

**RG ONE CORP.**

**(A CAPITAL POOL COMPANY)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE THREE AND NINE MONTHS ENDED  
MARCH 31, 2016**

**Introduction**

The following management’s discussion and analysis (“**MD&A**”) of the financial condition and results of the operations of RG One Corp. (“**RG One**” or the “**Corporation**”) constitutes management’s review of the factors that affected the Corporation’s financial and operating performance for the three and nine months ended March 31, 2016. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the unaudited condensed interim financial statements for the three and nine months ended March 31, 2016, and the audited annual June 30, 2015 financial statements together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Corporation’s financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”) and interpretations of the IFRS Interpretations Committee. Information contained herein is presented as of May 27, 2016, unless otherwise indicated.

Further information about the Corporation and its operations can be obtained from the offices of the Corporation or from [www.sedar.com](http://www.sedar.com).

**Cautionary Note Regarding Forward-Looking Information**

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as “**forward-looking statements**”). These statements relate to future events or the Corporation’s future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

<b>Forward-looking statements</b>	<b>Assumptions</b>	<b>Risk factors</b>
The Corporation’s ability to meet its working capital needs at the current level for the twelve-month period ending March 31, 2017.	The operating activities of the Corporation for the twelve-month period ending March 31, 2017, and the costs associated therewith, will be consistent with the Corporation’s current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Corporation.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; regulatory compliance and changes in regulatory compliance and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Corporation's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Corporation's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Corporation undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Corporation does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

### **Description of Business**

The Corporation was incorporated under the *Business Corporations Act* (Ontario) on September 26, 2014 and to date there have been limited operations. The registered office of the Corporation is located at 25 Adelaide Street East, Suite 1900, Toronto, Ontario, M5C 3A1, Canada. The Corporation's financial year end is June 30.

Pursuant to an agency agreement dated February 17, 2015, the Corporation filed a prospectus for the issuance of a minimum of 3,600,000 common shares and a maximum of 10,000,000 common shares at \$0.10 per common share for gross proceeds of \$360,000 in the case of the minimum offering and \$1,000,000 in the case of the maximum offering. Concurrently, the Corporation applied to the TSX Venture Exchange to list the common shares under the TSX Venture Exchange Capital Pool Corporation Program. The Corporation agreed to reimburse the agent for its legal fees incurred pursuant to the Offering estimated to be \$15,000.

The Corporation was unable to raise the minimum offering and filed an amended and restated prospectus dated May 21, 2015 to extend the minimum offering period.

On August 24, 2015, the Corporation re-filed a final prospectus dated August 20, 2015 relating to the sale and issuance of a minimum of 3,600,000 common shares and a maximum of 10,000,000 common shares at \$0.10 per common share.

On November 18, 2015, the Corporation re-filed an amended prospectus to extend the offering period.

On February 22, 2016, the prospectus offering lapsed without closing. As a result, the Corporation withdrew its application to list on the Exchange.

### Summary of Quarterly Results

Period	Revenue (\$)	Profit or (Loss)		Total assets (\$)
		Total (\$)	Basic and diluted loss per share <sup>(1)</sup> (\$)	
January 1, 2016 to March 31, 2016	Nil	(128,712)	(0.00)	214,815
October 1, 2015 to December 31, 2015	Nil	(4,055)	(0.00)	403,607
July 1, 2015 to September 30, 2015	Nil	(3,960)	(0.00)	406,369
April 1, 2015 to June 30, 2015	Nil	(11,316)	(0.00)	409,081
January 1, 2015 to March 31, 2015	Nil	Nil <sup>(2)</sup>	(0.00)	369,041
September 26, 2014 to December 31, 2014	Nil	Nil <sup>(2)</sup>	(0.00)	369,401

(1) Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.

(2) The Corporation did not expense any amounts for the period from incorporation (September 26, 2014) to March 31, 2015,

### Discussion of Operations

#### Three Months Ended March 31, 2016 vs Three Months Ended March 31, 2015

During the three months ended March 31, 2016, the Corporation incurred a loss of \$128,712, including operational expenses of \$2,750, consisting of accounting and expenses of a general nature. Additionally the Corporation wrote down \$125,962 of deferred financing costs, consisting primarily legal, audit and regulatory filing fees pursuant to the February 22, 2016 lapse of the underlying prospectus offering. In the comparative three months ended March 31, 2015, the Corporation incurred \$40,970 in filing, regulatory and professional fees charged to deferred financing costs and had no activity on its statement of loss and comprehensive loss.

#### Nine Months Ended March 31, 2016 vs Nine Months Ended March 31, 2015

During the nine months ended March 31, 2016, the Corporation incurred a loss of \$136,727, including operational expenses of \$10,765, consisting of accounting and expenses of a general nature. Additionally the Corporation wrote down \$125,962 of deferred financing costs, consisting primarily legal, audit and regulatory filing fees pursuant to the February 22, 2016 lapse of the underlying prospectus offering. In the comparative nine months ended March 31, 2015, the Corporation incurred \$50,010 in filing, regulatory and professional fees charged to deferred financing costs and had no activity on its statement of loss and comprehensive loss.

**Liquidity**

At March 31, 2016, the Corporation had working capital of \$211,958. On February 22, 2016, the prospectus offering lapsed without closing. The Corporation manages its capital structure and makes adjustments to it, based on available funds to the Corporation. Management believes the Corporation's working capital is sufficient for the Corporation to meet its ongoing obligations, however, with the lapse of its prospectus offering without closing, management has serious concerns the Corporation meet its objective of participating in the Exchange's Capital Pool Corporation program.

**Capital Resources**

During the prior fiscal year, the Corporation issued 3,100,000 common shares at \$0.05 per share, 2,050,000 common shares at \$0.10 per share, and one common share at \$1.00 for total proceeds of \$360,001.

**Off-Balance Sheet Arrangements**

As of the date of this filing, the Corporation does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Corporation including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

**Proposed Transactions**

The Corporation has suspended its process of identifying potential acquisitions.

**Related Party Transactions**

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

Names	March 31, 2016 (\$)
Legal fees paid to Boyle & Co. LLP ("B & Co.") (i)	33,715

- (i) An officer, director and shareholder of the Corporation is a partner of B & Co. The transactions are for legal services provided by B & Co. to the Corporation. During the nine months ended March 31, 2016, \$33,715 was incurred pertaining to legal fees charged by B&Co. As at March 31, 2016, \$nil (June 30, 2015 - \$36,500) was included in accounts payable and accrued liabilities in relation to these fees.
- (ii) To the knowledge of the directors and senior officers of the Corporation, as at March 31, 2016, no person or Corporation beneficially owns or exercises control or direction over common shares of the Corporation carrying more than 10% of the voting rights attached to all of the common shares of the Corporation other than one shareholder, who owns or controls, directly or indirectly, 17% of the issued and outstanding shares of the Corporation. The holding will be less than 10% upon closing the Corporation's initial public offering and can change at any time at the discretion of the owner.

None of the Corporation's major shareholders have different voting rights other than holders of the Corporation's common shares.

### **Risk Factors**

An investment in the securities of the Corporation is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Corporation and its financial position.

Investment in the Corporation must be regarded as highly speculative due to the proposed nature of the Corporation's business and its present stage of development. The Corporation was only recently incorporated and has no active business or assets other than cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the completion of a transformational business transaction which is now uncertain. The investment in the Corporation is only suitable to investors who are prepared to rely entirely on the directors and management of the Corporation and can afford to risk the loss of their entire investment. The directors and officers of the Corporation will only devote part of their time and attention to the affairs of the Corporation and there are potential conflicts of interest to which some of the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. There can be no assurance that an active and liquid market for the Corporation's Common Shares will develop and an investor may find it difficult to resell the Common Shares. The Corporation has only limited funds with which to identify and evaluate possible transformational business transactions and there can be no assurance that the Corporation will be able to identify or complete a suitable transformational business transaction.

### **Future Changes In Accounting Policies**

IFRS 9, Financial Instruments ("**IFRS 9**") was issued by the IASB in October 2010 and will replace IAS 39, Financial Instruments: Recognition and Measurement ("**IAS 39**"). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. 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. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The Corporation is in the process of assessing the impact of this pronouncement.

IAS 1 Presentation of Financial Statements was amended by the IASB in December 2014. The amendments are designed to further encourage companies to apply professional judgement in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that companies should use professional judgement in determining where and in what order information is presented in the financial disclosures. The Corporation is in the process of assessing the impact of this pronouncement.

### **Financial Instruments**

The Corporation's financial instruments consist of cash, and accounts payable and accrued liabilities. Cash is measured at fair value. Accounts payable and accrued liabilities approximate fair value due to their relatively short term maturity. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

### **Capital Management**

The Corporation's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Corporation includes equity, comprised of share capital, reserves and deficit, in the definition of capital.

The Corporation's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

### **Outlook**

For the immediate future, the Corporation intends to evaluate direct or indirect acquisitions of assets to complete a transformational business transaction. The Corporation continues to monitor its spending and will amend its plans based on business opportunities that may arise in the future.

### **Share Capital – Outstanding Share Data**

As of the date of this MD&A, the Corporation had 5,150,001 issued and outstanding common shares.

### **Additional Disclosure for Venture Issuers without Significant Revenue**

Write-down of deferred financing costs is comprised of the following:

	<b>March 31, 2016 (\$)</b>
General and administrative	7,079
Professional fees	94,091
Regulatory and filing fees	24,792
<b>Total Write-down of Deferred Financing Costs</b>	<b>125,962</b>