JG Wealth Management Corporation

Management’s Discussion & Analysis

Three months ended December 31, 2016

DATE AND SUBJECT OF REPORT

The following Management's Discussion & Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of the operations of JG Wealth Management Corporation ("JG" or the "Company") for the three months ended December 31, 2016.

This MD&A should be read in conjunction with the Company's audited annual consolidation financial statements of its most recent year ended September 30, 2016 and the unaudited condensed consolidated interim financial statements for the same period (the "2017 Interim Financial Statements") which are presented in Canadian dollars and are prepared in accordance with the International Accounting Standards ("IAS") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("IASB"). The Company's financial statements and other important information of the Company are available at www.sedar.com. This MD&A has been prepared effective as of March 1, 2017.

FORWARD LOOKING STATEMENTS

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guarantees of future performance. These forward looking statements involve a number of risks and uncertainties, including the impact of general economic conditions, industry conditions, and changes in Canadian and foreign laws and regulations, increased competition, fluctuations in real estate properties market, foreign exchange, and interest rates and stock market volatility. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and while many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

OVERALL PERFORMANCE

JG Wealth Management Corporation ("JG" or the "Company") was incorporated on November 29, 2007 and was previously a wholly owned subsidiary of Mag One Products Inc. ("Mag One"). The Company's principal activity is the acquisition and development of real estate properties and investment in marketable securities of public and private companies. The Company's head office is located at Suite 200 – 8338 120th Street, Surrey, BC, V3W 3N4. On March 12, 2015, the Company ceased to be a subsidiary of Mag One and the Company's shares commenced trading on Canadian Securities Exchange ("CSE") under the symbol JGW

SUMMARY OF QUARTERLY RESULTS

The Company has been dormant since inception until January 1, 2015 when assets were transferred from Mag One. The Company does not expect its revenue or net operating result subject to seasonality. As one of the Company's main activities is investment in marketable securities, the Company does expect the quarterly operating results fluctuate with the market values of the marketable securities held in hands. The table below sets out the recent eight quarterly information of the Company:

	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
	$	$	$	$	$	$	$	$
Revenue	-	-	-	-	13,274	13,274	12,264	14,286
Net income (loss)	(104,662)	454,968	379,373	30,270	(280,860)	471,490	(73,308)	51,487
Income (loss) per share, basic and diluted	0.00	0.02	0.01	0.00	(0.01)	0.02	0.00	0.01

Readers should be cautioned that the gain/loss from investment in marketable securities would fluctuate from time to time depends on the market price of the underlying marketable securities, which is unpredictable in nature.

RESULTS OF OPERATIONS

Three months ended December 31, 2016 ("2017 Q1")

During 2017 Q1, the Company had a net loss of $104,662, mainly comprised of operating expenses of $18,313,and unrealized loss from investments of $101,336, which was partially offset by interest income of $6,375, and realized gain from sale of investments of $8,612.

Main component of the operating expenses are $8,000 consulting fees and $4,500 office and administration fees.

As at December 31, 2016, the Company had $36,444 cash (September 30, 2016 - $25,287), $2,790,856 investments (September 30, 2016 - $2,724,846), $859,938 note receivable (September 30, 2016 - $853,563), $8,187 receivables (September 30, 2016 - $2,746), accounts payable and accrued liabilities of $68,665 (September 30, 2016 - $15,550), $95,222 due to related parties (September 30, 2016 - $84,650), $126,455 note payable (September 30, 2016 - $125,205), Share capital of $2,317,064 (September 30, 2016 - $2,317,064).

LIQUIDITY & CAPITAL RESOURCES

Financing of operations has been achieved primarily by equity and related party debt financing. As at December 31, 2016, the Company had a working capital of $3,410,333 (September 30, 2016 - $3,514,995). The Company is not subject to external working capital requirements.

Management believe the current liquidity on hands will be adequate to finalize the Company's operations in the next twelve months. However, management also realizes that the capital on hand may not be adequate for the Company to achieve its long term business objectives as the development of real properties takes years to finish before these properties can generate positive operating cash flow. The Company intends to finance the Company's operations by additional related party financing and/or equity financing.

While the Company was able to raise financing when needed in the past, there is no guarantee that the Company can do so in the future.

In September 2016, the Company entered into a loan agreement with a company related to a former director of the Company for a principal of $125,000. The loan bears interest at 4% per annum, is unsecured and due on September 15, 2017. The loan is secured by the 1,333,330 common shares in the capital of ZoomAway Travel Inc. which the Company subscribed for and the payment of $133,333 was included in prepaid and deposits. The Company received the common shares in the quarter ended December 31, 2016. As of December 31, 2016, the balance outstanding including accrued interest is $126,455.

As at December 31, 2016, the Company had a balance owing to the Company's former director of $50,000 (September 30, 2016 - $50,000) as a result of common shares in investments transferred from the former director.

During the quarter ended December 31, 2016, the Company entered into an unsecured promissory note with the spouse of a former director of the Company, whereby the Company agreed to pay the principal amount of $45,000 by November 2, 2017 subject to an interest rate of 3% per annum.

A note receivable consists of $850,000 advanced to a company with common directors on August 10, 2016. The note bears interest at 3% per annum, is unsecured and due on demand. As at December 31, 2016, the accrued interest receivable is $6,375. Subsequent to the quarter end, the note receivable was repaid.

During 2017 Q1, the Company used $159,191 (Fiscal 2016 - $173,127) in investing activities. It was the combined result of receiving $21,510 (Fiscal 2016 - $183,690) from the sale of marketable securities. It is partially offset by using $180,701 (Fiscal 2016 $449,654) in acquisition of marketable securities.

TRANSACTIONS WITH RELATED PARTIES

During the first quarter ended December 31, 2016 and the year ended September 30, 2016, the Company had the following transactions with related parties:

	Nature of fees	December 31, 2016	September 30, 2016
		$	$
Former director of the Company	Consulting	-	50,000
An entity with a common director	Management	3,500	3,000
An entity with a common director	Rent	4,500	3,000

Due to related parties

As at December 31, 2016, the Company had a balance owing to the Company's former director of $50,000 (September 30, 2016 - $50,000) as a result of receiving marketable securities from the former director.

During the quarter ended December 31, 2016, the Company entered into an unsecured promissory note with the spouse of a former director of the Company, whereby the Company agreed to pay the principal amount of $45,000 by November 2, 2017 subject to an interest rate of 3% per annum.

Investments

During the quarter ended December 31, 2016, the Company made $nil subscriptions (September 30, 2016 – $175,251) for common shares and share purchase warrants in private placements of Canadian public companies that have common directors.

As at December 31, 2016, common shares and warrants with a total cost of $739,480 (September 30, 2016: $913,612) and a total fair value of $1,2,36,112 (September 30, 2016: $2,028,769) are issued by Canadian public companies with common directors or officers of the Company.

Note receivable

The Note receivable consists of $850,000 advanced to a company with common directors on August 10, 2016. The note bears interest at 3% per annum, is unsecured and due on demand. As at December 31, 2016, the accrued interest receivable is $6,375 (September 30, 2016 – $3,563). Subsequent to the quarter end, the note receivable was repaid.

Notes payable

In September 2016, the Company entered into a loan agreement with a company related to a former director of the Company for a principal of $125,000. The loan bears interest at 4% per annum, is unsecured and due on September 15, 2017. The loan is secured by the 1,333,330 common shares in the capital of ZoomAway Travel Inc. which the Company subscribed for and the payment of $133,333 was included in prepaid and deposits as at September 30, 2016. The Company received the common shares in the quarter ended December 31, 2016. As at December 31, 2016, the balance outstanding including accrued interest is $126,455 (September 30, 2016 - $125,205).

Rental Revenue

The Company has no gross rental revenue in the quarter ended December 31, 2016 (September 30, 2016 - $13,274) from a company with common directors.

Share Capital

In October 2015, the Company issued 787,500 common shares at a fair value of $0.40 per shares for proceeds of $315,000 in a non-brokered private placement. Of the 787,500 common shares issued, 562,500 common shares were issued to Grand Peak Capital Corp., a company with common directors; 225,000 common shares were issued to the spouse of a former director of the Company. Of $315,000 raised, $225,000 was received in advance during the year ended September 30, 2015.

OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company has 31,434,172 common shares issued and outstanding. The Company does not have warrants and options outstanding as at the date of this report.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have off-balance sheet arrangements.

PROPOSED TRANSACTIONS

The Company does not have proposed transactions that have material effects to the Company to discuss at this time.

SIGNIFICAN ACCOUNTING POLICIEIS AND CHANGES IN ACCOUNTING POLICIES

The Company has not adopted new accounting policies since its recent year ended September 30, 2016.

New Accounting Standards and Interpretations

IFRS 9 Financial Instruments ("IFRS9") was issued by the IASB in October 2010 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. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 will be effective January 1, 2018. Earlier adoption is permitted. The Company is in the process of assessing the impact of this standard on its financial statements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	December 31, 2016	**September 30, 2016**
	$	$
Loans and receivables		
Cash	36,444	25,287
Receivables	8,187	2,746
Deposit	5,250	133,958
Note receivable	859,938	853,563
FVTPL		
Investments	2,790,856	2,724,846
	3,700,675	3,740,400

Financial liabilities included in the statement of financial position are as follows:

	December 31, 2016	**September 30, 2016**
	$	$
Non-derivative financial liabilities:		
Trade payables	54,665	-
Due to related parties	95,222	84,650
Note payable	126,455	125,205
	276,342	209,855

Fair value

The fair values of the Company's financial assets and liabilities approximates the carrying amounts either due to their short-term nature or because the interest rates applied to measure their carrying amount approximate current market rates.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

Investments consist of common shares and share purchase warrants of Canadian public companies. The fair value measurement of the common shares is classified as level 1. The fair value measure of the share purchase warrants is classified as level 3 as the fair value estimate incorporates expected future volatility which is not based on observable market data.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counter party limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Market risk

Market risk is the risk that the fair value of, or future cash flows from the Company's investment in marketable securities will significantly fluctuate because of changes in market prices. The Company is exposed to market risk or equity risk or equity price risk in trading its investment and unfavorable market conditions could result in dispositions of investments at less than favorable prices. Additionally, the Company marks its investments to market in accordance with the accounting policies at each reporting period. This process could result in significant write-downs of the Company's investment over one or more reporting periods, particularly during periods of declining markets.

Market risk includes price risk, interest rate risk and currency risk as well as factors specific to an individual investment or its issuer or risk specific to a certain market. Market risk is managed principally through diversification of investments. Management monitors the overall market risk position on a quarterly basis.

Price risk

The Company is exposed to price risk in relation to listed marketable securities held as FVTPL investment, assessed as high.

Interest rate risk

Interest risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk is minimal.

Currency risk

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to currency risk as the Company does not hold financial instrument denominated in foreign currency.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with major banks in Canada. As most of the Company's cash is held by two banks there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The Company's secondary exposure to risk is on its note receivable due from a company with common directors. The borrower does not currently have sources of revenue from operations; however, management considers that it holds sufficient liquid assets to repay the balance on demand.

Liquidity risk

Liquidity risk is the risk that the Company may be unable to meet its financial obligations as they fall due. The Company reviews its working capital position regularly to ensure there is sufficient capital in order to meet short-term business requirements, taking into account its anticipated cash flows from operations and its holding of cash.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence, safeguard the Company's ability to sustain future development of the business. The capital structure of the Company consists of cash, marketable securities, and common shares as capital.

There are no restrictions on the Company's capital and there were no changes in the Company's approach to capital management during 2017 Q1.

RISK FACTORS

Risks of the Company's business include the following:

New Enterprise

Our business is subject to risks inherent in the establishment of a new business enterprise, such as limited historical financial information, limited capital resources and the inability to raise additional funds when required. No commitments to provide additional funds have been made by management or other shareholders.

Equity Investment Risks

An investment in the common shares of the Issuer should be considered highly speculative, not only due to the Issuer's limited business history but also due to the consideration that equity investments are always subject to varying degrees of risk. These risks may include changes in general economic conditions such as the availability and cost of financing capital; changes in local conditions, such as employment; changes to tax laws; and changes to incentive programs related to the areas in which the Issuer intends to invest. In addition, financial difficulties of other equity investors result in distress sales, which may depress the stocks in which the Company operates.

Dilution to the Existing Shareholders

The Company is very likely to issue its common stock to raise for additional capital. The issuance of additional equity securities by the Company could result in a significant dilution in the equity interests of existing shareholders.

Reliance on Management's Expertise

The Company strongly depends on the business acumen and investing expertise of its management team and there is little possibility that this dependence will decrease in the near term. The loss of the services of any member of such team could have a material adverse affect on the Issuer. The Company does not have any key person insurance in place for management.

Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other companies involved in real estate development or management. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

Venture issuers are not required to include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109"). In particular, the Company's certifying officers are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's generally accepted accounting principles.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company's certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

OFFICERS AND DIRECTORS

Ayub Khan	CEO and CFO	
Rajen Janda	Former CFO	Resigned on October 26, 2016
Jatinder Bains	Director	
Sonny Janda	Director	
Lucky Janda	Former CEO and Director	Resigned on December 15, 2015