

AILERON VENTURES LIMITED

Management's Discussion & Analysis

For the nine months ended September 30, 2014

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September 30, 2014

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, 2014.

This MD&A has been prepared by Aileron as of November 28, 2014 and should be read in conjunction with the unaudited condensed interim financial statements of Aileron for the nine months ended September 30, 2014 (the "**Financial Statements**") and the audited annual financial statements for the year ended December 31, 2013. Results are reported in Canadian dollars, unless otherwise stated and have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

The accompanying Financial Statements for the nine months ended September 30, 2014, have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the Financial Statements, the Company's recurring losses from operations, shareholder's deficit, and inability to generate sufficient cash flow to meet its obligations and sustain its operations raise substantial doubt about its ability to continue as a going concern. Management's plans concerning these matters are also discussed in Note 2 to the Financial Statements. The Financial Statements do not include any adjustments that might result from the outcome of this uncertainty.

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 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.

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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, 2014, 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 cash balances and an approximate 5.5% investment in Immunall. There is no assurance that the Company will be able to obtain additional funding.

Selected Financial Information

	September 30, 2014	December 31, 2013
Liquidity		
Cash	\$ 1,531	\$ 700
Total current assets	1,531	700
Current liabilities	49,147	40,699
Net liquidity	\$ (47,616)	(39,999)
Total assets	\$ 10,781	\$ 9,950
Number of shares outstanding at end of period	9,664,155	9,664,155

	Three months ended		Nine months ended	
	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
Total revenue	\$ -	\$ -	\$ -	\$ -
Loss from operations	\$ (1,690)	\$ (1,168)	\$ (7,617)	\$ (10,394)
Per share basis	\$ (0.000)	\$ (0.000)	\$ (0.001)	\$ (0.001)
Net loss	\$ (1,690)	\$ (1,168)	\$ (7,617)	\$ (10,394)
Per share basis	\$ (0.000)	\$ (0.000)	\$ (0.001)	\$ (0.001)
Basic and diluted weighted average number of shares during period	9,664,155	9,664,155	9,664,155	9,664,155

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Selected Quarterly Financial Information

	Q3'14	Q2'14	Q1'14	Q4'13	Q3'13	Q2'13	Q1'13	Q4'12
Total revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loss from operations	(1,690)	(3,010)	(2,917)	(6,574)	(1,168)	(8,078)	(1,148)	(5,607)
Per share basis	(0.000)	(0.000)	(0.000)	(0.001)	(0.000)	(0.001)	(0.000)	(0.001)
Net Loss	(1,690)	(3,010)	(2,917)	(6,574)	(1,168)	(8,078)	(1,148)	(14,857)
Per share basis	(0.000)	(0.000)	(0.000)	(0.001)	(0.000)	(0.001)	(0.000)	(0.002)
Total assets	\$ 10,781	\$ 10,783	\$ 10,033	\$ 9,950	\$ 10,024	\$ 10,705	\$ 9,321	\$ 9,368
Weighted average shares	9,664,155	9,664,155	9,664,155	9,664,155	9,664,155	9,664,155	9,664,155	9,664,155
Ending shares	9,664,155	9,664,155	9,664,155	9,664,155	9,664,155	9,664,155	9,664,155	9,664,155

Results of Operations

For the three and nine months ended September 30, 2014, Aileron has had no active operations. During the three and nine months ended September 30, 2014, 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 three and nine months ended September 30, 2014, the Company had a net loss of \$1,690 and \$7,617 respectively. The net losses are related to bank charges, professional fees and general and administrative expenses. A breakdown of the material components of general and administrative expenses for the three and nine months ended September 30, 2014 and September 30, 2013 is as follows:

General and Administrative Expenses	Three Months Ended		Nine Months Ended	
	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
Transfer agent fees	\$ 1,688	\$ 1,162	\$ 6,767	\$ 9,050
Total general and administrative expenses	\$ 1,688	\$ 1,162	\$ 6,767	\$ 9,050

Outstanding Share Data

As at November 28, 2014 the Company had 9,664,155 common shares issued and outstanding.

Liquidity and Capital Resources

As at September 30, 2014 Aileron had working capital deficit of \$47,616. 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 affiliates 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. The Company expects to continue to receive the financial support of its affiliate in order to pay its liabilities as they become due.

Financial Instruments

The Company's financial instruments consist of cash, investment, accounts payable, accrued liabilities and due to affiliates. 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.

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Significant accounting policies

The accounting policies of Aileron used in the determination of the results for the three and nine months ended September 30, 2014 that are disclosed and analyzed in this report are described in detail in Note 4 of Aileron's Financial Statements. These policies have been applied in preparing the Financial Statements for the three and nine months ended September 30, 2014 and the comparative information presented in the Financial Statements for the three and nine months ended September 30, 2013. 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 have been selected. The impact of any new or amended IFRS standards or interpretations will be evaluated as they are drafted and published.

Recent accounting pronouncements with undetermined adoption dates:

- IFRS 9 "Financial Instruments". The new standard replaces the current multiple classification and measurement models for financial assets and liabilities with a single model that has only two classification categories: amortized cost and fair value. The mandatory effective date of IFRS 9 has been determined pending the finalization of the new impairment model and limited amendments to the classification and measurement requirements. IFRS 9, in its current form, as described above, is available for early adoption until IFRS 9 is finalized.

The Corporation has not yet completed its assessment and evaluation of the effect of adopting the new and amended standards and the impact they may have on its financial statements.

Related Party Transactions

The amount of \$49,147 is due to affiliates and is payable to Mosaic Limited Partnership and Mosaic Capital Corporation, entities related through common ownership, arising from these entities providing advances to the Company in order to enable it to satisfy its financial obligations as they become due. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Related party transactions are in the normal course of operations and are recorded at the fair value.

Off-Balance Sheet Items

As at September 30, 2014, the Company has no off-balance sheet items.

Financial Instruments and Risk Management

The Company has the following financial instruments:

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

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.

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(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. The Company expects to continue to receive the financial support of its affiliate in order to pay its liabilities as they become due.

(c) Fair values

The fair value of cash, accounts payable and accrued liabilities and due to affiliate approximate their carrying value because of the short-term nature. Currently the Company is not involved in any hedging activities.

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - reflects valuation based on quoted prices observed in active markets for identical assets or liabilities.

Level 2 - reflects valuation techniques based on inputs that are quoted prices of similarly instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for the instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - reflects valuation techniques with significant unobservable market inputs.

A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. The financial instruments in the Company's financial statements, measured at Level 1 fair value, are cash and investment.

Third Quarter 2014 Overview

No significant activity or transactions occurred during the three and nine months ended September 30, 2014.

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 MD&A is dated November 28, 2014.