

REBEL CAPITAL 2.0 CORP.
Management's Discussion and Analysis
For the Three Months Ended March 31, 2021

Introduction

The following management's discussion and analysis ("**MD&A**") is dated May 14, 2021, unless otherwise indicated, and should be read in conjunction with the unaudited interim condensed financial statements of Rebel Capital 2.0 Corp. (the "**Corporation**" or "**Rebel**") for the three months ended March 31, 2021 (the "**Quarterly Financial Statements**"), as well as the audited financial statements for the year ended December 31, 2020 (the "**Audited Financial Statements**"), and the related notes thereto. This MD&A was written to comply with the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations*. Results are reported in Canadian dollars, unless otherwise noted. The results presented for the three months ended March 31, 2021 are not necessarily indicative of the results that may be expected for any future period.

Forward-Looking Statements

Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Corporation's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. The Corporation's actual results could differ materially from those anticipated in these forward-looking statements as a result of various risk factors.

Overview

The Corporation was incorporated under the *Business Corporations Act* (British Columbia) on October 19, 2017 and, subsequent to the completion of its initial public offering ("IPO") on November 21, 2018, is a Capital Pool Corporation ("**CPC**") as defined in the Policy 2.4 of the TSX Venture Exchange (the "**Exchange**" or the "**TSXV**") Corporate Finance Manual. The Corporation is authorized to issue an unlimited number of common shares ("**Common Shares**") and an unlimited number of preferred shares. The registered office of the Corporation is located at 3200, 650 West Georgia Street, Vancouver, BC.

The principal business of the Corporation is the identification and evaluation of assets or businesses with a view to completing a qualifying transaction. Until the completion of a qualifying transaction, the Corporation will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a qualifying transaction. The Corporation's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition or business, or

an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned and, in the case of a non-arm's length transaction, of the majority of the minority shareholders.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that a certain prescribed limit as determined under TSXV Policy 2.4 may be used by the Corporation in respect of covering the prescribed costs of issuing the Common Shares and general administrative expenses of the Corporation. These restrictions apply until completion of the qualifying transaction by the Corporation as defined under the policies of the Exchange.

As of December 31, 2020, expenditures of the Company exceeded the scope of the allowable general administrative expenses based on the aforementioned restrictions. As part of the qualifying transaction application to be submitted in connection with the transaction with 1271332 B.C. Ltd. (see below), the Company will submit a waiver application to the Exchange in regard to this matter of non-compliance. The Exchange will review the details of this waiver application in conjunction with its overall consideration of the qualifying transaction application. At their discretion, the Exchange may determine that the waiver application is denied and, consequentially, may deny the entire qualifying transaction submission.

On November 19, 2020, the Corporation entered into a binding letter of intent in respect of a proposed qualifying transaction (see below). Consequently, the Exchange has suspended trading of the Corporation's shares pending the completion of this transaction. As at the date hereof, the Corporation continues to remain suspended from trading on the Exchange pending the outcome of the qualifying transaction.

Under the terms of the New CPC Policy of the Exchange, which were approved by the shareholders of the Corporation for adoption during its annual general and special meeting of shareholders held on May 6, 2021 (the "**AGM**"), the previous consequences to a CPC if a qualifying transaction is not completed within 24 months from the date of listing have now been removed. Such consequences included the delisting of the Corporation by the Exchange or, alternatively, the Corporation applying for a listing on NEX, a separate trading platform of the Exchange intended for companies which have become inactive or have low levels of activity. While there is no certainty that the Corporation will complete the current proposed qualifying transaction, the potential of delisting from the Exchange or listing on NEX are no longer a concern to the Corporation as it relates to the qualifying transaction.

Proposed Qualifying Transaction

On November 19, 2020, the Corporation entered into a binding letter of intent with 1271332 B.C. Ltd. ("**TargetCo**"), in respect of a proposed transaction pursuant to which Rebel intends to acquire a mineral property option on a mineral property in Saskatchewan, Canada known as the Wedge Lake Property (the "**Property**") and approximately \$300,000 in cash. Preliminary terms stipulate that Rebel will issue 10,000,000 common shares in the capital of the Corporation (the "**Consideration Shares**") to acquire the Property option and the \$300,000 cash (the "**Target Assets**"). There are also 5,000,000 outstanding common stock purchase warrants of TargetCo that shall be exchanged for new common stock purchase warrants of Rebel. The warrants may be exercised by the holders at a price of \$0.10 per share for a period of five years. Upon completion of the transaction, the combined entity will carry on the business of exploration of the Property.

The letter of intent contains a condition that prior to the closing of the proposed transaction, Rebel will complete a concurrent financing of common shares at \$0.20 per share for proceeds of \$500,000 to

\$1,000,000, depending on the requirements of the work program presented in the 43-101F1 Technical Report and the requirements of the TSXV. The proceeds of the concurrent financing will be used for exploration on the Property, maintenance of the Property option and general working capital.

Under the terms of the Letter of Intent, Rebel and TargetCo will negotiate and enter into a definitive agreement incorporating the principal terms of the contemplated transaction set forth herein and, in addition, such other terms and provisions of a more detailed nature as the parties may agree upon.

Subject to any Exchange, regulatory, shareholder, director or other approvals that may be required, the completion of satisfactory due diligence by Rebel and TargetCo, and the satisfaction of other conditions contained in the letter of intent, it is currently anticipated that the transaction will occur as an asset purchase.

Previously on January 3, 2020, the Corporation entered into a definitive agreement with Alzex BioMedical Inc. ("**Alzex**") in respect of a proposed transaction pursuant to which Alzex was expected to acquire Rebel by way of reverse takeover. Pursuant to the terms of the definitive agreement, a special-purpose subsidiary of Rebel was to amalgamate with Alzex and subsequently carry on the business of Alzex under the name "Alzex Biomedical Group Inc.". On September 25, 2020, the Corporation announced that the proposed transaction with Alzex was terminated.

COVID-19 Pandemic

In March 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Corporation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may, in general, cause reduced customer demand, supply chain disruptions, staff shortages, and increased government regulations, all of which may negatively impact the Corporation's financial condition and the timing for the completion of a qualifying transaction.

Initial Public Offering

On November 21, 2018, the Corporation completed its IPO and issued 2,000,000 Common Shares at a price of \$0.10 per Common Share for total gross proceeds of \$200,000. Pursuant to an agency agreement dated August 16, 2018 (the "**Agency Agreement**") between the Corporation and Mackie Research Capital Corporation (the "**Agent**"), the Agent received a cash commission of \$20,000, a corporate finance fee of \$10,000 and an amount equal to the Agent's reasonable expenses. Effective November 21, 2018, the date that the Common Shares were listed for trading on the Exchange, the Corporation issued to the Agent options to purchase 200,000 Common Shares at an exercise price of \$0.10, which expired on November 21, 2020 (the "**Agent's Option**"). The Corporation incurred total share issue costs of \$60,336, consisting of cash transaction costs of \$49,706 directly related to the Offering and \$10,630 for share-based payments related to the Agent's Options.

As a result of the closing of the IPO, the Company has 4,013,329 Common Shares issued and outstanding (2,013,329 of which are subject to escrow restrictions), 200,000 Common Shares reserved for issuance upon the exercise of the Agent's Options, and 199,998 Common Shares reserved for issuance upon the exercise of outstanding stock options.

After the completion of the IPO, Common Shares previously issued will be subject to an escrow agreement and may be cancelled in the event the Corporation is unable to complete a qualifying transaction within the required time limit of two (2) years. These shares are accounted for as contingently returnable shares and are excluded from the calculation of loss per share.

Stock Options

On January 25, 2018, the Corporation adopted a stock option plan, pursuant to which the board of directors of the Corporation may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, and employees of and consultants to the Corporation, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares at the time of grant. Due to the terms of the New CPC Policy adopted by shareholders at the AGM, there no longer exists the restriction that for so long as the Corporation is a CPC under the policies of the Exchange, the aggregate number of common shares issuable upon exercise of all options granted under the stock option plan shall not exceed 10% of the common shares of the Corporation issued and outstanding at the closing of the Corporation's initial public offering.

Options granted under the option plan may be exercisable for periods of up to 10 years from the date of grant. As well, due to the New CPC Policy adopted by shareholders at the AGM, the number of common shares reserved for issuance to any individual director or officer will not exceed 5% and to all technical consultants will not exceed 2% of the common shares of the Corporation issued and outstanding at the time of grant. Options granted to the directors and officers of the Corporation while it is a CPC may be exercised during the greater of 12 months after the completion of the qualifying transaction and 90 days following cessation of the optionee's position with the Corporation, provided that if the cessation of office, directorship, or technical consulting arrangement is by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Any common shares acquired pursuant to the exercise of options prior to the completion of the qualifying transaction must be deposited in escrow and will be subject to the requirements of the Exchange under a CPC escrow agreement, as described previously.

On June 20, 2018, the Corporation granted options to its directors and officers entitling the purchase of 199,998 common shares at a per share price of \$0.10 per common share. The options are for a five year term, expiring on June 20, 2023, and vested immediately on the date of grant. The stock options granted were valued using the Black-Scholes option pricing model to estimate the fair value. During the year end December 31, 2018, the Corporation recognized stock-based compensation expense of \$14,995 that was recorded as contributed surplus.

On October 23, 2019, a cumulative total of 133,332 options from the aforementioned option grant forfeited due to the resignation of certain directors of the Company. As of March 31, 2021, 66,666 options remain outstanding with a remaining exercisable life of 2.22 years until expiry.

Summary of Quarterly Results

Results for the most recent quarters ending with the last quarter for the three months ending on March 31, 2021 are:

Quarterly Results (\$)	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Total Assets	16,564	34,963	46,659	62,185	78,470	86,525	112,227	114,937
Total Revenues	-	-	-	-	-	-	-	-
Total Expenses	13,199	18,370	10,529	6,792	15,441	19,223	13,641	13,901
Net Loss	13,199	18,370	10,529	6,792	15,441	19,223	13,641	13,901
Basic and diluted net loss per share	0.01	0.01	0.01	0.00	0.01	0.01	0.01	0.01

Operating results for each quarter are composed of general and administrative expenses and stock-based compensation expenses incurred in each quarter. To date, the Corporation has generated no revenue.

Results of Operations

The Corporation recorded a net loss of \$13,199 for the three months ended March 31, 2021. The net loss is due to general and administrative costs expenses incurred.

Additional Disclosure for Venture Issuers without Significant Revenue

Since the Corporation has no revenue from operations, the following is a breakdown of the material costs incurred for the three months ended March 31, 2021 and 2020:

Material Costs (\$)	Q1 2021	Q1 2020
General and administrative		
Professional fees	13,181	15,325
Other costs	18	116

Financial Condition including Cash Flows, Liquidity and Capital Resources

At March 31, 2021, working capital was \$6,956. Cash as at March 31, 2021 was \$16,564, compared with \$34,963 as at December 31, 2020. The decrease in cash is due to expenditures for general and administrative costs incurred during the year ended December 31, 2020.

Other than accounts payable and accrued liabilities, the Corporation does not otherwise have any outstanding commitments and has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. Based on current information, the Corporation anticipates that its working capital is sufficient to meet its expected ongoing obligation for the coming year.

Outstanding Share Data

The following table summarizes the Corporation's outstanding common shares and options data as of the date of this MD&A:

Common Shares	4,013,329
Stock Options	66,666

Escrowed shares

As at the date of this MD&A, the Corporation has 4,013,329 Common Shares (December 31, 2020 – 4,013,329) outstanding, 2,013,329 Common Shares of which are held in escrow and contingently cancellable. These Common Shares will be held in escrow and will be released pro-rata to the shareholders as to 25% of the escrowed shares upon issuance of notice of final acceptance of a qualifying transaction by the Exchange, and as to the remainder in three equal tranches of 25% every six months thereafter for a period of 18 months. These escrowed shares may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities. If the Corporation does not receive final acceptance of a qualifying transaction and is delisted, the common shares held in escrow may be cancelled and the proceeds returned to the shareholders.

Off-Balance Sheet Arrangements

As of the date of this MD&A, 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.

Related Party Transactions

Related parties include the board of directors and executive officers of the Corporation, close family members and enterprises which are controlled by individuals as well as certain persons performing similar functions.

The Exchange prohibits directors and officers from receiving remuneration while the Corporation is a CPC. As of March 31, 2021, the Corporation had not completed a qualifying transaction and accordingly, the officers and directors of the Corporation have not been paid any compensation other than the stock options granted on June 20, 2018 (see above).

There have been no transactions with related parties and no remuneration was paid to key management personnel during the three months ended March 31, 2021 (March 31, 2020 - \$nil).

Capital Management

Capital is comprised of the Corporation's shareholders' equity and any debt that it may issue. As at March 31, 2021, the Corporation's shareholders' equity was \$6,956 and it had \$9,608 in current liabilities. The Corporation's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to

maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally-determined capital guidelines and calculated risk management levels.

The capital for expansion was entirely from proceeds from the issuance of Common Shares. The net proceeds raised will only be sufficient to identify and evaluate a limited number of assets and businesses for the purpose of identifying and completing a qualifying transaction. Additional funds may be required to finance the Corporation's ongoing operations after the successful completion of a qualifying transaction.

Pursuant to TSXV Policy 2.4, Capital Pool Companies, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that certain expenditures, in the case of the Corporation, not exceeding \$3,000 per month, may be used to cover reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a qualifying transaction by the Corporation.

The Corporation's capital management objectives, policies and processes have not been changed over the period presented. The Company is not subject to any other externally or internally imposed capital requirements at period end, other than the expenditure limits set under TSXV Policy 2.4, Capital Pool Companies, stated above.

Financial Instruments and Risk Management

The Corporation, as part of its operations, carries financial instruments consisting of cash and cash equivalents, accounts receivables and accounts payable and accrued liabilities. It is management's opinion that the Corporation is not exposed to significant credit, interest, or currency risks arising from these financial instruments except as otherwise disclosed.

Fair Value

Fair value represents the price at which a financial instrument could be exchanged in an orderly market in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. Certain accounting policies and disclosures of the Corporation's require the determination of fair value, for both financial and non-financial assets and liabilities. The Corporation's fair value measurements are classified as one of the following levels of the fair value hierarchy:

- (1) Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.
- (2) Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
- (3) Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The carrying value of cash, accounts receivable and accounts payable and accrued liabilities approximates their fair value due to the short-term maturities of these items.

Credit Risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Corporation's cash and cash equivalents and accounts receivable. The carrying amount of cash and cash equivalents and accounts receivable represent the maximum credit exposure to the Corporation. The Corporation held cash in the bank of \$16,564 at March 31, 2021 (December 31, 2020 - \$34,963). The Corporation manages credit exposure related to cash by selecting financial institution counterparties with high credit ratings.

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Corporation has accounts payable and accrued liabilities of \$9,608 as at March 31, 2021 (December 31, 2020 - \$14,808) that are considered payable within the next year.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Corporation does not have significant exposure to these risks.

Critical Accounting Estimates

The Corporation's Quarterly Financial Statements and Audited Financial Statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"), as issued by the International Accounting Standards Board ("**IASB**"). The Corporation's significant accounting policies are summarized in Note 3 within the Audited Financial Statements. Given the early stage of the Corporation, there were no significant estimates or judgments made by management in the preparation of the Quarterly Financial Statements or the Audited Financial Statements.

Outlook

The Corporation intends to continue forward with a qualifying transaction through the completion of the proposed qualifying transfer described above. The Corporation continues to monitor its spending and will amend its plans based on business opportunities that may arise in the future.

Additional Information

For further details, see the Corporation's Quarterly Financial Statements and other additional information about the Corporation as can be found on SEDAR.