INDEFINITELY CAPITAL CORP.

For the year ended January 31, 2011

Management Discussion and Analysis

Date of Report: May 26, 2011

The following discussion and analysis of our financial condition and results of operations for the year ended January 31, 2011, should be read in conjunction with our audited financial statements and related notes. Our company was incorporated on September 23, 2009. The comparative period is from incorporation on September 23, 2009 to January 31, 2010, which is much less than a 12 month period, and therefore limits the usefulness of the comparative period. Our financial statements were prepared in accordance with Canadian generally accepted accounting principles.

Disclaimer for Forward-Looking Information

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our ability to consummate a Qualifying Transaction, results of operations, performance and business prospects and opportunities. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about the ability of our company to consummate a Qualifying Transaction and the global economic environment, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) our inability to complete a Qualifying Transaction, (3) conflicts of interest of our insiders, (4) our financial condition, and (5) other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. Except as required by law, we disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

Company Overview

Our company was incorporated under the Business Corporations Act of British Columbia, Canada on September 23, 2009.

Our company is a Capital Pool Company, as defined by Policy 2.4 (the "CPC Policy") of the TSX Venture Exchange (the "Exchange"). As a CPC, our company's principal business activity is to identify and evaluate business opportunities with the objective of completing a Qualifying Transaction under the Exchange rules.

During the year ended January 31, 2011, our company closed its initial public offering (the "Offering") of 2,000,000 shares at $0.10 per share for gross proceeds of $200,000. In connection with this Offering, our company paid PI Financial Corp. (the "Agent") a cash commission of 10% of the gross proceeds and granted the Agent 200,000 non-transferable broker warrants which entitle the Agent to purchase one common share of our company at a price of $0.10 per share until April 30, 2012. Our company also paid the Agent a corporate finance fee of $10,000 plus GST and the Agent's expenses and legal fees of $10,920. The Agent's warrants were valued at $10,592 using the Black-Scholes option pricing model using the assumptions more fully described in note 3(f) to the financial statements.

Our company's common shares commenced trading on the TSX Venture Exchange on April 30, 2010 under the symbol "INI.P".

Overall Performance

During the year ended January 31, 2011, we carried on business as a CPC which consisted of the identification and evaluation of companies, assets or businesses with the objective of completing a Qualifying Transaction. We incurred expenses of $56,962 and $20,115 for the year ended January 31, 2011, and the period September 23, 2009 to January 31, 2010, respectively.

Selected Annual Information

The following table sets out selected financial information for our company:

	Year ended January 31, 2011	**September 23, 2009 (Date of Incorporation) to January 31, 2010**
Total revenues	$Nil	$Nil
Loss before other items:		
Total	$(56,962)	$(20,115)
Other item: interest income	$2	$Nil
Net loss and comprehensive loss:		
Total	$(56,960)	$(20,115)

Basic and diluted loss per share	$(0.04)	N/A

	As at January 31, 2011	As at January 31, 2010
Total assets	$181,379	$64,807
Total long term debt	$Nil	$Nil
Cash dividends	$Nil	$Nil

In December 2009, 2,000,000 common shares were issued. They are held in escrow and will be released in accordance with the Exchange policies related to CPC. As all of these shares are considered contingently issuable until our company completes the Qualifying Transaction, they are not considered to be outstanding shares for the purposes of loss per share calculation. Consequently, basic and diluted loss per share disclosures have not been provided for the period of September 23, 2009 to January 31, 2010.

Results of Operations

Net loss and comprehensive loss was $56,960 for the year ended January 31, 2011, compared to net loss and comprehensive loss of $20,115 for the comparative period of September 23, 2009 to January 31, 2010.

Administrative expenses totaled $56,962 for the year ended January 31, 2011 compared to $20,115 for the comparative period of September 23, 2009 to January 31, 2010.

Administrative fees for the period ended January 31, 2011 mainly consisted as follows: stock-based compensation - $30,229, professional fees - $18,151, and transfer agent and filing fees - $7,402. The stock-based compensation is the fair value of the 400,000 share purchase options granted during the year using the Black-Scholes option pricing model using the assumptions more fully described in note 3(f) to the financial statements.

The administrative fees for the comparative period of September 23, 2009 to January 31, 2010 mainly consisted of professional fees of $19,677.

Summary of Quarterly Results

The following table sets out selected quarterly financial data for the six most recently completed interim quarters following our incorporation on September 23, 2009.

	2011 Fourth	2011 Third	2011 Second	2011 First	2010 Fourth	September 23, 2009 (Date of Incorporation) to October 31, 2009
Total revenues	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Loss before other items:						
Total	$(12,511)	$(1,863)	$(9,480)	$(33,108)	$(9,484)	$(10,631)
Loss per share	$(0.01)	$(0.00)	$(0.00)	$(1.46)	N/A	N/A
Loss per share fully diluted	$(0.01)	$(0.00)	$(0.00)	$(1.46)	N/A	N/A
Other item: Interest income	$Nil	$Nil	$1	$1	$Nil	$Nil
Net Loss and comprehensive loss:						
Total	$(12,511)	$(1,863)	$(9,479)	$(33,107)	$(9,484)	$(10,631)
Loss per share	$(0.01)	$(0.00)	$(0.00)	$(1.46)	N/A	N/A
Loss per share fully diluted	$(0.01)	$(0.00)	$(0.00)	$(1.46)	N/A	N/A

Summary of Results from Incorporation

Our company is a CPC under the Exchange Policy 2.4. As a CPC, our company's principal business activity is to identify and evaluate business opportunities with the objective of completing a Qualifying Transaction under the Exchange rules. From the date of incorporation on September 23, 2009 to January 31, 2010, our company issued 2,000,000 common shares which are held in escrow and will be released in accordance with the Exchange policies related to CPC. As all of these escrow shares are considered contingently issuable until our company completes the Qualifying Transaction, they are not considered to be outstanding shares for the purposes of loss per share calculations. Consequently, Loss per share and Loss per share fully diluted have not been provided for the period from incorporation on September 23, 2009 to October 31, 2009 and the Fourth Quarter of 2010. During the first quarter of 2011 our company closed the Initial Public Offering and our issued and outstanding common shares increased by 2,000,000 shares. These 2,000,000 shares were included in the calculation of weighted average number of shares outstanding, resulting to a relatively low weighted average number of shares outstanding for the first, second and third quarter of 2010.

From incorporation to January 31, 2011, we incurred expenses related to listing as a public company on the TSX Venture Exchange. Net loss decreased by $1,147 from the Date of Incorporation on September 23, 2009 to October 31, 2009 to the fourth quarter of 2010. Conversely, net loss increased by $23,623 from the fourth quarter of 2010 to the first quarter of 2011 primarily due to an increase in stock-based compensation expense. Net loss decreased by $23,628 from the first to second quarter of 2011 mainly due to a decrease in stock-based compensation. Net loss decreased by $7,616 from the second to third quarter of 2011 mainly due to decreases in professional fees as well as to transfer agent and filing fees. Net loss increased by $10,648 from the third to fourth quarter of 2011 mainly due to an increase in professional fees of $11,458, which was almost entirely the annual audit fee.

Liquidity and Capital Resources

At January 31, 2011, we had $181,081 in cash and working capital of $170,498 compared to cash of $61,398 and working capital of $35,907 at January 31, 2010. Cash will be used to provide our company with a minimum of funds with which to identify and evaluate business opportunities with the objective of completing a Qualifying Transaction. Our company may not have sufficient funds to secure such businesses opportunities once identified and evaluated, and additional funds may be required.

There is substantial doubt about our ability to continue as a going concern as the continuation of our business is dependent upon obtaining long-term financing and completing a Qualifying Transaction.

Our company has no long-term debt.

Capital Resources

Our company did not have any commitments for capital expenditures as at the date of this report.

Operating Activities

During the year ended January 31, 2011, operating activities used $41,639 in cash. The two principal sources of this amount were the net loss of $56,960 (offset by the non-cash stock-based compensation amount of $30,229), and a decrease in accounts payable and accrued liabilities of $18,019.

For the comparative period of September 23, 2009 to January 31, 2010, operating activities provided cash of $5,376. This was the result primarily of the loss of $20,115, offset by cash provided by an increase of accounts payable and accrued liabilities of $28,900.

Investing Activities

There were no investing activities by the Company for the year ended January 31, 2011 and for the comparative period of September 23, 2009 to January 31, 2010.

Financing Activities

For the year ended January 31, 2011, financing activities provided cash of $161,322 which was the result of the gross proceeds of the Offering of $200,000 less share issue costs of $38,678. Share issue costs were comprised of legal fees, filing fees, and the Agent's commission and expenses in connection with the Offering.

During the comparative period from incorporation on September 23, 2009 to January 31, 2010, financing activities provided net cash of $56,022, from the issuance of seed shares of $100,000, offset by $43,978 in deferred financing costs, consisting of accounting fees, filing fees and retainer and financing fees in connection with the Offering.

Changes in Accounting Policies including Initial Adoption

International Financial Reporting Standards ("IFRS")

In February 2008 the Canadian Accounting Standards Board ("AcSB") confirmed the date for publicly-listed companies to use IFRS replacing Canadian GAAP for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Therefore, our company will be required to adopt IFRS for its fiscal year commencing February 1, 2011, and the transition plan will require in 2011 the restatement for comparative purposes onto the IFRS basis of amounts and disclosures reported by our company for its prior fiscal year, ended January 31, 2011. Our company has commenced the development of an IFRS implementation plan to prepare for this transition, and is currently in the process of analyzing the key areas where changes to current accounting policies may be required. The Chief Financial Officer will manage the conversion and report regularly to the Audit Committee.

While an analysis will be required for all current accounting policies, the initial key areas of assessment will include:

- Stock-based compensation;
- Accounting for income taxes; and
- First-time adoption of International Financial Reporting Standards (IFRS 1).

As the analysis of each of the key areas progresses, other elements of our company's IFRS implementation plan will also be addressed, including the implication of changes to accounting policies and processes; financial statement note disclosures; information technology; internal controls; contractual arrangements; and employee training.

The following table summarizes the expected timing of activities related to our transition to IFRS.

Initial analysis of key areas for which changes to accounting policies may be required.	By June 15, 2011
Detailed analysis of all relevant IFRS requirements and identification of areas requiring accounting policy changes or those with accounting policy alternatives.	By June 15, 2011
Assessment of first-time adoption (IFRS 1) requirements and alternatives.	By June 15, 2011
Final determination of changes to accounting policies and choices to be made with respect to first-time adoption alternatives.	By June 15, 2011

Resolution of the accounting policy change implications on information technology, internal controls and contractual agreements.	By June 15, 2011
Management and employee education and training.	By May 31, 2011
Quantification of the Financial Statements impact of changes in accounting policies.	By June 15, 2011

Credit Risk and Fair Value of Financial Assets and Financial Liabilities

In January 2009, the CICA issued EIC-173, Credit Risk and the Fair Value of Financial Assets and Financial Liabilities, which requires the Company to consider its own credit risk as well as the credit risk of its counterparty when determining the fair value of financial assets and liabilities, including derivative instruments. The standard is effective for the first quarter of 2009 and is required to be applied retrospectively without restatement of prior periods. The adoption of this standard did not have an impact on the valuation of the Company's financial assets or liabilities.

Off-Balance Sheet Arrangements

Our company does not utilize off-balance sheet arrangements.

Related Parties Transactions

As at January 31, 2011, amounts due to related parties were $122 (January 31, 2010: $393), which were accounting fees due to Canasia Industries Corporation. Canasia Industries is a related party in that Negar Adam and Conrad Clemiss, who are our directors, are also directors of Canasia Industries. These charges were measured by the exchange amount, which is the amount agreed upon by the transacting parties, and are unsecured, non-interest bearing and payable on demand.

In addition, our company has conducted transactions in the normal course of operations with companies related to directors. Our company incurred accounting fees of $4,650 (2010: $393) to Canasia Industries.

These transactions were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Fourth Quarter

Administrative expenses totaled $12,511 for the three months ended January 31, 2011. This amount was substantially all comprised of professional fees of $11,458, and transfer agent/filing fees of $1,027. The professional fees were mainly comprised of the annual audit fee.

Financial Instruments and Other Instruments

Our financial instruments consist of cash and cash equivalents, deferred financing costs, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that we are not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value, unless otherwise noted.

Proposed Transactions

Our company does not have any proposed transactions as of the date of this report.

Additional Disclosure for Venture Issuers without Significant Revenue

During the year ended January 31, 2011, our company incurred general and administrative costs of $56,962.

During the comparative period of September 23, 2009 to January 31, 2010, our company incurred general and administrative costs of $20,115.

Additional Disclosure of Outstanding Share Data

Common Shares

As a CPC, our common shares are listed on the Exchange under the symbol "INI.P". Our authorized share capital consists of an unlimited number of common shares without par value.

As at January 31, 2011 and May 26, 2011, we had 4,000,000 common shares issued and outstanding for a value of $206,752, of which $2,000,000 common shares were held in escrow.

As at January 31, 2011 and May 26, 2011, we had 2,000,000 common shares held in escrow. These escrow shares will be released in accordance with the Exchange policies related to CPC's as follows: 10% upon the issuance of notice of final acceptance of a Qualifying Transaction by the Exchange, and the remainder in six equal tranches of 15% every six months thereafter for a period of thirty six months.

Stock options

As at January 31, 2011 and May 26, 2011, our company had 400,000 stock options outstanding. Each stock option entitles the holder the right to purchase one common share at an exercise price of $0.10 per share until April 30, 2015. Any shares issued upon exercise of the options prior to the Company entering into a Qualifying Transaction will be subject to escrow restrictions.

Warrants

As of January 31, 2011 and May 26, 2011, our company had 200,000 non-transferable broker share purchase warrants outstanding. Each share purchase warrant entitles the Agent the right to purchase one common share at an exercise price of $0.10 per share until April 30, 2012.

Risks and Uncertainties

Failure to Complete a Qualifying Transaction

Our company is a CPC under the policies of the Exchange. If we fail to complete a Qualifying Transaction within 24 months of listing, the Exchange could suspend or delist our common shares. An interim cease trade order may be issued against our securities by an applicable securities commission if our common shares are suspended from trading on or delisted from the Exchange. Although management of our company is working diligently to negotiate and close the Qualifying Transaction described above, there is no assurance that a Qualifying Transaction will be completed.

Conflicts and Efforts of Insiders

The directors and officers of our company will only devote a portion of their time to the business and affairs of our company and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time.

Market

There can be no assurance that an active and liquid market for our common shares will develop and shareholders may find it difficult to resell our common shares.

Limited Funds and Completion of Qualifying Transaction

We have only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that we will be able to identify and consummate a suitable Qualifying Transaction.

Dilution

The closing of the proposed Qualifying Transaction involves the issuance of a significant number of additional securities by our company and this will result in further dilution to shareholders, which may also result in a change of control of our company.

Additional Information

We file annual and interim reports, information circulars and other information with certain Canadian securities regulatory authorities. The documents filed with the Canadian securities regulatory authorities are available at http://www.sedar.com.

Approval

The Board of Directors of Indefinitely Capital Corp. has approved the disclosure contained in this annual management discussion and analysis.