

Abcana Capital Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Three Months Ended March 31, 2015

Dated May 29, 2015

Management's Discussion and Analysis

For the year ended March 31, 2015

Dated as of May 29, 2015

This MD&A has been prepared by management and reviewed and approved by the Audit Committee. The following discussion of performance, financial condition and future prospects should be read in conjunction with the unaudited financial statements of the Company and notes thereto for the three months ended March 31, 2015 audited financial statements of the Company and notes thereto for the year ended December 31, 2014. The information provided herein supplements but does not form part of the financial statements. This discussion covers the three months ended March 31, 2015 and the subsequent period up to the date of issue of this MD&A. Unless otherwise noted, all dollar amounts are stated in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the common shares of the Company; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Forward-looking Statements

Certain sections of this Management Discussion and Analysis may contain forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from actual future results. The risks, uncertainties and other factors that could influence actual results are described in the "Risks and Uncertainties" section of this report. The forward-looking statements contained herein are based on information available as of November 28, 2014.

Description of Business and Overview

Abcana Capital Inc. ("Abcana" or the "Company") is capital pool company ("CPC") as defined in TSX Venture Exchange ("TSX-V") Policy 2.4. The Company proposes to identify and evaluate companies, business, properties, or assets for acquisition and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder and regulatory approval. The Company's common shares commenced trading on the TSX-V on November 10, 2011.

On November 12, 2013 the Company was suspended from trading as it had failed to complete its qualifying transaction within 24 months of listing. On February 7, 2014 the Company received acceptance to transfer to NEX. Also on that date, the Company cancelled half of the two million seed shares issued at \$0.05 per share as held by the Company's directors. On March 19, 2014 Abcana was reinstated for trading.

On February 2, 2012 the Company filed a Filing Statement setting out a proposed transaction to acquire New Coal Energy Pty Ltd. by way of a reverse acquisition (the "Transaction").

On May 28, 2012, the Company filed an amended filing statement setting out a revised proposed transaction (the "Revised Transaction").

On August 28, 2012, the Company announced that it had terminated the Revised Transaction.

On July 5, 2013, the Company entered into a binding letter agreement regarding a proposed business combination (the “IRG Transaction”) with IRG Exploration & Mining Inc. (“IRGEM”) and IRG Capital Corp. (“IRGCC”). It was intended that the IRG Transaction would constitute the Company’s Qualifying Transaction pursuant to TSX-V Policy 2.4. Pursuant to the terms of the IRG Transaction, it was proposed that a subsidiary of the Company would amalgamate with IRGCC and the company so formed will then amalgamate with IRGEM. On March 12, 2014 the Company terminated the Transaction with IRGEM and IRG Capital Corp.

On May 2, 2014, the Company completed a private placement financing by issuing 1,000,000 common shares at \$0.10 per share for gross proceeds of \$100,000. The Company paid finders cash commissions totalling \$6,400 and issued 80,000 non-transferable share purchase warrants in connection with the financing. Each finder’s share purchase warrant entitles the holder to acquire one common share of the Company at a price of \$0.17 per share for a period of one year from the date of issue.

On July 10, 2014, the Company entered into a business combination agreement (the “Agreement”) with Casa Minerals Inc. (“Casa”) whereby the Company agreed to acquire all of the issued and outstanding shares of Casa (the “Transaction”). Under the terms of the Agreement, the Company will issue a total of 11,695,301 common shares of the Company to the shareholders of Casa. Each shareholder of Casa will receive approximately one common share of the Company in exchange for each common share of Casa. The Transaction, if completed, will be structured as a three-cornered amalgamation whereby Casa will amalgamate with a subsidiary of the Company (the “Amalgamation”).

In conjunction with closing the Transaction, the Company will complete a proposed non-flow-through private placement offering of 3,333,333 Units and up to a maximum of 8,000,000 Units at a price of \$0.15 per Unit for minimum gross proceeds of \$500,000 up to a maximum of \$1,200,000, and a proposed flow-through private placement offering of 2,500,000 Flow-Through Units and up to a maximum of 10,000,000 Flow-Through Units at a price of \$0.20 per Flow-Through Unit for minimum gross proceeds of \$500,000 up to a maximum of \$2,000,000.

Each Unit will be comprised of one common share and one share purchase warrant (“Warrant”), with each Warrant entitling the holder to purchase one additional share at \$0.20 per share for a period of two years from the date of the issue. Each Flow-Through Unit will be comprised of one flow-through common share and one-half of one Warrant, with each whole Warrant entitling the holder to purchase one additional share at \$0.25 per share for a period of two years from the date of issue. The Company will have the right to accelerate the expiry date of the Warrants if, at any time, the average closing price of the common shares is equal to, or greater than \$0.25 (in respect of the Warrants issued under the non-flow-through financing) and \$0.30 (in respect of the Warrants issued under the flow-through financing) for 10 consecutive trading days. In the event of acceleration, the expiry date will be accelerated to a date that is 30 days after the Company issues a news release announcing that it has elected to exercise this acceleration right.

After completing the Transaction, the Company plans to change its name to “Casa Minerals Inc.” and the common shares of the Company will be listed on the TSX Venture Exchange under a new trading symbol.

On November 14, 2014, the TSX Venture Exchange conditionally accepted the Transaction. Closing of the Transaction is subject to completion of the above note financing, approval of the Transaction by the shareholders of Casa and such other conditions as set forth by the TSX Venture Exchange.

Results of Operations

The Company was incorporated on April 19, 2010. The Company does not have any operations and will not conduct any business other than the identification and evaluation of business and assets for potential acquisition.

The Company raised gross proceeds of \$100,000 from a private placement financing during the current fiscal period and had \$8,542 in cash as at March 31, 2015 (December 31, 2014 - \$20,356).

Summary of Quarterly Information

The following table sets forth a comparison of net loss for the previous eight quarters ending with March 31, 2015. Financial information is prepared according to IFRS and is reported in Canadian Dollars.

	31-Mar-15	31-Dec-14	30-Sep-14	30-Jun-14	31-Mar-14	31-Dec-13	30-Sep-13	30-Jun-13
Interest income	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss	\$7,093	\$26,238	\$34,676	\$ 7,706	\$ 4,736	\$ 4,633	\$1,939	\$9,098
Net loss / share	\$0.00	\$0.01	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.01

The Company has incurred an overall deficit, from its incorporation date to March 31, 2015, of \$380,303.

The Company recorded a net loss of \$7,093 during the three month period ended March 31, 2015 compared to \$4,736 for the three month period ended March 31, 2014.

The expenses for the current quarter included Transfer Agent and Filing fees of \$2,583 (2014-\$4,730), administration fees of \$3,491 (2014-\$6) and professional fees of \$930 (2014- \$nil).

Liquidity and Capital Resources

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. At March 31, 2015 the Company had cash of \$8,542 available to meet short-term business requirements. The Company has no long term debt.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Related Party Transactions

There are no related party transactions.

Contractual Commitments

There are no contractual commitments.

Subsequent Events and Proposed Transactions

There were no significant events subsequent to March 31, 2015.

On July 10, 2014, the Company entered into a business combination agreement (the "Agreement") with Casa Minerals Inc. ("Casa") whereby the Company agreed to acquire all of the issued and outstanding shares of Casa (the "Transaction").

Under the terms of the Agreement, the Company will issue a total of 11,695,301 common shares of the Company to the shareholders of Casa. Each shareholder of Casa will receive approximately one common share of the Company in exchange for each common share of Casa. The Transaction, if completed, will be structured as a three-cornered amalgamation whereby Casa will amalgamate with a subsidiary of the Company (the "Amalgamation").

After completing the Transaction, the Company plans to change its name to "Casa Minerals Inc." and the common shares of the Company will be listed on the TSX Venture Exchange under a new trading symbol.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Assets

All financial assets are initially recorded at fair value and classified upon inception into one of the following four categories: held-to-maturity, available-for-sale, loans and receivables or at FVTPL.

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company's cash is classified as FVTPL.

Financial assets classified as loans and receivables and held-to-maturity are measured at amortized cost.

Financial assets classified as available-for-sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss), except for losses in value that are considered other-than-temporary.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

Financial Liabilities

All financial liabilities are initially recorded at fair value and classified upon inception as FVTPL or other financial liabilities. Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. The Company's accounts payable are classified as other financial liabilities.

Financial liabilities classified as FVTPL include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives, are also classified as held-for-trading unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through net income.

Impairment of Financial Assets

The Company assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or group of financial assets.

Fair Value

The carrying values of cash and accounts payable and accrued liabilities approximate their fair values due to the short term maturity of these financial instruments.

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. Credit risk for the Company is associated with its cash. The Company is not exposed to significant credit risk as its cash is placed with a major Canadian financial institution.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk. The Company is not exposed to significant market risk.

Use of Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the determination of valuation allowance for future tax assets and valuation of agent warrants. While management believes the estimates are reasonable, actual results could differ from these estimates and could impact future results of operations and cash flows.

Adoption of New and Amended IFRS Pronouncements

The Company has adopted the new and amended IFRS pronouncements listed below as at January 1, 2013.

IFRS 13 Fair Value Measurement

IFRS 13 replaces the fair value measurement guidance contained in individual IFRSs with a single source of fair value measurement guidance. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, i.e. an exit price. The standard also establishes a framework for measuring fair value and sets out disclosure requirements for fair value measurements to provide information that

enables financial statement users to assess the methods and inputs used to develop fair value measurements and, for recurring fair value measurements that use significant unobservable inputs, the effect of the measurements on the statement of loss and comprehensive loss or other comprehensive income.

The Company adopted IFRS 13 in its financial statements on January 1, 2013. The adoption of IFRS 13 has no material impact on the financial statements for the current period.

IFRS 13 and corresponding amendments to IAS 34 have additional disclosure requirements regarding financial instruments in the interim and annual financial statements. The Company has the following financial instruments: cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities. Cash and cash equivalents are measured at fair value and are classified as Level 1 within the fair value hierarchy of IFRS 13. Amounts receivable and accounts payable and accrued liabilities are measured at amortized cost and their carrying value approximates their fair value due to the short-term nature of the instruments.

New Accounting Standards and Interpretations Not Yet Adopted

All of the new and revised standards described below may be early-adopted.

IFRS 9 *Financial Instruments* (2009)

Introduces new requirements for classifying and measuring financial assets, as follows:

- Debt instruments meeting both a “business model” test and a “cash flow characteristics” test are measured at amortized cost (the use of fair value is optional in some limited circumstances)
- Investments in equity instruments can be designated as “fair value through other comprehensive income” with only dividends being recognized in profit or loss
- All other instruments (including all derivatives) are measured at fair value with changes recognized in the profit or loss.

The concept of “embedded derivatives” does not apply to financial assets within the scope of the standard and the entire instrument must be classified and measured in accordance with the above guidelines.

The adoption date of the standard has been postponed indefinitely.

IFRS 9 *Financial Instruments* (2010)

A revised version of IFRS 9 incorporating revised requirements for the classification and measurement of financial liabilities, and carrying over the existing de-recognition requirements from IAS 39 *Financial Instruments: Recognition and Measurement*.

The revised financial liability provisions maintain the existing amortized cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at FVTPL; in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss.

The adoption date of the standard has been postponed indefinitely.

Risks and Uncertainties

The Company's financial performance is likely to be subject to the following risks:

1. The Company has not commenced commercial operation, and has no assets other than cash, has no history of earnings and shall not generate earnings to pay dividends until at least after the completion of the Qualifying Transaction;
2. Until the completion of the Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification of and evaluation of potential Qualifying Transactions;
3. The Company only has limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify or complete a suitable Qualifying Transaction.

Management's responsibility for financial statements

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the accompanying financial statements.

May 29, 2015

On behalf of Management and the Board of Directors,

"Robert Hall"

Chief Executive Officer, Corporate Secretary and Director