

**VINERGY RESOURCES LTD.**  
(the "Company")

**FORM 51-102F1**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE THREE AND NINE MONTH PERIODS ENDED NOVEMBER 30, 2015**

The following Management's Discussion and Analysis, prepared as of January 27, 2016, should be read together with the consolidated interim financial statements for the three and nine month periods ended November 30, 2015 and the related notes attached thereto. These consolidated interim financial statements and MD&A include the results of operations and cash flows for the three and nine month periods ended November 30, 2015 and the reader must be aware that historical results are not necessarily indicative of the future performance. The reader may also wish to refer to the Company's audited consolidated financial statements and MD&A for the year ended February 28, 2015. All amounts are reported in Canadian dollars.

The aforementioned documents and additional disclosures pertaining to the Company's press releases and other information are also available on the SEDAR website [www.sedar.com](http://www.sedar.com).

Certain statements contained in this interim management discussion and analysis may contain words such as "could", "should", "expect", "believe", "will" and similar expressions and statements relating to matters that are not historical facts but are forward-looking statements. Such forward-looking statements are subject to both known and unknown risks and uncertainties which may cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Such factors include, among other things, the receipt of required regulatory approvals, the availability of sufficient capital, the estimated cost and availability of funding for the continued exploration and development of The Company's prospects, political and economic conditions, commodity prices and other factors.

### **Description of Business**

Vinergy Resources Ltd. (the "Company") was incorporated as Vanguard Investments Corp. on March 20, 2001 under the provisions of the Alberta Business Corporations Act. On May 10, 2011, the Company changed its name to Vinergy Resources Ltd. and continued the Company's registered jurisdiction from Alberta to British Columbia. The Company's head office is located at 6012 – 85 Avenue, Edmonton, Alberta, T6B 0J5 and its shares are listed on the Canadian Securities Exchange under the symbol VIN.

On November 30, 2009, the Company entered into a Share Purchase Agreement (the "Agreement") with Zeus Energy Inc. ("Zeus") and its shareholders to acquire 100% of the issued and outstanding shares of Zeus. Zeus was incorporated on November 7, 2007 under the Alberta Business Corporations Act. Since the closing of the Agreement on November 30, 2009, the Company has been in the business of oil and gas acquisition, exploration and development.

During the year ended February 28, 2014 the Company incorporated six subsidiary companies: Arq Graphite Inc, 0990756 BC Ltd., Jonpol Rare Earths Inc., Leucadia Finance Partners Inc., Wayzata Film Finance Inc., and Wedona Uranium Inc. Pursuant to the plan of arrangement, each of the subsidiary companies was spun-out of the Company effective June 17, 2014. Each of these subsidiaries became an independent reporting issuer and shareholders of the Company received one common share in each subsidiary for each common share they held of the Company.

The Company is exploring additional opportunities to acquire oil and gas properties for exploration and development. The Company has historically been involved in the oil and gas industry and continues to pursue opportunities in this sector. The Company is also investigating opportunities in other sectors.

## VINERGY RESOURCES LTD.

### Management's Discussion & Analysis

For the three and nine month periods ended November 30, 2015

#### Description of Business (continued)

These consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at November 30, 2015, the Company had a working capital deficiency of \$767,650, has not generated any revenues from operations, and has an accumulated deficit of \$1,644,722. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that with its current cash and other funds that may be obtained from external financing that it has sufficient working capital to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These consolidated interim financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

#### Selected Annual Information

The following table sets forth selected audited financial information of the Company from the last three completed financial years. This information has been prepared in accordance with IFRS and is presented in Canadian Dollars which is the functional currency of the Company.

	2015	2014	2013
	\$	\$	\$
Total revenue	–	–	–
Net loss for the year	(151,361)	(163,720)	(98,295)
Basic and diluted loss per share	(0.01)	(0.01)	–
Total assets	70,072	77,274	15,049
Total long-term financial liabilities	–	25,000	162,368

#### Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	November 30, 2015	August 31, 2015	May 31, 2015	February 28, 2015
	\$	\$	\$	\$
Revenue	–	–	–	–
Net loss for the period	(25,188)	(27,963)	(23,230)	(27,755)
Basic and diluted loss per share	0.00	0.00	0.00	0.00

  

	November 30, 2014	August 31, 2014	May 31, 2014	February 28, 2014
	\$	\$	\$	\$
Revenue	–	–	–	–
Net loss for the period	(54,035)	(34,814)	(34,757)	(73,452)
Basic and diluted loss per share	0.00	0.00	0.00	0.00

#### Results of Operations

During the three and nine month periods ended November 30, 2015, the Company incurred net losses of \$25,188 and \$76,381 respectively compared to net losses of \$54,035 and \$123,606 respectively for the three and nine month periods ended November 30, 2014.

#### Liquidity and Capital Resources

As at November 30, 2015, the Company had cash of \$1,199 and a working capital deficiency of \$767,650.

## VINERGY RESOURCES LTD.

### Management's Discussion & Analysis

For the three and nine month periods ended November 30, 2015

#### Liquidity and Capital Resources (continued)

The Company is actively seeking opportunities to provide shareholder value. Although historically the Company has been involved in oil and gas exploration and production, future prospects will not necessarily be restricted or limited to this sector or business. While management is confident that it will be able to raise any funds that may be required to meet the Company's needs for the next year, there can be no assurance that these funds will be available on terms acceptable to the Company in the future.

The Company is actively seeking opportunities to provide shareholder value. Although historically the Company has been involved in oil and gas exploration and production, future prospects will not necessarily be restricted or limited to this sector or business. While management is confident that it will be able to raise any funds that may be required to meet the Company's needs for the next year, there can be no assurance that these funds will be available on terms acceptable to the Company in the future.

Operating activities:

For the nine month period ended November 30, 2015, the Company's operating activities used cash of \$454 compared to \$34,224 for the nine month period ended November 30, 2014.

#### Related Party Transactions

- (a) For the nine month period ended November 30, 2015, the amount of \$21,600 (2014 – \$21,600) was incurred to the President of the Company for management fees.
- (b) For the nine month period ended November 30, 2015, the amount of \$14,400 (2014 - \$14,400) was incurred to the spouse of the President of the Company for professional fees.
- (c) As at November 30, 2015, the amount of \$317,605 (February 28, 2015 - \$271,661) is owed to the President of the Company and companies controlled by the President of the Company which is non-interest bearing, unsecured, and due on demand.
- (d) As at November 30, 2015, the amount of \$103,400 (February 28, 2015 - \$89,000) is owed to the spouse of the President of the Company, which is non-interest bearing, unsecured, and due on demand.

#### Financial Instruments and Risks

##### (a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at November 30, 2015 is as follows:

	Fair Value Measurements Using			Balance, November 30, 2015 \$
	Quoted prices in active markets for identical instruments (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	
Cash	1,199	–	–	1,199

The fair values of other financial instruments, which include amounts receivable, accounts payable and accrued liabilities, loans payable, and amounts due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments. The fair value of the convertible debenture is estimated to approximate its carrying value based on borrowing rates currently available to the Company for a loan with similar terms.

##### (b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. Amounts receivable consist of GST refunds due from the Government of Canada. The carrying amount of financial assets represents the maximum credit exposure.

## **VINERGY RESOURCES LTD.**

### **Management's Discussion & Analysis**

For the three and nine month periods ended November 30, 2015

#### **Financial Instruments and Risks (continued)**

(c) Foreign Exchange Rate Risk

The Company is not exposed to any significant foreign exchange rate risk.

(d) Interest Rate Risk

The Company is not exposed to any significant interest rate risk.

(e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

(f) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities. As the Company does not have any producing assets or any current programs for exploration, management considers the Company's commodity price risk to be minimal.

#### **Capital Management**

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital and equity component of convertible debt.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remained unchanged from the year ended February 28, 2015.

#### **Accounting Standards Issued But Not Yet Effective**

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended November 30, 2015, and have not been applied in preparing these consolidated interim financial statements.

- IFRS 9, *Financial Instruments* (New)
- IFRS 10, *Consolidated Financial Statements* (Amended)
- IFRS 11, *Joint Arrangements* (New)
- IFRS 12, *Disclosure of Interests in Other Entities* (New)
- IAS 27, *Separate Financial Statements* (Amended)

The Company has not early adopted these revised standards and is currently assessing the impact that these standards will have on the consolidated interim 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 consolidated interim financial statements.

#### **Disclosure by Venture Issuer Without Significant Revenue**

An analysis of the material components of the Company's general and administrative expenses is disclosed in the consolidated interim financial statements for the three and nine month periods ended November 30, 2015 to which this MD&A relates.

## **VINERGY RESOURCES LTD.**

### **Management's Discussion & Analysis**

For the three and nine month periods ended November 30, 2015

#### **Disclosure of Outstanding Share Data**

##### **Share Capital**

Authorized: Unlimited common shares without par value

As at November 30, 2015 and January 27, 2016, the Company had 26,333,330 shares issued and outstanding.

##### **Share Purchase Warrants**

As at November 30, 2015 and January 27, 2016, there were no share purchase warrants outstanding.

##### **Stock Options**

As at November 30, 2015 and January 27, 2016, the Company had no stock options issued and outstanding.