GUNPOWDER CAPITAL CORP.

(Formally Silver Shield Resources Corp.)

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

The following is the Management's Discussion and Analysis ("MD&A") of the financial condition of Gunpowder Capital Corp. ("Gunpowder" or the "Company") for the years ended December 31, 2016 and 2015. This information, prepared as of May 1, 2017, should be read in conjunction with the audited consolidated financial statements of Gunpowder for the years ended December 31, 2016 and 2015, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars unless otherwise indicated.

Forward Looking Statements

This MD&A, and specifically the "Outlook" section contains or incorporates forward-looking statements within the meaning of Canadian securities legislation (collectively, "forward-looking statements"). These forward-looking statements relate to, among other things, revenue, earnings, changes in cost and expenses, capital expenditures and other objectives, strategic plans and business development goals, and may also include other statements that are predictive in nature or that depend upon or refer to future events or conditions, and can generally be identified by words such as "may", "will", "expects", "anticipates", "intends", "plans", "believes", "estimates" or similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events.

Although the Company believes the expectations reflected in such forward-looking statements are reasonable, such statements are not guarantees of future performance and involve certain risks and uncertainties that are difficult to predict. Undue reliance should not be placed on such statements. Certain material assumptions are applied in making forward-looking statements and actual results may differ materially from those expressed or implied in such statements. The forward-looking statements contained in this MD&A are made as at the date of this MD&A and, accordingly, are subject to change after such date. Except as required by law, the Company, does not undertake any obligation to update or revise any forward-looking statements made or incorporated in this MD&A, whether as a result of new information, future events or otherwise. For a description of material factors that could cause the Company's actual results to differ materially from the forward-looking statements in this MD&A, please see "Risks and uncertainties".

Overview

Listed on the Canadian Securities Exchange under the trading symbol "GPC", Gunpowder is a newly formed Merchant Bank and Advisory Services Firm. In May 2016, Gunpowder Capital Corp. (formerly Silver Shield Resources Corp.) implemented its new business model under the leadership of a new management team.

As a merchant bank and advisory services firm, Gunpowder provides financial capital and capital markets advisory services. The Company offers a variety of financing options including mezzanine debt, bridge loans, convertible debentures and straight loans as well as equity financing. Our goal when investing is to as best as possible ensure the preservation of capital and structure upside for our stakeholders through participation opportunities such as royalties, equity or options. Our main focus with advisory services is to assist companies that are interested in going public, however, we are also involved with general capital markets advisory services and advising on mergers and acquisitions.

Gunpowder has also begun to acquire significant stakes in companies for investment purposes as well as making investments in real estate.

Business Objectives and Milestones

Gunpowder's primary focus for 2016 (set in 2015 while operating as Silver Shield Resources) was to transform itself from a junior mining company to a merchant bank. Following our listing on the Canadian Stock Exchange ("CSE") at the end of 2015, we set goals of:

1. Obtaining shareholder and regulatory approval to become a merchant bank. On January 28th, 2016 shareholders voted in favor for implementing the change in business to Merchant Banking at the Corporation's Special Meeting.

   On May 16, 2016, we received final approval from the CSE and officially became a merchant bank.

2. Create and issue a new classes of preferred shares to help fund financing initiatives.

   On January 28, 2016, the Shareholders approved the creation of various classes of preferred shares.

3. Create an offering memorandum to allow the Company to issue debt securities.

On July 5, 2016 we announced the filing of an offering memorandum.

4. Begin to launch the merchant banking services offering across our network and start to build portfolio of transactions.

While still early in our transition to a merchant bank, we have entered into various engagements including, Cardiff Resources, Advantagewon Inc., Payfare Inc., and Truxmart Inc. We have a robust pipeline of opportunities and look forward to continuing to grow our portfolio and announcing further deals as they are consummated.

5. Examine and if appropriate look for long term portfolio type investments to support our merchant banking model.

During the second quarter of 2016, we established GP Realty Inc. and announced the acquisition of our first building. We also announced the formation of GP Self Storage Inc. During the fourth quarter, we closed our first self-storage acquisition and announced the acquisition of the second building for GP Realty, which was closed subsequent to the 2016 year end. We believe that real estate holdings will provide both steady cash flow, profit and capital appreciation which will complement our merchant banking services which can be more volatile in nature and timing.

Highlights for the Quarter

Gunpowder continues to execute on its strategic and operational initiatives as highlighted during the quarter and shortly thereafter:

On October 28, 2016, we formed 63 Wellington Street Inc. and completed the acquisition of our second residential property subsequent to December 31, 2016.

On October 11, 2016, we completed the acquisition of our first property in GP Self Storage Inc.

Goals for 2017

1. Continue to grow our merchant banking and advisory services business.
2. Complete two go-public transactions with advisory clients.
3. Add two additional real estate properties.
4. Continue to examine opportunities to acquire or launch two additional businesses to add to our portfolio.

The fourth quarter of 2016 was another strong quarter for Gunpowder as we continued to build our brand and grow our asset base. This is only our second full quarter in operation as a merchant bank and advisory services firm and the Company believes that it is well positioned to continue with the growth it has demonstrated to date. We have a robust sales pipeline and hope to announce other mandates and opportunities that we have been working on in the coming quarters.

Annual Financial Information

	Year ended December 31,		
	2016	2015	2014
Total revenues	$ 164,916	-	-
Net Loss	$ (1,394,118)	$ (1,525,729)	$ (71,178)
Earnings per share	$ (0.06)	$ (0.15)	$ (0.00)
Total assets	$ 2,838,587	$ 1,307,220	$ 2,210,975
Long-term liabilities	$ (409,042)	-	-

Fiscal Year 2016

Revenue for the year ended December 31, 2016, was $164,916, compared to no revenue earned in the prior year as the Company was still engaged in its legacy junior mining business. Revenue earned in 2016 was categorized into three segments – Merchant banking, Real estate and Consulting and advisory, the amounts of $68,651, $20,265 and $76,000 was earned in 2016 in each of those segments respectively.

Operating expenses before other items for year ended December 31, 2016 were $1,031,347. Of that total, $196,600 (2015 - $nil) was a non-cash charge for stock options granted during the year. Now that the Company is pursuing its merchant banking model, it incurred significant costs for travel and accommodations of $64,657 (2015 - $nil) and consulting and professional fees of $155,110 (2015 – $25,157) to review deals, conduct due diligence and close on transactions. The Company also incurred $99,603 (2015 - $29,650) in marketing and investor relations costs as it invested in several outreach programs to support its launch as a merchant bank and generate investor awareness.

The Company incurred a non-cash loss of $510,442 on the disposal of its legacy mining assets during the year ended December 31, 2016 (2015 - $1,250,000 impairment loss on the mining assets).

Quarterly Results

The following table shows our results of operations for the last eight quarters.

	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Revenue	$85,191	$45,336	$22,195	$12,194	$ -	$ -	$ -	$ -
Net Loss	(207,772)	(629,249)	(408,371)	(148,726)	(1,525,729)	(2,689)	(28,561)	(44,207)
(Loss) per share	(0.01)	(0.03)	(0.02)	(0.01)	(0.15)	(0.00)	(0.00)	0.00
Cash	127,619	397,664	479,052	339,659	171,961	383,558	36,877	-
Mineral Properties	-	-	954,175	954,175	954,175	2,204,175	2,204,500	2,204,500
Real Estate Assets	770,166	464,572	464,791	-	-	-	-	-
Loans and other Investment Assets	907,616	417,097	338,878	283,320	-	-	-	-
Dividends Paid to "Class - A" preferred shares shareholders	14,359	11,344	5,148	-	-	-	-	-

Fourth Quarter of Fiscal 2016

As noted previously, the fourth quarter was the Company's second full quarter as a merchant bank. Revenue for the quarter was $85,191; no revenue was earned in the same period of the prior year as the Company was still engaged in its legacy junior mining business. Revenue increased in the current quarter compared to the prior quarter as a result of the addition of rental income from the buildings acquired as well as an increase in interest income from our growing loan portfolio.

Operating expenses before other items for the quarter was $288,829. Of that total, $74,800 was a non-cash charge for stock based compensation (Q4 2015 - $nil). Now that the Company is pursuing its merchant banking model, it incurred $16,508 for travel and accommodations in Q4 of 2016 compared to $nil in Q4 2015 to review deals, conduct due diligence and close on transactions. The Company also incurred $70,697 of general and office expense in Q4 2016 compared to $27,196 in the same period of the prior year due to an office move and launch of its merchant bank and advisory services business.

Liquidity and Capital Resources

The following table summarizes year-to-date cash flows for the current and prior year:

	Year ended	
	2016	2015
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES	(593,288)	(214,087)
CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES	1,326,713	523,784
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES	(777,768)	(137,675)
	(44,342)	172,022
Opening balance	171,961	(61)
Cash and cash equivalents	127,619	171,961

In addition to the operating activities discussed above, the Company generated $1,326,713 from financing activities (see notes to consolidated financial statements for details of these transactions) and invested $777,768 by acquiring a residential apartment building and a storage facility, making equity investments and loaning out additional funds to support client growth.

As at December 31, 2016, the Company had current assets of $1,096,569 to settle current liabilities of $274,239.

To successfully pursue its merchant banking model, the Company plans to continue to raise debt and equity in order to pursue additional deals and build scale.

The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, shareholders may suffer dilution. If adequate financing is not available, the Company may be required to sell its interests in some or all of its assets/holdings of current properties and/or reduce or terminate its operations.

Additional Disclosures

Critical Accounting Estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

(a) Assets' carrying values and impairment charges

In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make decisions based on the best available information at each reporting period.

(b) Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

(c) Fair value/impairment of loans receivable

The recoverability of loans receivable is assessed when events occur indicating impairment. Recoverability is based on factors that may include failure to pay interest on time, failure to pay the principal; termination of advisory agreements and other factors. An impairment loss is recognized in the period when it is determined that the carrying amount of the assets will not be recoverable. Refer to Note 6 for further details.

(d) Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

(e) Fair value of investment in securities not quoted in an active market or private company investments

Where the fair values of financial assets and financial liabilities recorded on the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values.

(f) Contingencies

Please refer to Note 20 of the audited consolidated financial statements.

Recent Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2017. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 2 – Share-based Payment ("IFRS 2") was amended by the IASB in June 2016 to clarify the accounting for cash-settled share-based payment transactions that include a performance condition, the classification of share-based payment transactions with net settlement features and the accounting for modifications of share-based payment transactions from cash-settled to equity-settled. The amendments are effective for annual periods beginning on or after January 1, 2018, with earlier application permitted.

IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB as a complete standard in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IFRS 15 - Revenue From Contracts With Customers ("IFRS 15") proposes to replace IAS 18 - Revenue, IAS 11 - Construction contracts, and some revenue-related interpretations. The standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. IFRS 15 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IFRS 16 – Leases ("IFRS 16") was issued in January 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognise the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted if IFRS 15 has also been applied.

IAS 7 – Statement of Cash Flows ("IAS 7") was amended in January 2016 to clarify that disclosures shall be provided that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments are effective for annual periods beginning on or after January 1, 2017.

IAS 12 – Income Taxes ("IAS 12") was amended in January 2016 to clarify that, among other things, unrealized losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use; the carrying amount of an asset does not limit the estimation of probable future taxable profits; and estimates for future taxable profits exclude tax deduction resulting from the reversal of deductible temporary differences. The amendments are effective for annual periods beginning on or after January 1, 2017.

Financial instruments

Financial assets and financial liabilities as at December 31, 2016 are as follows:

	Assets & liabilities at amortized cost	Assets & liabilities at fair value through profit and loss	Total
December 31, 2016			
Cash	$ 127,619	$ -	$ 127,619
Accounts and other receivables	545,986	-	545,986
Notes receivable	1,001,201	-	1,001,201
Investments	-	295,876	295,876
Accounts payable and accrued liabilities	(255,760)	-	(255,760)
Mortgages payable	(422,147)	-	(422,147)

The Company has loans receivable outstanding and a significant portion of the Company's assets are currently comprised of financial instruments which can expose it to several risks, including market, liquidity, credit and currency risks. There have been no significant changes in the risks, objectives, policies and procedures from the previous year. A discussion of the Company's use of financial instruments and their associated risks is provided below:

Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company is exposed to market risk in trading its investments and unfavourable market conditions could result in dispositions of investments at less than favorable prices. In addition, a significant portion of the Company's investments are in the resource sector. The Company mitigates this risk by attempting to have a portfolio which is not singularly exposed to any one issuer, with exception to the Company having one position as at December 31, 2016 which made up of approximately 51% of the total equity portfolio.

For the year ended December 31, 2016, a 10% decrease in the closing price of this concentrated position would result in an estimated increase in after-tax net loss of $15,000.

For the year ended December 31, 2016, a 10% decrease (increase) in the closing prices of its portfolio investments would result in an estimated increase (decrease) in after-tax net loss of $14,500.

Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage. As at December 31, 2016 the Company's current liabilities totaled $255,760, and cash totaled $127,619. The Company generates cash flow from advisory fees, loan interest and rental income.

The Company manages liquidity risk by reviewing the amount of cash available, to ensure that it can meet its current obligations. There is no guarantee that the Company will be able to continue to meets its current obligations.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's accounts and other receivables and notes receivable.

The Company monitors the credit risk and credit standing of its customers on a regular basis. See Note 5 for an aging analysis of other receivables. The Company's share subscription receivables consist of receivables from a small number of the Company's "Class – A" preferred share subscribers. Three subscribers make up 46%, 29% and 10%, respectively, of the amount owing (December 31, 2015 -$nil). The whole amount of share subscription receivables was received subsequent to year end.

Security was obtained against specific assets of the counterparty, in case of non-performance on the notes receivable. The total carrying value of these financial instruments at December 31, 2016 was $1,001,201 (December 31, 2015 - $nil). Two lendees make up 47% and 15% of the Company's notes receivable balance at December 31, 2016 (December 31, 2015 - $nil). Management considered the potential impairment of loans and receivables and concluded that an impairment was not necessary for the year ended December 31, 2016 (December 31, 2015 - $nil).

The Company's consulting fee revenues are primarily derived from a small number of customers within Canada. The Company has four customers who represented 39%, 18%, 16% and 16% of consulting fees revenues, respectively, in 2016 (2015 consulting fees revenue – $nil). There can be no assurance that all or any of the Company's customers will continue to engage in the Company's services. The loss of any such customer may have a materially negative impact on

the Company business conditions and financial results.

Currency Risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and a portion of its loans receivable and investments are in United States dollars. A significant change in the currency exchange rates between the United States dollar relative to the Canadian dollar could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.

Fair value of financial instruments

The Company has determined the carrying values of its financial instruments as follows:

1. The carrying values of cash, accounts receivable, and accounts payable and accrual liabilities approximate their fair values due to the short-term nature of these instruments.
2. Notes receivable, long-term notes receivable and long-term investments are carried at amounts in accordance with the Company's accounting policies as set out in the audited consolidated financial statements.
3. Prior to maturity, the outstanding notes receivable are carried at their discounted value. Following their maturity, loans receivable are carried at their estimated realizable value.

The following table illustrates the classification and hierarchy of the Company's financial instruments, measured at fair value in the statements of financial position as at December 31, 2016:

Investments, fair value	Level 1 (Quoted market price)	Level 2 (Valuation technique - observable market inputs)	Level 3 (Valuation technique - non-observable market inputs)	Total
Publicly traded investments	$ 95,876	$ -	$ -	$ 95,876
Private investments	-	-	200,000	200,000
December 31, 2016	$ 95,876	$ -	$ 200,000	$ 295,876
Publicly traded investments	$ -	$ -	$ -	$ -
Private investments	-	-	138,000	138,000
December 31, 2015	$ -	$ -	$ 138,000	$ 138,000

Outstanding share data

As at December 31, 2016, the Company had 27,409,256 common shares issued and outstanding, and 204,740 preferred "Class – A" shares issued and outstanding. In addition, the Company has 3,560,137 common share purchase warrants outstanding priced at between $0.15 and $0.25 and 1,850,000 stock options entitling the holder to acquire an additional common share by paying $0.10 to $0.12 per common share.

As at May 1, 2017, the Company had 27,409,256 common shares issued and outstanding, 328,680 "Class- A" preferred shares issued and outstanding and 33,550 "Class – B" preferred shares issued and outstanding. In addition, the Company has 3,560,137 common share purchase warrants outstanding priced at between $0.15 and $0.25 and 1,850,000 stock options entitling the holder to acquire an additional common share by paying $0.10 to $0.12 per common share.

Related Party Transactions

During the year ended December 31, 2016, the Company retained services from Cline Mining Corp. for $5,480 and earned revenue of $30,000 from Advantagewon Oil Corp. The Company has a common officer with both Cline Mining Corp. and Advantagewon Oil Corp. There were no outstanding balances to these related parties as at December 31, 2016.

Key personnel is defined as those who have authority and responsibility for planning, directing, controlling the activities of the Company, directly or indirectly. That includes all directors of the Company.

As at December 31, 2016, the Company accrued $5,374 in fees and expenses which are due and payable an officer of the Company. The amount is unsecured, non-interest bearing and due ondemand.

A summary of directors and senior management remuneration of the Company for the year ended December 31, 2016, is as follows:

Short-term benefits	$144,000
Stock based compensation	92,148
Total	**$236,148**

Off Balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative financial obligations, or with respect to any obligations under a variable interest equity arrangement.

Commitments and contingencies

The Company is party to certain management contracts. These contracts contain aggregate minimum commitments of approximately $300,000 (December 31, 2015 - $210,000) ranging from 12 to 18 months and additional contingent payments of up to approximately $240,000 (December 31, 2015 - $168,000) upon the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in the consolidated financial statements.

The Company has discontinued mining operations in various jurisdictions and has written down the carrying value of the related assets to nominal amounts. An estimate of the total liability, it any, for which the Company might become obligated as a result of its role as operator, guarantor or indemnifier, is not determinable, nor expected to be material, and no amount has been provided for in the consolidated financial statements.

The Company leases its office under a lease agreement which commenced October 1, 2016, the following is a summary of its lease commitments for the term of the lease:

< 1 year from reporting date	$	43,400
1 to 2 years from reporting date		43,834
2 to 3 years from reporting date		45,136
3 to 4 years from reporting date		45,136
4 to 5 years from reporting date		33,852
	$	211,358

Proposed Transactions

The Company is not party to any proposed transactions that have not be disclosed elsewhere in this MD&A.

Risks Related to Our Business

We have limited operating history.

We have limited operating history, our financial position is not robust, and we lack profitable operations to date. The Company has incurred net losses since inception and may continue to incur net losses while it builds its business and as such it may not achieve or maintain profitability. On May 18, 2016, the Company changed its business to "Merchant Banking" from "Mining and Exploration". The timeframe that the Company has been in the Merchant Banking space is very short compared to its competitors. The Company's limited operating history in Merchant Banking also makes it difficult to evaluate the Company's business and prospects, and there is no assurance that the business of the Company will grow or that it will become profitable.

Because of our limited operating history in Merchant Banking it is difficult to extrapolate any meaningful projections about the Company's future. We do not have significant assets with which to press our plans forward. Our competitors are significantly better funded than we are. This could prove detrimental in that we may not have the funds to attract potential clientele. There is no assurance that our revenues will continue to grow.

We have historically incurred significant losses and our financial situation creates doubt whether we will continue as a going concern.

During the year ended December 31, 2016, the Company realized a net loss of $1,394,118 compared with a net loss of $1,525,729 for the year ended December 31, 2015. As of December 31, 2016, the Company had a working capital of $822,330 and shareholders' equity of $2,155,306. There are no assurances that we will be able to achieve a level of revenues adequate to generate sufficient cash flow from operations or obtain additional financing through private placements, public offerings and/or bank financing necessary to support our working capital requirements. To the extent that funds generated from any private placements, public offerings and/or bank financing are insufficient, we will have to raise additional working capital. No assurance can be given that additional financing will be available, or if available, will be on acceptable terms. The Company may periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future. If adequate working capital is not available we may be forced to discontinue operations, which would cause investors to lose their entire investment.

We are an early stage company.

The Company is an early stage company. As such, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including under-capitalization, cash shortages, and limitations with respect to personnel, financial and other resources and lack of revenues. The current state of the Company requires significant additional expenditures before any cash flow may be generated. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of its success must be considered in light of its early stage of operations.

Our future growth may be limited

The Company's ability to achieve its expansion objectives and to manage its growth effectively depends upon a variety of factors, including the Company's ability to develop its brand awareness to attract clientele, to attract and retain skilled employees, to successfully position and market its products & services, to capitalize on the potential opportunities it is pursuing and potential opportunities it could pursue with third parties, and to find sufficient funding.

We engage in cross border lending transactions in the U.S.A which presents tax risks among other obstacles

Cross-border lending transactions carry a risk of changes in tax and/or duties related to the import and export of our services, which can result in pricing changes, which will affect revenues and earnings. Cross-border lending transactions carry other risks including, but not limited to, changing regulations, wait times, changes in foreign exchange rates.

We rely on key personnel

The Company's success will also depend in large part on the continued service of its key operational and management personnel, including executive staff, research and development, engineering, marketing and sales staff. Most specifically, this includes its CEO, CFO and Business Development Team. The Company faces intense competition for these professionals from its competitors, customers and other companies throughout the industry. Any failure on the Company's part to hire, train and retain a sufficient number of qualified professionals could impair the business of the Company.

We may not be successful in our potential business combinations

The Company may, in the future, pursue acquisitions of other complementary businesses to increase its revenues. The Company may also pursue strategic alliances and joint ventures that leverage its core services and industry experience to expand its services offerings and geographic presence. The Company has limited experience with respect to acquiring other companies and limited experience with respect to forming collaborations, strategic alliances and joint ventures. If the Company were to make any acquisitions, it may not be able to integrate these acquisitions successfully into its existing business and could assume unknown or contingent liabilities. Any future acquisitions the Company makes, could also result in large and immediate write-offs or the incurrence of debt and contingent liabilities, any of which could harm the Company's operating results. Integrating an acquired company also may require management resources that otherwise would be available for ongoing development of the Company's existing business.

We will need financing in order to grow our business

From time to time, in order to expand operations the Company will need to incur additional capital expenditures. These capital expenditures are intended to be funded from third party sources, including the incurring of debt and/or the sale of additional equity securities. In addition to requiring additional financing to fund capital expenditures, the Company may require additional financing to fund working capital, sales and marketing, general and administrative expenditures and operating losses. The incurrence of debt creates additional financial leverage and therefore an increase in the financial risk of the Company's operations. The sale of additional equity securities will be dilutive to the interests of current equity holders. In addition, there can be no assurance that such additional financing, whether debt or equity, will be available to the Company or that it will be available on acceptable commercial terms. Any inability to secure such additional financing on appropriate terms could have a materially adverse impact on the business, financial condition and operating results of the Company.

Global economic conditions may adversely affect our industry, business and results of operations

Our overall performance depends, in part, on worldwide economic conditions which historically is cyclical in character. The United States and Canada have largely worked its way out of an economic recession while other key international economies continue to be impacted by a recession, characterized by falling demand for a variety of goods and services, restricted credit, going concern threats to financial institutions, major multinational companies and medium and small businesses, poor liquidity, declining asset values, reduced corporate profitability, extreme volatility in credit, equity and foreign exchange markets and bankruptcies. By way of example, the borrowers that the Company lends funds to, may or may not be as affected by economic slow-down or recession as other industries or market segments. Currently, these conditions can be expected to change. In markets where sales occur and go into recession, these conditions affect the rate of spending and could adversely affect the Companies we invest in, customers' ability or willingness to purchase our products, and delay prospective customers' purchasing decisions, all of which could adversely affect our operating results. In addition, in a weakened economy, companies that have competing products may reduce prices which could also reduce our average selling prices and could harm our operating results.

Risks Related to Our Shareholders and Purchasing common and preferred shares

Our shares may continue to be subject to illiquidity because our common shares and "Class – A" preferred shares may continue to be thinly traded.

There are also continuing eligibility requirements for companies listed on public trading markets. If we are unable to satisfy the continuing eligibility requirements of any such market, then our common shares and "Class – A" preferred shares may be delisted. This could result in a lower trading price for both our "Class – A" preferred shares and common shares and may limit your ability to sell them, any of which could result in you losing some or all of your investments.

Our "Class – B" preferred shares are currently not listed on any stock exchange and therefore have very limited market. It is possible that our "Class – B" preferred shares may never qualify for listing onto a stock exchange.

We have never paid dividends on our common shares.

We have never paid cash dividends on our common shares and do not presently intend to pay any cash dividends on our common shares in the foreseeable future. Investors should not look to dividends as a source of income.

In the interest of reinvesting initial profits back into our business, we do not intend to pay cash dividends in the foreseeable future on our common shares. Consequently, any economic return will initially be derived, if at all, from appreciation in the fair market value of our common shares, and not as a result of dividend payments.

We have the right to accrue the dividends on our "Class – A" & "Class – B" preferred shares and do not have to make payments.

We expect to issue more shares in an equity financing, which may result in substantial dilution.

Our articles of incorporation authorize the Company to issue an unlimited amount of Common Shares and up to 10% of our common share total as preferred shares. Any equity financing effected by the Company may result in the issuance of additional securities without stockholder approval and may result in substantial dilution in the percentage of both our common shares or our preferred Shares held by our then existing stockholders. Moreover, preferred shares and common shares issued in any equity financing transaction may be valued on an arbitrary or non-arm's length basis by our management, resulting in an additional reduction in the percentage of common shares and preferred shares held by our then existing stockholders. Our board of directors has the power to issue any or all of such authorized but unissued shares without stockholder approval. To the extent that additional common shares or preferred shares are issued in connection with a business combination or otherwise, dilution to the interests of our stockholders will occur and the rights of the holders of common shares might be materially adversely affected.

Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com.