

**Angus Ventures Inc.**  
**(A Capital Pool Company)**

Management Discussion & Analysis

For the three months ended April 30, 2017

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## ANGUS VENTURES INC.

### (A Capital Pool Company)

Management discussion and analysis

For the three months ended April 30, 2017

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This Management Discussion and Analysis (“**MD&A**”) of financial position and results of operation are as at July 6, 2017 and should be read in conjunction with the condensed interim financial statements for the three months ended April 30, 2017 and related notes (the “**Interim Financial Statements**”) and the audited financial statements for the year ended January 31, 2017 and related notes (the “**Annual Financial Statements**”). The Interim Financial Statements of the Company have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis are quoted in Canadian dollars. Additional information can be found at the website [www.sedar.com](http://www.sedar.com).

Certain sections of this MD&A may contain forward-looking statements.

All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as “may”, “will”, “would”, “could”, “should”, “believes”, “estimates”, “projects”, “potential”, “expects”, “plans”, “intends”, “anticipates”, “targeted”, “continues”, “forecasts”, “designed”, “goal”, or the negative of those words or other similar or comparable words. Readers are cautioned that these statements which describe the Company’s plans, objectives, and budgets may differ materially from actual results. See additional discussion under “Risks and Uncertainties” section.

## CORPORATE PROFILE AND OVERALL PERFORMANCE

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Angus Ventures Inc. (the “**Company**”) was incorporated under the Business Corporations Act (British Columbia) on September 28, 2010. The Company is in the process of completing an Initial Public Offering (“**IPO**”) to be classified as a Capital Pool Company (“**CPC**”) as defined in the TSX Venture Exchange (“**TSX-V**”) Policy 2.4. The principal business of the Company is the identification and evaluation of assets or a business and, once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

The Company’s head office, principal address and registered and records office is located at 205-1836 West 5th Avenue, Vancouver, British Columbia, Canada, V6J 1P3.

In January 2017, Craig Taylor, Hugh Rogers and Toby Pierce were appointed as directors of the Company.

As at April 30, 2017, the Company had cash of \$79,123 and a surplus working capital position of \$45,787. See “Liquidity and Capital Resources”.

During the year ended January 31, 2017, the Company issued 2,000,000 shares at a price of \$0.05 per share for gross proceeds of \$100,000, and cancelled 100 incorporation shares at a price of \$0.01 per share held by one of its directors.

All of these issued shares will be subject to escrow restrictions upon completion of the IPO which will be released from escrow in tranches over 36 months from its listing on the TSX-V.

On April 27, 2017 the Company filed a prospectus in the Provinces of British Columbia, Alberta and Ontario pursuant to which it intends to raise \$200,000 through the issuance of common shares at \$0.10 per share. Pursuant to an agency agreement, the IPO is subject to the following agent’s fees and commissions: a \$8,000 corporate finance fee, commission of 8% of the gross proceeds payable in cash on the closing date of the IPO (the “**Closing Date**”), and the issuance of Agent’s Warrants equal to 8% of the number of shares sold in the IPO exercisable for 24 months following the Closing Date at \$0.10 each. The Company will also reimburse the agent for reasonable legal and other costs incurred.

**RESULTS OF OPERATIONS**

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As at April 30, 2017, the Company was in the process of completing an IPO to be classified as a CPC. Accordingly, the Company has not recorded any revenues, and depends upon share issuances to fund its administrative expenses. See the summary of results, below:

*Selected Financial Data*

	For the three months ended	
	April 30, 2017	April 30, 2016
	\$	\$
General and administrative expenses	(42,424)	(318)
Net and comprehensive loss	(42,424)	(318)
Basic and diluted loss per share	(0.02)	(3.18)
Working capital	45,787	(6,298)
Total assets	79,123	466
Total shareholders' equity	42,939	8,297

*Net and comprehensive loss*

At April 30, 2017, the Company had not yet achieved profitable operations and has accumulated losses of \$57,061 (April 30, 2016 - \$8,298) since inception. These losses resulted in a net loss per share (basic and diluted) for the three months ended April 30, 2017 of \$0.02 (April 30, 2016 - \$3.18).

*Results of Operations*

The operating and administrative expenses for the three months ended April 30, 2017 totalled \$42,424 (April 30, 2016 - \$318). The major expenses were professional fees of \$24,306 (April 30, 2016 - \$300) and filing and regulatory fees of \$15,565 (April 30, 2016 - \$Nil).

The table below details the changes in major expenditures for the three months ended April 30, 2017 as compared to the corresponding three months ended April 30, 2016.

Expenses	Increase / Decrease in Expenses	Explanation for Change
Regulatory and shareholders' service	Increase of \$15,565	Increase due to more corporate activities and filing fees regarding the preparation for IPO.
Office and general	Increase of \$2,500	Increase due to more corporate activities.
Professional fees	Increase of \$24,006	Increase due to additional professional fees related to the private placement, news releases, and the preparation of the IPO

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***Summary of quarterly results for the last consecutive 8 quarters***

Historical quarterly financial information derived from the Company's eight most recently completed quarters is as follows:

	Quarters Ended			
	April 30, 2017	January 31, 2017	October 31, 2016	July 31, 2016
	\$	\$	\$	\$
Net and Comprehensive Loss	(42,424)	(5,319)	(702)	(318)
Basic and Diluted Loss Per Share	(0.02)	(0.19)	(7.02)	(3.18)
Weighted Average Shares	2,000,000	27,397	100	100
	April 30, 2016	January 31, 2016	October 31, 2015	July 31, 2015
	\$	\$	\$	\$
Net and Comprehensive Loss	(318)	(1,018)	(18)	(18)
Basic and Diluted Loss Per Share	(3.18)	(10.18)	(0.18)	(0.18)
Weighted Average Shares	100	100	100	100

**LIQUIDITY AND CAPITAL RESOURCES**

The Company has financed its operations to date through the issuance of common shares. The Company continues to seek capital through various means including the issuance of equity.

The Company's liquidity and capital resources are as follows:

	April 30, 2017	January 31, 2017
	\$	\$
Cash	79,123	100,411
Total current assets	79,123	100,411
Trade payables and accrued liabilities	33,336	12,200
Working capital	45,787	88,211

As at April 30, 2017, the Company had cash of \$79,123 (January 31, 2017 - \$100,411) and had a working capital surplus of \$45,787 (January 31, 2017 - \$88,211).

Management believes that the Company has sufficient funds on hand to meet anticipated administrative expenses and necessary investigation costs associated with reviewing and identifying assets or business prospects in the furtherance of the Company's search for a suitable Qualifying Transaction. The Company anticipates that its funds on hand will be sufficient to complete the search for a Qualifying Transaction as well as legal and other related expenses.

As of the date hereof, the Company did not have any commitments for capital expenditures, and the Company does not anticipate any such commitments until it consummates a Qualifying Transactions.

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As a CPC, the Company will be subject to externally imposed capital requirements as outlined in the TSX-V Policy 2.4 and summarized below:

- 1) No salary, consulting, management fees or similar remuneration of any kind may be paid directly or indirectly to a related party of the Company or a related party of a QT;
- 2) Gross proceeds realized from the sale of all securities issued by a CPC may only be used to identify and evaluate assets or businesses and obtain shareholder approval for a QT;
- 3) No more than the lesser of \$210,000 and 30% of the gross proceeds from the sale of securities issued by a CPC may be used for purposes other than to identify and evaluate QT;
- 4) After the completion of its IPO and until the completion of a QT, a CPC may not issue any securities unless written acceptance of the TSX-V is obtained before the issuance of the securities.

**OFF-BALANCE SHEET TRANSACTIONS**

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The Company does not have any off-balance sheet arrangements as at April 30, 2017 or as of the date of this report.

**CRITICAL JUDGEMENTS AND ESTIMATES**

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The preparation of the Condensed Interim Financial Statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and the recoverability and measurement of deferred tax assets.

**Significant Judgments**

The preparation of the Condensed Interim Financial Statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's condensed interim financial statements include the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

**ACCOUNTING STANDARDS AND AMENDMENTS NOT YET ADOPTED**

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There were no changes to the Company's accounting policies during the three months ended April 30, 2017.

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the three months ended April 30, 2017 and have not been applied in preparing these condensed interim financial statements. The Company is currently considering the possible effects of the new and revised standards which will be effective to the Company's financial statements for the year ending January 31, 2018 or later:

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IFRS 9 – Financial Instruments is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018.

IFRS 15 – Clarifications to IFRS 15 “Revenue from Contracts with Customers” issued. The amendments do not change the underlying principles of the standard, just clarify and offer some additional transition relief. The standard is effective for annual periods beginning on or after January 1, 2018.

IFRS 16 – Leases, establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. The standard is effective for annual periods beginning on or after January 1, 2019.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or not expected to have a significant impact on the Company's condensed interim financial statements.

## **RISKS & UNCERTAINTIES**

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The Company is actively working to identify and evaluate assets or businesses in order to complete a Qualifying Transaction and currently has no source of recurring income. The Company has not commenced commercial operations, and has no significant assets other than cash, has no history of earnings and shall not generate earnings or pay dividends until at least after the completion of a Qualifying Transaction, if at all. Until the completion of a Qualifying Transaction, the Company is not permitted to carry on any other business other than the identification and evaluation of Significant Assets in pursuit of a Qualifying Transaction.

There can be no assurances that the Company will identify any assets or businesses in pursuit of a Qualifying Transaction, or have the financial resources necessary to complete a Qualifying Transaction. Nor can there be an assurance that the Company will be able to obtain additional financing in the future on terms acceptable to the Company or at all.

The Company's success depends to a certain degree upon key members for the management. It is expected that these individuals will be a significant factor in our growth and success. The loss of the service of members of the management team or certain key employees could have a material adverse effect on the Company.

## **FINANCIAL INSTRUMENTS**

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The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

### **Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company has deposited the cash with a high credit quality financial institution as determined by rating agencies. The risk of loss is low.

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**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. Trade payables and accrued liabilities are due within the current operating period. The Company has a sufficient cash balance to settle current liabilities.

**Market Risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company is not exposed to market risk.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on deposit with financial institutions and management actively negotiates favorable market related interest rates.

**Capital Management**

The Company defines capital as the Company's shareholder's equity. The Company's objectives when managing capital is to safeguard its accumulated capital by maintaining a sufficient level of funds to complete the Company's QT while providing adequate returns to shareholders.

**DISCLOSURE OF DATA FOR OUTSTANDING COMMON SHARES AND STOCK OPTIONS**

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**Common Shares**

As at the date of this report, the Company had 2,000,000 common shares outstanding.

**Stock Options**

The Company's stock option plan provides for the issuance of stock options to its officers, directors, employees and consultants. Stock options are non-transferable and the aggregate number of shares that may be reserved for issuance pursuant to stock options may not exceed 10% of the issued shares of the Company at the time of granting. The exercise price and vesting terms of stock options is determined by the Board of Directors of the Company at the time of grant.

Any common shares acquired pursuant to the exercise of options prior to the completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the final exchange bulletin is issued.

As at the date of this report, the Company has no stock options outstanding.

The Company has determined that a total of 300,000 options will be granted to the board of directors on the date upon which the Company becomes listed on the TSX-V as a Capital Pool Company. These options will be exercisable at a price of \$0.10 for a period of five years from the date the Company becomes listed on the TSX-V.

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**OTHER MD&A REQUIREMENTS**

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Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com) including, but not limited to:

- the Company's condensed interim financial statements for the three months ended April 30, 2017; and
- the Company's audited financial statements for the year ended January 31, 2017.

This MD&A has been approved by the Board on July 6, 2017.