AILERON VENTURES LIMITED

Management's Discussion & Analysis

For the nine months ended September 30, 2012

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The management of Aileron Ventures Limited (the "**Company**" or "**Aileron**") is pleased to present the Company's management's discussion and analysis (the "**MD&A**") for the nine months ended September 30, 2012.

This MD&A has been prepared by Aileron as of November 26, 2012 and should be read in conjunction with the unaudited condensed interim financial statements of Aileron for the three and nine months ended September 30, 2012 (the "**Financial Statements**"). Results are reported in thousands of Canadian dollars, unless otherwise stated and have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"), including IFRS 1 – "First Time Adoption of IFRS". Effective January 1, 2011, Aileron began reporting its financial results in accordance with IFRS, including comparative figures for 2010.

Readers of this MD&A should refer to "Significant Accounting Policies" below for a discussion of IFRS and its effect on Aileron's financial presentation.

NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking information and statements within the meaning of applicable Canadian securities laws (herein referred to as "**forward-looking statements**") that involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. All information and statements in this MD&A which are not statements of historical fact may be forward-looking statements. Such statements and information may be identified by looking for words such as "may", "believe", "could", "expect", "will", "intend", "should", "plan", "objective", "predict", "potential", "project", "anticipate", "estimate", "continuous" or similar words or the negative thereof or other comparable terminology, including references to assumptions. Such information may involve, but is not limited to, comments with respect to strategies, expectations, planned operations or future actions. Forward-looking statements included in this MD&A include, but are not limited to, statements with respect to: the business strategy and objectives of Aileron as well as its acquisition plans; and the impact of federal income tax changes on Aileron.

Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other things contemplated by the forward-looking statements will not occur. Such forward-looking statements or information are based on a number of assumptions which may prove to be incorrect, including those assumptions listed below and those discussed elsewhere in this MD&A. Some of the assumptions made by Aileron, upon which such forward-looking statements are based, include: the ability of Aileron to maintain reasonably stable general administrative expenses; the ability of Aileron to access financing on commercially reasonable terms; and current economic conditions and the strength and persistence of the economic recovery in Canada that may be influenced by international economic developments in the United States, Europe, Asia and elsewhere.

Forward-looking statements reflect current expectations of management regarding future events and operating performance as of the date of this MD&A. Such information: involves significant risks and uncertainties; should not be read as guarantees of future performance or results; and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the risks related to: general economic and business conditions; the failure to identify acquisition targets or complete announced acquisitions; competition for, among other things, capital; and competition for acquisition targets.

Although the forward-looking statements contained in this MD&A are based upon what Aileron's management believes to be reasonable assumptions, Aileron cannot assure investors that actual results will be consistent with such information. Forward-looking statements reflect management's current beliefs and are based on information currently available to Aileron. We caution readers of this MD&A not to place undue reliance on our forward-looking statements because a number of factors, such as those referred to in the paragraph above, could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements contained in this MD&A. The forward-looking statements are made as of the date of this MD&A and Aileron assumes no obligation to update or revise such information to reflect new events or circumstances, except as may be required by applicable law.

Overall Performance

Aileron was incorporated in Alberta on May 31, 2010. The Company has not carried on any active business to-date other than (i) to make an investment in Altius Edge Ltd. ("**Altius**") to acquire 50% of the outstanding common shares thereof, (ii) to undertake matters in connection with an amalgamation transaction involving Altius and Immunall Science Inc. ("**Immunall**"), and (iii) to engage in activities to identify and evaluate businesses and assets with a view to completing an acquisition of a business or assets. Aileron has not yet selected a business sector or industry in which to focus its pursuit of a business transaction.

Risks and Uncertainties

As of September 30, 2012, the Company had no business or material assets other than cash and its investment in Immunall. The Company does not have a history of earnings, nor has it paid any dividends since it was incorporated. Aileron's assets are limited to its working capital and an approximate 4.5% investment in Immunall. There is no assurance that the Company will be able to obtain additional funding.

Non-Generally Accepted "IFRS" Accounting Measures

The Company refers to "Funds used in operations" within this analysis. This is computed by calculating the cash flow from operations before changes to non-cash working capital from operations.

Selected Financial Information

		September 30, 2012		December 31, 2011
Liquidity				
Cash	$	225	$	5,285
Non-cash current assets		18,500		19,010
Total current assets		18,725		24,295
Debt		17,649		10,776
Net liquidity	$	1,076	$	13,519
Total assets				
Number of shares outstanding at end of period		9,664,155		9,664,155

	Three months ended				Nine months ended			
		September 30, 2012		**September 30, 2011**		**September 30, 2012**		**September 30, 2011**
Total revenue	$	-	$	-	$	-	$	-
Funds provided by (used in) operations	$	(1,881)	$	(1,056)	$	(12,443)	$	(10,731)
Net Loss	$	1,881	$	1,056	$	12,443	$	10,731
Net Loss per share	$	0.000	$	0.000	$	0.001	$	0.002
Basic and diluted weighted average number of shares during period		9,664,155		9,664,155		9,664,155		7,007,078

Selected Quarterly Financial Information

	Q3'12	Q2'12	Q1'12	Q4'11	Q3'11	Q2'11	Q1'11	Q4'10
Total revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Loss	1,881	10,520	42	85	1,056	2,399	7,276	3,435
Loss per diluted share	0.000	0.001	0.000	0.000	0.000	0.000	0.001	0.024
Ending assets	$ 18,725	$ 19,606	$ 18,743	$ 24,295	$ 15,870	$ 16,436	$ 17,059	$ 25,315
Weighted average shares	9,664,155	9,664,155	9,664,155	9,664,155	9,664,155	9,664,155	8,710,595	146,047
Ending shares	9,664,155	9,664,155	9,664,155	9,664,155	9,664,155	9,664,155	9,664,155	8,700,000

Results of Operations

As at September 30, 2012, Aileron has had no active operations other than undertaking matters in connection with an amalgamation transaction involving Altius and Immunall which completed in March 2011. During the period, management of the company continued to engage in activities to identify and evaluate businesses and assets with a view to completing an acquisition of a business or assets that may be suitable for the Company. For the nine month period ended September 30, 2012, the Company had a net loss of $12,443. The net loss is related to general and administrative expenses and professional fees.

Outstanding Share Data

As at September 30, 2012 the Company had 9,664,155 common shares issued and outstanding. Until December 29, 2010 the Company had 25,000 common shares issued and outstanding. On December 29, 2010 the Company split its common shares on a 348:1 basis giving rise to an increase in the issued and outstanding common shares to 8,700,000. As at March 31, 2011, as a result of the amalgamation transaction involving Altius and Immunall, 964,155 additional common shares were issued to shareholders of Immunall.

Amalgamation Transaction

On December 10, 2010 the Company, Immunall, Nautor Progressive Corporation ("**Nautor**") and Altius entered into an amalgamation agreement dated December 10, 2010 ("**Amalgamation Agreement**") which provided for the implementation of an amalgamation between Altius and Immunall (the "**Amalgamation**") pursuant to section 181 of the *Business Corporations Act* (Alberta).

Pursuant to the Amalgamation, Immunall and Altius amalgamated and continued as one corporation under the name of Immunall. Each Immunall shareholder (other than dissenting Immunall shareholders) received in exchange, in respect of each Immunall common share held by such shareholder, (i) one common share of the amalgamated entity ("**New Immunall**"), (ii) 0.025 of a common share of Aileron, and (iii) 0.025 of a common share of Nautor. Each Altius shareholder (other than dissenting Altius shareholders) received in exchange, in respect of each Altius common share held by such shareholder, one common share of New Immunall.

The common shares of New Immunall were listed on the Canadian National Stock Exchange (CNSX). The amalgamation was approved by shareholders and completed on March 31, 2011.

Liquidity and Capital Resources

As at September 30, 2012 Aileron had working capital of $1,076. The Company does not have adequate capital resources to fund its near-term objective of identifying and completing a business transaction, and as a result will need to seek adequate debt or equity financing in order to establish the business of the Company. Aileron presently relies upon advances from an affiliate in order to fund general and administrative expenses and pay other costs necessary for Aileron to continue to maintain its status as a reporting issuer and its listing on the CNSX.

Financial Instruments

The Company's financial instruments consist of cash, accounts receivable, investments, accounts payable and accrued liabilities and due to affiliate. It is management's opinion that the Company is not exposed to significant currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values. For further discussion of financial instrument risks, see Financial Instruments and Risk Management, below.

Significant accounting policies

The accounting policies of Aileron used in the determination of the results for the nine months ended September 30, 2012 that are disclosed and analyzed in this report are described in detail in note 3 of Aileron's Financial Statements. These policies have been applied in preparing the Financial Statements for the nine months ended September 30, 2012, the comparative information presented in the Financial Statements for the year ended December 31, 2011, and the comparative information for the nine months ended September 30, 2011.

A summary of Aileron's significant accounting policies under IFRS is presented in note 3 to Aileron's Financial Statements for the nine months ended September 30, 2012. These policies have been retrospectively and consistently applied.

Future accounting standards

The standard-setting bodies that determine IFRS have significant ongoing projects that could impact the IFRS accounting policies that we have selected. The impact of any new or amended IFRS standards or interpretations will be evaluated as they are drafted and published. New and amended standards and interpretations that have been identified include:

IFRS 9 – Financial Instruments

IFRS 9 – Financial Instruments was issued in October 2010. This Standard is the first step in the process to replace IAS 39 – Financial Instruments: Recognition and Measurement. IFRS 9 introduces new requirements for classifying and measuring financial assets and financial liabilities, and is likely to affect the Corporation's accounting for its financial assets. The Standard is not applicable until annual periods beginning on or after January 1, 2015, but is available for early adoption. The Company has not fully assessed the impact of adopting IFRS 9; however, it anticipates that its impact will be limited.

IFRS 10 – Consolidated Financial Statements

IFRS 10 – Consolidated Financial Statements, issued by the IASB in May 2011, provides a single consolidation model that identifies control as the basis for consolidation for all types of entities. IFRS 10 replaces IAS 27 – Consolidated and Separate Financial Statements and Standing Interpretations Committee ("SIC") 12 Consolidation - Special Purpose Entities. IFRS 10 is to be applied retrospectively and is effective for annual periods beginning on or after January 1, 2013, with earlier application permitted. The Company is currently evaluating the impact of the above standard on its financial statements.

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 12 – Disclosure of Interests in Other Entities, issued by the IASB in May 2011, is a new standard that addresses the disclosure requirements for all interests in other entities, including subsidiaries, joint arrangements, associates, and unconsolidated structured entities. IFRS 12 is effective for annual periods beginning on or after January 1, 2013, with earlier application permitted. The Company is currently evaluating the impact of the above standard on its financial statements.

IFRS 13 – Fair Value Measurement

IFRS 13 – Fair Value Measurement, issued by the IASB in May 2011, replaces the fair value measurement guidance currently dispersed across different IFRS standards with a single definition of fair value and a comprehensive framework for measuring fair value when such measurement is required under other IFRSs. It also establishes disclosure requirements about fair value measurements. IFRS 13 is to be applied prospectively and is effective for annual periods beginning on or after January 1, 2013, with earlier application permitted. The Company is currently evaluating the impact of the above standard on its financial statements.

Amendments to IAS 1 – Presentation of Financial Statements

The amendments to IAS 1 – Presentation of Financial Statements, issued by the IASB in June 2011, requires companies preparing financial statements to group together items within other comprehensive income ("**OCI**") on the basis of whether they may be reclassified to the profit or loss section of the income statement. The amendments also reaffirm existing requirements that items in OCI and profit or loss should be presented as either a single statement or two consecutive statements. The amendments are effective for annual periods beginning on or after July 1, 2012, with earlier application permitted. The Company is currently evaluating the impact of the above standard on its financial statements.

IAS 27 – Consolidated and Separate Financial Statements

IAS 27 – Consolidated and Separate Financial Statements was issued in May 2011 and is to enhance the relevance, reliability, and comparability of information contained in consolidated financial statements that a parent prepares for the group of entities it controls and separate financial statements (non-consolidated) that a parent, investor, or venture elects to provide, or is required by local regulation to provide. IAS 27 applies to all entities that are investors with joint control of, or significant influence over, an investee. IAS 27 is effective for annual periods beginning on or after January 1, 2013. The Company is currently assessing the impact of the new standard on its consolidated financial statements.

IAS 28 – Investments in Associates and Joint Ventures

IAS 28 – Investments in Associates and Joint Ventures was issued in May 2011 and is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. IAS 28 applies to all entities that are investors with joint control of, or significant influence over, an investee. IAS 28 is effective for annual periods beginning on or after January 1, 2013. The Company is currently assessing the impact of the new standard on its consolidated financial statements; however, it anticipates that there will be no impact on the Company.

Off-Balance Sheet Items

As at September 30, 2012, the Company has no off-balance sheet items.

Financial Instruments and Risk Management

The Company has the following financial instruments:

Cash and investments are designated as held-for-trading and are measured at fair value. Accounts payable and accrued liabilities and due to affiliate are classified as other financial liabilities and are measured at amortized cost.

Investments are recorded at cost as there is currently insufficient market activity to use the fair value method at this time.

The Company is exposed to financial risk arising from its financial assets. The Company manages its exposure to financial risks in a manner that minimizes its exposure to the extent practical. The main financial risks affecting the Company are as follows:

(a) Credit risk

The financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company mitigates its exposure to credit loss by placing its cash with major financial institutions.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking harm to the Company's reputation.

(c) Fair values

The fair value of cash and cash equivalents, accounts payable and accrued liabilities approximate their carrying value because of the short-term nature. The fair value of transactions are classified according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs are other than quoted prices in Level 1 that are either directly or indirectly observable for the asset or liability.
- Level 3 - Inputs for the asset or liability that are not based on observable market data.

Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy level. The Company's cash is transacted in active markets and has been classified using Level 1 inputs. The investment has been valued using Level 2 inputs.

Third Quarter 2012 Overview

No significant activity or transactions occurred during the nine month period ended September 30, 2012.

Outlook

The Company will continue to engage in activities to identify and evaluate businesses and assets with a view to completing an acquisition of a business or assets.

Additional Information

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

Dated

This management discussion and analysis is dated November 26, 2012.