

Brachium Capital Corp.

Management Discussion and Analysis

For the Three and Nine Months Ended February 29, 2020

Prepared as of April 28, 2020

Contact Info:

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General

The following management discussion and analysis, prepared as of April 29th, 2020 should be read together with the unaudited interim financial statements for the three and nine months ended February 29, 2020 and audited financial statements for the period ended May 31, 2019 and related notes attached thereto, which are prepared in accordance with International Financial Reporting Standards. All amounts are stated in Canadian dollars unless otherwise indicated.

The reader should also refer to the Company's prospectus dated September 25, 2019 and news release dated December 3rd, 2019 both of which are available under the Company's profile on SEDAR at www.sedar.com. Additional information related to the Company is available for view on SEDAR at www.sedar.com.

Forward-Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

Description of Business

Brachium Capital Corp. was incorporated in the Province of British Columbia on March 4, 2019, under the *Business Corporations Act* (British Columbia). The Company is classified as a Capital Pool Company ("CPC") as defined by TSX Venture Exchange (the "Exchange") Policy 2.4 – *Capital Pool Companies* ("Policy 2.4"). The Company's head office is located at Suite 2000 - 250 Howe Street, Vancouver, BC, V6C 3R8.

The Company commenced trading its common shares on the Exchange on December 5, 2020 under the symbol "BRAC.P". As a CPC, the Company's principal business is to identify, evaluate and acquire assets, properties or businesses which would constitute a qualifying transaction in accordance with Policy 2.4 of the Exchange ("QT"). A CPC has 24 months from when the shares are listed on the Exchange to complete a QT. Such a transaction will be subject to shareholder and regulatory approval. Until completion of the QT, the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential QT.

Selected Financial Information

A summary of selected financial information for the three and nine months ended February 29, 2020 (unaudited) and the period from incorporation to May 31, 2019 (audited), is as follows:

	Three Months Ended February 29, 2020	Nine Months Ended February 29, 2020	Period from incorporation being March 4, 2019 to May 31, 2019
Total Assets	\$ 526,740	\$ 526,740	\$ 140,000
Shareholders' equity	504,492	504,492	127,037
Net loss	(13,410)	(88,242)	(12,963)
Loss per share	(\$0.01)	(\$0.04)	Nil

Results of Operations

The Company proposes to identify and evaluate businesses and assets with a view to completing a QT. Any proposed QT must be accepted by the Exchange and in the case of a Non-Arm's Length QT is also subject to Majority of the Minority Approval in accordance with Policy 2.4.

As at February 29, 2020, the Company had no commercial operations other than to enter into discussions for the purpose of identifying potential acquisitions. During the three months period ending February 29, 2020, the Company incurred a net loss of \$13,410. The expenses related primarily to listing and Exchange fees.

Liquidity and Capital Resources

The interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to complete a QT.

On September 25, 2019, the Company filed a prospectus for the sale to the public of 4,000,000 common shares at a price of \$0.10 per share for cash of \$400,000 (the "Initial Public Offering"). The Initial Public Offering closed December 3, 2019. Costs related to the issuance including the agent's commission, legal, and filing fees were \$46,653 and are charged directly to share capital.

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 unable to continue operating. 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.

The Company has not yet completed its QT and therefore does not have any revenues. The Company has sufficient funds to cover anticipated administrative expenses throughout the year. It will continue to focus on identifying and completing its QT.

Related Party Transactions

There were no related party transactions during the three months period ended February 29, 2020.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, receivables and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

Critical Accounting Policies

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company is recently incorporated, has no source of operating revenues and its capacity to operate as a going concern in the near-term will depend on its ability to continue raising equity financing and to ultimately complete a QT within 24 months of listing on the Exchange. The QT will be subject to shareholder and regulatory approval. There is no assurance that the Company will be able to complete the QT. Should the Company be unable to complete the QT, the net realizable value of its assets may be materially less than the amounts recorded on the balance sheets. These financial statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern.

Outstanding Share Data

The Company's authorized share capital is an unlimited number of common shares without par value and an unlimited number of preferred shares, issuable in series. The following table summarizes the outstanding share capital as of February 29, 2020 and as at April 28, 2020.

	Number of shares	Exercise Price	Expiry Date
Issued and outstanding common shares	7,923,500		
Options outstanding	792,350	\$ 0.10	December 3, 2024
Broker warrants outstanding	400,000	\$ 0.10	December 3, 2021
Fully diluted	9,115,850		

Business Risks

The Company does not have a business yet. It is working on identifying and completing its QT. However, there are still a number of business risks, some of which are beyond the Company's control. These can be

categorized as operational, financial and regulatory risks. For further information please see the Company's prospectus which is available on SEDAR at www.sedar.com. The primary focus for the foreseeable future will be on completing a QT.

Approval

On April 28th, 2020, the Board of Directors of Brachium Capital Corp. approved the disclosure contained in this MD&A.