ANGEL BIOVENTURES INC.

(the “Company”)

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
THREE AND SIX MONTH PERIODS ENDED
JUNE 30, 2016

The following Management’s Discussion and Analysis (“MD&A”), prepared as of August 11, 2016, should be read together with the condensed interim financial statements for the three and six month periods ended June 30, 2016 and the related notes attached thereto. Readers are also encouraged to refer to the audited financial statements and MD&A for the year ended December 31, 2015 and related notes attached thereto. Accordingly, these condensed interim financial statements and MD&A include the results of operations and cash flows three and six month periods ended June 30, 2016 and the reader must be aware that historical results are not necessarily indicative of the future performance. All amounts are reported in Canadian dollars. The aforementioned documents can be accessed on the SEDAR web site www.sedar.com.

Unless otherwise stated, financial results are now being reported in accordance with International Financial Reporting Standards (“IFRS”). As a result, accounting policies, presentation, financial statement captions and terminology used in this discussion and analysis differ from those used in previous financial reporting.

MD&A contains the term cash flow from operations, which should not be considered an alternative to, or more meaningful than, cash flows from operating activities as determined in accordance with IFRS as an indicator of the Company’s performance. The Company’s determination of cash flow from operations may not be comparable to that reported by other companies. The reconciliation between profit or loss and cash flows from operating activities can be found in the statement of cash flows.

Description of Business

The Company was incorporated on August 31, 1993 under the Alberta Business Corporations Act. On September 30, 2015, the Company’s incorporation jurisdiction was moved to British Columbia. The Company’s registered office is located at Suite 203, 209 Granville Street, Vancouver, BC, V6C 1T2. The Company was a resource exploration company in the business of acquiring and exploring mineral properties until August 28, 2013 when the Company changed its name to Angel Bioventures Inc. Currently, the Company is looking for new investment opportunities.

These condensed interim financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize on its assets and discharge its liabilities in the normal course of business. As at June 30, 2016, the Company had a working capital deficit of $597,884 and has an accumulated deficit of $19,094,570. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company’s liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors may cast significant doubt upon the Company’s ability to continue as a going concern. These condensed interim financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

The Company’s trading symbol is DDD.H on the TSX Venture Exchange – NEX Board.

The Company’s board of directors consists of Ken Ralfs (President, CEO and CFO), Glen Macdonald, and Carol MacDonald.

Overall Performance and Results of Operations

The following discussion of the Company's financial performance is based on the condensed interim financial statements as at and for the three and six month periods ended June 30, 2016.

The condensed interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The accompanying condensed interim financial statements do not include any adjustments, which could be material in nature, relating to the recoverability and classification of recorded asset amounts and the classification of liabilities that might be necessary should the Company be unable to continue as a going concern. For further information, refer to Note 2 of the condensed interim financial statements.

Overall Performance

At June 30, 2016, the Company reported total assets of $3,975 (December 31, 2015 - $3,577), including cash of $3,505 (December 31, 2015 - $2,379) and amounts receivable of $470 (December 31, 2015 - $1,198). The increase in assets is due to proceeds from loans payable.

As at June 30, 2016, the Company had total liabilities of $601,859 (December 31, 2015 - $552,465), including $237,744 (December 31, 2015 - $223,109) of accounts payable and accrued liabilities, $283,500 (December 31, 2015 - $268,500) owing to related parties and loans payable to non-related companies in regard to financing of the Company's activities of $80,615 (December 31, 2015 - $60,856). The increase in total liabilities is due to ongoing expenses incurred in the normal course of business as well as interest expenses.

The Company had a working capital deficit of $597,884 at June 30, 2016 compared to a working capital deficit of $548,888 at December 31, 2015. The decrease in working capital is attributable to normal ongoing expenses during the periods ended June 30, 2016.

Results of Operations

During the three and six month periods ended June 30, 2016, the Company incurred operating expenses of $25,188 and $42,282 respectively compared to $27,184 and $47,681 respectively for the three and six month periods ended June 30, 2015. For the three and six month periods ended June 30, 2016, general and administrative expenses were $7,553 and $15,072 respectively compared to $7,525 and $15,078 respectively for the three and six month periods ended June 30, 2015, management fees were $7,500 and $15,000 respectively compared to $7,500 and $15,000 respectively for the three and six month periods ended June 30, 2015, professional fees were $6,500 and $6,500 respectively compared to $7,400 and $8,455 respectively for the three and six month periods ended June 30, 2015, and transfer agent and filing fees were $3,635 and $5,710 respectively compared to $4,759 and $9,148 respectively for the three and six month periods ended June 30, 2015. The decrease in losses for the three and six month periods ended June 30, 2016 compared to the three and six month periods ended June 30, 2015 was largely due to a reduction in activity during the current year.

In addition to operating expenses, the Company incurred interest expenses of $6,714 for the six month period ended June 30, 2016 compared to $5,068 for its six month period ended June 30, 2015.

The Company recorded net losses of $28,774 and $48,996 for the three and six month periods ended June 30, 2016 compared to net losses of $29,813 and $52,749 for the three and six month periods ended June 30, 2015. The net loss on a year-over-year basis is consistent which is reflective of the Company's minimal operating transactions as the Company continues to seek new business opportunities.

The Company did not record any revenues during the three and six month periods ended June 30, 2016 or June 30, 2015.

Selected Annual Financial Information

The following table provides a brief summary of the Company's financial operations. This information has been prepared in accordance with IFRS.

	December 31 2015 $	December 31 2014 $	December 31 2013 $
Total revenue	-	-	-
Net loss before other items	(86,822)	(85,102)	(98,031)
Net loss for the period	(94,939)	(94,157)	(126,949)
Basic and diluted loss per share	(0.08)	(0.08)	(0.07)
Total assets	3,577	7,905	37,952
Total long-term liabilities	-	30,000	30,000

Summary of Quarterly Results

	June 30, 2016 $	Mar. 31, 2016 $	Dec. 31, 2015 $	Sept. 30, 2015 $
Net loss for the period	(28,774)	(20,222)	(17,715)	(24,474)
Basic and diluted loss per share	(0.025)	(0.015)	(0.015)	(0.020)

	June 30, 2015 $	Mar. 31, 2015 $	Dec. 31, 2014 $	Sept. 30, 2014 $
Net loss for the period	(29,813)	(22,937)	(19,514)	(20,499)
Basic and diluted loss per share	(0.025)	(0.020)	(0.015)	(0.015)

Liquidity and Capital Resources

At June 30, 2016, the Company had a cash balance of $3,505 compared with $2,379 at December 31, 2015. The increase in cash is due to the fact that the Company raised proceeds from loans payable and a portion of the cash remains unused at June 30, 2016. The Company had a working capital deficit of $597,884 and an accumulated deficit of $19,094,570 at June 30, 2016.

During the six month period ended June 30, 2016, the Company used $18,634 of cash for operating activities compared to $2,912 for the six month period ended June 30, 2015. During the six month period ended June 30, 2016, the Company received $19,759 of loan proceeds from financing activities compared to $3,895 during the six month period ended June 30, 2015.

For the six month periods ended June 30, 2016 and 2015, the Company did not have any investing activities.

Related Party Transactions

(a) At June 30, 2016, the Company owed $246,000 (December 31, 2015 - $231,000) to the Chief Executive Officer of the Company for management fees, which is unsecured, non-interest bearing, and due on demand.

(b) At June 30, 2016, the Company owed $37,500 (December 31, 2015 - $37,500) to a director of the Company for management fees, which is unsecured, non-interest bearing, and due on demand.

(c) During the six month period ended June 30, 2016, the Company incurred $15,000 (2015 - $15,000) of management fees to directors and officers of the Company.

Loans Payable

(a) As at June 30, 2016, the Company owed $30,000 (December 31, 2015 - $30,000) to a non-related company. The amount owing is unsecured, bears interest at 10% per annum compounded semi-annually, and is due on September 20, 2016.

(b) As at June 30, 2016, the Company owed $20,000 (December 31, 2015 – $20,000) to a non-related company. The amount owing is unsecured, bears interest at 20% per annum compounded monthly, and was due on February 24, 2014. The loan has not been extended but is continuing on a month-to-month basis.

(c) As at June 30, 2016, the Company owed $30,615 (December 31, 2015 - $10,856) to a non-related company for financing of the Company's operations. The amount owing is secured by a general security agreement, bears interest at 8% per annum compounded semi-annually, and is due on demand.

Share Capital

As at August 11, 2016, and June 30, 2016, there were 1,188,844 common shares outstanding.

Share Purchase Warrants

As at August 11, 2016, and June 30, 2016, the Company does not have any share purchase warrants outstanding and is not subject to any escrow agreements or other restrictions on its shares.

Stock Options

As at August 11, 2016, and June 30, 2016, the Company does not have any options, rights or other derivatives outstanding and is not subject to any escrow agreements or other restrictions on its shares.

Accounting Policies and Estimates

The significant accounting policies of the Company are disclosed in Note 2 to the condensed interim financial statements. Certain accounting policies require that management make appropriate decisions with respect to the formulation of estimates and assumptions that affect the reported amounts of assets, liabilities, and revenues and expenses. The Company's management reviews its estimates regularly.

Financial Instruments and Risks

Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at June 30, 2016 as follows:

The fair values of other financial instruments, which include amounts receivable, accounts payable and accrued liabilities, and amounts due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments. The fair value of convertible debt is estimated to approximate its carrying value based on borrowing rates currently available to the Company for a loan with similar terms.

Financial Instruments and Risks (continued)

Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. Amounts receivable consist of GST/HST refunds due from the Government of Canada. The carrying amount of financial assets represents the maximum credit exposure.

Foreign Exchange Rate Risk

The Company is not exposed to any significant foreign exchange rate risk.

Interest Rate Risk

The Company is not exposed to any significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities. As the Company does not have any producing assets or any current programs for exploration management considers the Company's commodity price risk to be minimal.

Management's Report on Internal Controls over Financial Reporting

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the audited financial statements and the condensed interim financial statements and their respective accompanying MD&A's.

The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the financial statement filings on SEDAR at www.sedar.com.

Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital and share-based payment reserve.
The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.
The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended December 31, 2015.

Forward-Looking Statements

This MD&A contains forward-looking information (within the meaning of Canadian securities laws) about the Company and its future plans. Forward-looking information reflects management's expectations or beliefs regarding future events rather than historical facts, and in this MD&A include, without limitation, statements regarding potential mineralization and resources, exploration results, and future plans and objectives of the Company. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "scheduled", "believes", or variations of such words and phrases or statements that certain actions, events or results "potentially", "may", "could", "would", "might" or "will" be taken, occur or be achieved. There can be no assurance that forward-looking statements will prove to be accurate, and actual results could differ materially from those expressed or implied by the forward-looking statements. Forward-looking statements are based on certain assumptions that management believes are reasonable at the time they are made. Important factors that could cause actual results to differ materially from the Company's expectations include, among others, risks related to the ability of the Company to obtain necessary financing and adequate insurance; the economy generally; fluctuations in the currency markets; fluctuations in the spot and forward price of gold or certain other commodities (e.g., diesel fuel and electricity); changes in interest rates; disruption to the credit markets and delays in obtaining financing; the possibility of cost overruns or unanticipated expenses; employee relations. Accordingly, readers are advised not to place undue reliance on forward-looking statements. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise. Reference to the section entitled "Risks and Uncertainties" immediately preceding this section.

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