Perihelion Capital Ltd.
(A Capital Pool Company)

MANAGEMENT'S DISCUSSION AND ANALYSIS
262-DAY PERIOD ENDED DECEMBER 31, 2018

(Presented in Canadian Dollars)

Introduction and Basis of Presentation

This Management's Discussion and Analysis ("MD&A") provides a review of Perihelion Capital Ltd.'s ("Perihelion" or "the Company") financial performance for the period ended December 31, 2018. It should be read in conjunction with Perihelion's financial statements and accompanying notes for the 262-day period ended December 31, 2018, which are available on SEDAR at www.sedar.com. The financial information contained in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS"). Information in this MD&A is current as of April 29, 2019.

Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. Further information about the Company and its operations is available 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 Perihelion's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) 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

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 Company'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 state 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.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risks and Uncertainties" section below. 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 Perihelion'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 Company 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 Company 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.

Overview of the Company

The Company is a Capital Pool Company ("CPC"), as defined in the policies ("Policies") of the TSX Venture Exchange (the "Exchange"). The Company listed its common shares for trading on the Exchange on February 12, 2019, under the symbol "PCL.P".

The principal business of the Company is the identification and evaluation of assets or businesses with a view to completing a qualifying transaction ("Qualifying Transaction") as defined in the Policies.

The Company has not commenced commercial operations and has no assets other than cash. The Company's continuing operations are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an interest in properties, assets or businesses. Such an acquisition will be subject to regulatory and other approvals. The financial statements do not include any adjustments to assets or liabilities should the Company be unable to continue in existence as a going concern.

On February 13, 2019, the Company successfully completed its initial public offering of 3,014,000 common shares at a price of $0.10 per share for total proceeds of $301,400. Pursuant to an agency agreement between the Company and Mackie Research Capital Corporation (the “Agent”), the Agent received a cash commission equal to 10% of the gross proceeds. In addition, the Company granted the Agent an option to purchase up to 301,400 common shares at a price of $0.10 per share for a period of 24 months. The Agent also received a corporate finance fee of $12,500 plus taxes and was reimbursed for certain Agent’s expenses, including legal fees. As at December 31, 2018, included in deferred financing fees is an amount of $25,625 paid to the Agent.

On March 11, 2019, the Company advanced $270,000 to a third party for a proposed transaction. A director advanced $70,000 to the Company in relation to this transaction.

The Company’s head office is located at 1800 – 355 Street, Vancouver, B.C. V6C 2G8, and its registered and records office is located at 1800 – 355 Street, Vancouver, B.C. V6C 2G8.

Overall Performance

As at December 31, 2018, the Company had $16,833 in cash and cash in trust. The Company incurred a net loss of $72,378 during the period from inception to December 31, 2018.

Selected Annual Information

Year ended December 31,		2018		2017		2016
Revenue	$	-	$	-	$	-
Expenses	$	72,378	$	-	$	-
Net and comprehensive loss	$	(72,378)	$	-	$	-
Cash	$	10,563	$	-	$	-
Working capital deficiency	$	(18,573)	$	-	$	-
Total assets	$	70,089	$	-	$	-
Shareholders' equity	$	34,683	$	-	$	-

Results of Operations

262-period ended December 31, 2018

During the 262-day period ended December 31, 2018, the Company had a net and comprehensive loss of $72,378. During the period, the Company incurred professional fees and expenses related to incorporating the Company, identifying a business or asset to acquire for a Qualifying Transaction and listing the Company on the Exchange.

Three-month period ended December 31, 2018:

During the three-month period ended December 31, 2018, the Company had a loss and comprehensive loss of $23,382. The loss was largely related to expenses incurred to list the Company on the Exchange and to identify a business or asset to acquire for a Qualifying Transaction.

Summary of Quarterly Results

Quarter ended	Dec. 31 2018	Sep. 30 2018	Jun. 30 2018	31-Mar 2018	Dec. 31 2017	Sep. 30 2017	Jun. 30 2017	Mar. 31 2017
Revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Expenses	37,436	27,291	7,651	-	-	-	-	-
Net loss	(37,436)	(27,291)	(7,651)	-	-	-	-	-
Shareholders' equity	34,683	66,116	67,349	-	-	-	-	-

Liquidity and Capital Resources

At December 31, 2018, the Company had a working capital deficiency of $18,573.

During the period from incorporation to December 31, 2018 the Company issued 2,100,000 common shares at a price of $0.05 per share for gross proceeds of $105,000 pursuant to a private placement.

On February 13, 2019, the Company completed its initial public offering, issuing 3,014,000 common shares at a price of $0.10 per share for gross proceeds of $301,400.

Management believes that there is sufficient working capital to meet anticipated expenses for the next twelve months.

Off-Balance Sheet Arrangements

The Company does not have any material off-balance sheet arrangements.

Related Party Transactions

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

On March 11, 2019, the Company advanced $270,000 to a third party for a proposed transaction. A director advanced $70,000 to the Company in relation to this transaction.

During the period ended December 31, 2018, share-based compensation for stock options of $2,061 were granted to officers and directors of the Company. There was no other remuneration paid to key management personnel during the period.

Proposed Transactions

The Company's current objective is to identify and evaluate assets or a business to acquire which will serve as its Qualifying Transaction subject to shareholder and regulatory approval.

No transaction has been completed as of April 29, 2018.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Going concern

The assessment of whether the concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Share Capital

At December 31, 2018, the Company had 2,100,000 common shares and 200,000 stock options issued and outstanding. At April 20, 2019, the Company had 5,114,000 common shares and 501,400 stock options issued and outstanding.

Financial Instruments and Risk Management

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 — Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 — Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly;
- Level 3 — Inputs that are not based on observable market data.

The fair value of the Company's accounts payable and accrued liabilities approximates their carrying value. The Company's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

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, cash held in trust and share subscriptions receivable. The Company is not exposed to significant credit risk as its cash is placed with a significant Canadian bank and cash held in trust is held through a reputable law firm.

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 is not exposed to significant liquidity risk. Accounts payable at December 31, 2018 are due within 3 months of that date.

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.

Business Risks and Uncertainties

The following are risk factors associated with the Company:

- The Company was only recently incorporated, has not commenced commercial operations and has no assets other than cash and receivables. It has no history of earnings, and shall not generate earnings or pay dividends until at least after completion of a Qualifying Transaction;
- Investment in the common shares of the Company is highly speculative given the proposed nature of the Company's business and its present stage of development;

- The directors and officers of the Company will only devote a portion of their time to the business and affairs of the Company and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time;
- Until completion of a Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions;
- The Company has only 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 a suitable Qualifying Transaction;
- Even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction;
- There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Company may seek such additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.