FARSTARCAP INVESTMENT CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following information, prepared as of May 30, 2019 should be read in conjunction with the unaudited condensed interim financial statements of Farstarcap Investment Corp. ("the Company" or "Farstarcap") for the six months ended March 31, 2019, together with the audited financial statements of the Company for the year ended September 30, 2018 and the accompanying Management's Discussion and Analysis ("MDA") for that fiscal period. The referenced financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. All amounts are expressed in Canadian dollars unless otherwise indicated.

Additional information relating to the Company and its operations is available under the Company's profile on SEDAR at www.sedar.com.

FORWARD-LOOKING STATEMENTS

The Company's condensed interim financial statements for the six months ended March 31, 2019, and this accompanying MD&A contain statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators.

It is important to note that, unless otherwise indicated, forward-looking statements in this MD&A describe the Company's expectations as of May 30, 2019.

Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions.

Forward-looking statements in this MD&A include statements regarding the Company's future plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. The forward-looking statements that are contained in this MD&A involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Some of these risks and uncertainties are identified under the heading "RISKS AND UNCERTAINTIES" in this MD&A.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

COMPANY DESCRIPTION

Farstarcap Investment Corp. ("Farstarcap" or the "Company") was incorporated under the Business Corporations Act of British Columbia on September 22, 2016. The Company was formed for the primary purpose of completing an Initial Public Offering ("IPO") on the TSX Venture Exchange (the "Exchange") as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange. The Company's principal business is to identify, evaluate and acquire assets, properties or businesses which would constitute a qualifying transaction ("Qualifying Transaction") in accordance with Policy 2.4 of the Exchange. The Company's head office is located at 880 – 580 Hornby Street, Vancouver, BC V6C 3B6.

On February 13, 2019, the Company completed its IPO issuing 2,500,000 common shares of the Company at a price of $0.10 per share for gross proceeds of $250,000. In connection with the IPO, the Company entered into an Agency Agreement with Canaccord Genuity Corp. (the "Agent"). The Company paid an aggregate of $50,300 in cash commission, corporate finance fee, legal and other expenses incurred by the Agent. In addition, the Company granted 250,000 non-transferable warrants to the Agent entitling the Agent to purchase common shares at a price of $0.10 per share. The warrants expire on February 13, 2021. The Company's common shares were listed on the Exchange on February 13, 2019 under the symbol "FRS.P".

RESULTS OF OPERATIONS

Six months ended March 31, 2019
The Company recorded a loss of $54,629 ($0.05 per share) for the six months ended March 31, 2019 compared to a loss of $18,897 ($0.01 per shares) for the six months ended March 31, 2018. The increase in loss for the period ended March 31, 2019 was due to listing and filing fees of $15,670 (2018 - $nil) and share-based compensation expense of $18,710 (2018 - $nil).

Three months ended March 31, 2019
The Company recorded a loss of $44,216 ($0.04 per share) for the three months ended March 31, 2019 compared to a loss of $13,572 for the three months ended March 31, 2018. The increase in loss for the period ended March 31, 2019 was due to listing and filing fees of $15,670 (2018 - $nil) and share-based compensation expense of $18,710 (2018 - $nil).

SUMMARY OF QUARTERLY RESULTS

A summary of the Company's quarterly results for the past eight quarters is as follows:

	Three Months Ended ($)			
	March 31, 2019	**December 31, 2018**	**September 30, 2018**	**June 30, 2018**
Loss and comprehensive loss	(44,216)	(10,413)	(48,691)	(26,946)
Basic and diluted loss per share*	(0.04)	(0.01)	(0.04)	(0.02)
Working capital	267,543	93,349	103,762	152,453

	Three Months Ended ($)			
	March 31, 2018	**December 31, 2017**	**September 30, 2017**	**June 30, 2017**
Loss and comprehensive loss	(13,572)	(5,325)	(11,422)	(65)
Basic and diluted loss per share*	(0.02)	(0.00)	(1.06)	(65.00)
Working capital	179,399	90,320	87,296	(195)

LIQUIDITY AND CAPITAL RESOURCES

The Company's operations consumed $77,032 of cash for the six months ended March 31, 2019. The Company's aggregate operating, investing, and financing activities during the six months ended March 31, 2019 resulted in an increase in its cash balance from $140,091 at September 30, 2018 to $277,759 at March 31, 2019. The increase in cash was a result of the Company completing its IPO and issuing 2,500,000 common shares for gross proceeds of $250,000.

The Company's working capital at March 31, 2019 was $267,543 compared to working capital of $103,762 at September 30, 2018.

The Company has no long-term debt.

FINANCING ACTIVITIES AND CAPITAL EXPENDITURES

On September 27, 2017, the Company issued 2,000,000 common shares at $0.05 per share for proceeds of $100,000.

On February 15, 2018, the Company issued a total of 1,110,000 common shares at a price of $0.10 per share for gross proceeds of $111,000.

On February 13, 2019, the Company completed its IPO issuing 2,500,000 common shares of the Company at a price of $0.10 per share for gross proceeds of $250,000. In connection with the IPO, the Company entered into an Agency Agreement with Canaccord Genuity Corp. (the “Agent”). The Company paid an aggregate of $50,300 in cash commission, corporate finance fee, legal and other expenses incurred by the Agent. In addition, the Company granted 250,000 non-transferable warrants to the Agent entitling the Agent to purchase common shares at a price of $0.10 per share. The warrants expire on February 13, 2021.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

As at March 31, 2019, the Company had $nil (September 30, 2018 - $nil) in accounts payable and accrued liabilities owing to related parties. Compensation paid or accrued to key management or companies controlled by key management personnel during the three and six months ended March 31, 2019 consisted of $18,710 of share-based payments expense. During the three and six months ended March 31, 2018 the Company paid $2,365 and $3,314 respectively, of professional fees to Malaspina Consultants Inc., a company that during that time was controlled by Rob McMorran, a Director of the Company.

All transactions with related parties have occurred in the normal course of operations.

CHANGES IN ACCOUNTING POLICIES

IFRS 9 Financial Instruments

The IASB has issued a new standard, IFRS 9, Financial Instruments (“IFRS 9”), which will ultimately replace IAS 39, “Financial Instruments: Recognition and Measurement” (“IAS 39”). The replacement of IAS 39 is a multi-phase project with the objective of improving and simplifying the reporting for financial instruments and the issuance of IFRS 9 is part of the first phase of this project. IFRS 9 uses a single approach to determine whether a financial asset or liability is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. For financial assets, 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. IFRS 9 requires that a single impairment method be used, replacing the multiple impairment methods in IAS 39. For financial liabilities measured at fair value, fair value changes due to changes in an entity’s credit risk are presented in other comprehensive income. The adoption of this standard did not have a material measurement or disclosure impact on the Company’s financial statements.

IFRS 16 Leases is applicable for the Company’s reporting periods beginning on or after August 1, 2019. The standards is currently not expected to be applicable to the Company’s operations.

FINANCIAL INSTRUMENTS

Classification of Financial Instruments

The Company’s financial instruments consist of cash, accounts payable and accrued liabilities. The Company designated its cash as loans and receivables, which are measured at amortized cost. The accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

The risks associated with financial assets and liabilities are detailed/discussed below:

Credit Risk

Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company's cash is held with the Bank of Montreal. Accordingly, the Company believes it is not exposed to significant credit risk.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows or fair value of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk is limited at present as the Company's assets and liabilities are earning or incurring interest at market rates or where they are non-interest bearing or have fixed interest rates they have short terms to maturity.

Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. The Company manages its liquidity risk by continuously monitoring forecasted and actual cash flows, as well as anticipated investing and financing activities. As at March 31, 2019, all of the Company's liabilities are due on demand. At March 31, 2019 the Company had working capital of $267,543 (September 30, 2018 - $103,762).

OUTSTANDING SHARE DATA

Authorized: Unlimited common shares without par value.
Unlimited preferred shares issuable in series.

All share information is reported as of May 30, 2019 in the following table:

Type of Security	Number	Exercise Price ($)	Expiry Date
Issued and outstanding common shares	5,610,001	N/A	N/A
Broker Warrants	250,000	0.10	February 13, 2021
Stock Options	250,000	0.10	February 13, 2024
Total	6,110,001		

RISKS AND UNCERTAINTIES

The Company is currently in the process of identifying and evaluating assets or businesses in order to complete a Qualifying Transaction and has no source of revenue. The Company is not permitted to carry on any other business other than the identification and evaluation of assets or business to complete a Qualifying Transaction.

There can be no assurance the Company will successfully identify an assets or businesses to complete a Qualifying Transaction or have the necessary financial resources to complete a Qualifying Transaction. There can be no assurance that the Company will be able to successfully obtain the necessary financing in the future on terms acceptable to the Company or at all.

DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed interim financial statements for the six months ended March 31, 2019 and this accompanying MD&A (together the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate 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 Interim Filings on SEDAR at www.sedar.com.