prepared in accordance with International Financial Reporting Standards (“IFRS”). Our significant accounting policies are set out in Note 2 of the consolidated financial statements of the Company, as at and for the years ended March 31, 2019 and 2018.

Accounting Standards Issued but not yet Effective

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.

The Company has not early adopted these standards. .

- *IFRS 16 “Leases”*

In January 2016, the IASB released IFRS 16 “Leases” replacing IAS 17 “Leases” and related interpretations. The new standard eliminates the distinction between operating and finance leases from the perspective of the lessee. All contracts that meet the definition of a lease will be recorded in the consolidated statement of financial position with a “right of use” asset and a corresponding liability. The asset is subsequently accounted for as property, plant and equipment or investment property and the liability is unwound using the interest rate inherent in the lease. The accounting requirements from the perspective of the lessor remains largely in line with previous IAS 17 requirements.

IFRS 16 is effective for reporting periods beginning on or after January 1, 2019. The Company’s management has assessed the impact of IFRS 16 on its leases which are short-term and fall under the exemptions of IFRS 16. The adoption of this amendment will not have a significant impact on the financial statements.

1.14 Financial Instruments and Other Instruments

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

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The Company's current assets and liabilities approximate fair value due to the short term nature of these instruments. The Company's holdback receivable, long-term investments, and long term receivable approximate fair value due to the nature of these items, which primarily includes government refunds, holdback receivables which will be collected upon expiration of warranty period in effect from the completion of construction projects, and trades receivables.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Management believes that the credit risk concentration with respect to financial instruments included in cash is remote. Current receivables are due primarily from one customer for North America and Sierra Leone consisting of 34% of total receivables. The Company's long term receivables related to long-term portion of trade receivable and various government tax credits and refunds are at various stages of review by government authorities in India. Should the Company receive an unfavorable ruling, a loss provision will be made in the year incurred. The Company has credit risk as it relates to the collection of these receivables. Management continues to monitor the credit granted to all customers and has used the services of Export Development Canada where possible.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. As at March 31, 2019, the Company had a working capital deficiency of \$6,450 including cash deposits of \$10,659 and receivables of \$374,084 to settle current cash liabilities of \$448,581.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices. These fluctuations may be significant and the Company, as all other companies in its industry, has exposure to these risks.

(a) Interest rate risk

Interest rate risk is the risk that an investment's value will change due to a change in the level of interest rates. The Company is exposed to interest rate risk as its bank account earns interest income at variable rates. The income earned on the bank account is subject to the movements in interest rates. Management considers the risk to be minimal.

(b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash, short-term investments, receivables, holdback receivable, trade payable and accrued liabilities and due to related parties that are denominated in Indian Rupees and Sierra Leonean Leone. Management does not hedge its exposure to foreign exchange risk and does not believe the Company's net exposure to foreign currency risk is significant.

As at March 31, 2019, MHIPL had net financial assets of Rs 9,182,279. A 10% change in the Canadian dollar versus the Rupee would give rise to a gain/loss of approximately \$17,740.

As at March 31, 2019, MSL had net financial liabilities of SLL 127,717,652. A 10% change in the Canadian dollar versus the Leone would give rise to a gain/loss of approximately \$1,956.

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(c) Price risk

The Company does not feel it is significantly exposed to price risk with respect to equity prices.

1.15 Summary of Outstanding Share Data as at July 29, 2019:

1. Authorized – Unlimited common shares without par value.
2. Issued and outstanding: 58,199,883 common shares
3. Stock options outstanding: 5,089,116

Additional disclosures pertaining to the Company's management information circulars, material change reports, press releases and other information are available on the SEDAR website at www.sedar.com.

On behalf of the Board of Directors, thank you for your continued support.

“Mervyn Pinto”

Mervyn Pinto

President and CEO