

JAVELLE CAPITAL CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED
MARCH 31, 2015

Introduction

This Management's Discussion and Analysis ("MD&A") is dated May 28, 2015, unless otherwise indicated and should be read in conjunction with the unaudited interim financial statements of Javelle Capital Corp. ("Javelle", "the Company", "we", "our" or "us") for the period ended March 31, 2015 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. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results presented for the period ended March 31, 2015, are not necessarily indicative of the results that may be expected for any future period.

The unaudited interim financial statements for the period ended March 31, 2015 have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"), and using accounting policies consistent with IFRS.

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 Javelle common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if 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.

Further information about the Company and its operations can be obtained from the offices of the Company or from www.sedar.com.

Cautionary Note Regarding Forward-Looking Information

Certain statements contained in the following MD&A constitute forward-looking statements. Such forward looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

Description of Business

The Company was incorporated on November 2, 2010 under the Business Corporation Act of the Province of British Columbia and is in the initial phase of the process in accordance with Policy 2.4 of TSX Venture Exchange for a Capital Pool Company ("CPC"). The Company's common shares commenced trading on Tier 2 of the TSX Venture Exchange under the symbol "JVL-P.V" at the opening of the market on February 24, 2011.

The Company is classified as a Capital Pool Company as defined in Policy 2.4 – Capital Pool Companies ("Policy 2.4") of the TSX Venture Exchange ("Exchange"). The Company has not commenced commercial operations and has no assets other than a minimum amount of cash. The Company will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a transaction where the Company acquires significant assets, other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means (a "Qualifying Transaction"). Any proposed Qualifying Transaction must be accepted by the Exchange.

In accordance with TSX Venture Policy 2.4, Capital Pool Companies, the Company has not completed a Qualifying Transaction within the prescribed time frame. Therefore, effective June 3, 2013, the Company's listing has been transferred to the NEX board of the Exchange. The Company's Tier classification changed from Tier 2 to NEX. The trading symbol for the Company changed from "JVL-P" to "JVL-H".

The Company's registered office is located at 6485 Gordon Avenue, Burnaby, British Columbia, Canada.

The unaudited interim financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company, unless otherwise noted.

The Company's continuing operations as intended 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 approval and may be subject to shareholder approval. The unaudited interim financial statements do not include any adjustments to assets or liabilities should the Company be unable to continue in existence.

Results of Operations

Period ended March 31, 2015

During the period, the Company had no major operations. The Company incurred \$1,756 for general and administrative expenses, and \$2,689 for transfer agent and filing fees.

Selected Annual Information

The annual results for the years ended December 31, 2014, 2013 and 2012 reflect accounting policies consistent with IFRS. A summary of selected annual information is as follows:

	2014	2013	2012
Total assets	\$50,675	\$105,643	\$267,514
Total liabilities	\$155,070	\$139,200	\$46,141
Shareholders' equity (deficiency)	\$(104,395)	\$(33,557)	\$221,373
Revenues	-	-	-
Net loss for the year	\$70,838	\$254,930	\$92,253
Loss per share	\$(0.01)	\$(0.04)	\$(0.01)

Selected Quarterly Information

The quarterly results reflect accounting policies consistent with IFRS. A summary of selected information for each of the quarters presented below is as follows:

	Mar 31, 2015	Dec 31, 2014	Sept 30, 2014	June 30, 2014	Mar 31, 2014	Dec 31, 2013	Sept 30, 2013	Jun 30, 2013
Total assets	\$39,759	\$50,675	\$66,028	\$78,615	\$96,631	\$105,643	\$134,611	\$188,197
Total Liabilities	\$148,619	\$155,070	\$141,738	\$147,116	\$136,823	\$139,200	\$136,951	\$181,155
Shareholders' equity (deficiency)	\$(108,860)	\$(104,395)	\$(75,710)	\$(68,501)	\$(40,192)	\$(33,557)	\$(2,340)	\$7,042
Revenue	-	-	-	-	-	-	-	-
Expenses	\$4,465	\$28,685	\$7,209	\$28,309	\$6,635	\$31,217	\$9,382	\$172,837
Net loss	\$(4,465)	\$(28,685)	\$(7,209)	\$(28,309)	\$(6,635)	\$(31,217)	\$(9,382)	\$(172,837)
Loss per share	\$(0.00)	\$(0.01)	\$(0.00)	\$(0.01)	\$(0.00)	\$(0.01)	\$(0.00)	\$(0.03)

During the period ended March 31, 2015, the Company had no major transactions.

Liquidity and Capital Resources

The Company's working capital deficiency was \$108,860 as at March 31, 2015 (December 31, 2014 – \$104,395).

The Company manages its capital structure and makes adjustments to it, based on available funds to the Company. Capital levels for capital pool companies are regulated pursuant to guidelines issued by the Exchange. These guidelines state that 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 not more than the lesser of 30% of the gross proceeds from the issuance of shares may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until Completion of the Qualifying Transaction by the Company. Management believes the Company's working capital is sufficient for the Company to meet its ongoing obligations and meet its objective of completing its Qualifying Transaction.

Outstanding Share Data

The total number of common shares outstanding as of May 28, 2015, was 5,496,000.

Stock and Agents' Options

As at March 31, 2015, the following stock options are outstanding and exercisable:

<i>Number of Options</i>	<i>Exercise Price</i>	<i>Expiry</i>
640,000	\$ 0.10	February 24, 2016

Off-Balance Sheet Arrangements

As of the date of this filing, the Company 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 Company including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

Related Party Transactions

During the period ended March 31, 2015, the Company incurred rent and office expenses of \$1,200 (2014 - \$3,600) to a spouse of the President of the Company.

Risk Factors

Investing in the common shares of the Company involves risk. Prospective investors should carefully consider the risks described below, together with all of the other information included in this MD&A before making an investment decision. If any of the following risks actually occurs, the business, financial condition or results of operations of the Company could be harmed. In such an event, the trading price of the common shares could decline and prospective investors may lose part or all of their investment.

No Operating History

The Company was incorporated on November 2, 2010, has not commenced commercial operations and has no assets other than cash. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future. Until Completion of the 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.

Possible Trading Suspension or Delisting

The Exchange may suspend from trading or delist the securities of the Company where the Company has failed to complete a Qualifying Transaction within the 24 months of the date of listing or if the Company fails to meet initial listing requirements of the Exchange upon Completion of the Qualifying Transaction. Suspension from trading of the common shares may, and delisting of the common shares will, result in the regulatory securities authorities issuing an interim cease trade order against the Company. In addition, delisting of the common shares will result in the cancellation of all of the currently issued and outstanding common shares of the Company held by Insiders. Trading in the common shares of the Company may be halted at other times for other reasons, including for failure by the Company to submit documents to the Exchange in the time periods required.

Halt of Trading

Upon public announcement of a potential Qualifying Transaction, trading in the common shares of the Company will be halted and will remain halted until Completion of the Qualifying Transaction, or sooner pursuant to Policy 2.4. Neither the Exchange nor any securities regulatory authority passes upon the merits of the potential Qualifying Transaction.

Exchange May Not Approve a Qualifying Transaction

Completion of a Qualifying Transaction is subject to a number of conditions including acceptance by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval as such terms are defined in Policy 2.4.

Notwithstanding that a transaction may meet the definition of a Qualifying Transaction; the Exchange may not approve a Qualifying Transaction:

- (a) if the Company fails to meet the initial listing requirements prescribed by Policy 2.1 – Initial Listing Requirements of the Exchange upon Completion of the Qualifying Transaction;
- (b) if, following Completion of the Qualifying Transaction, the Company will be a finance company or a mutual fund as defined under applicable securities laws;
- (c) the consideration proposed to be paid by the Company in connection with the Qualifying Transaction is not acceptable to the Exchange; or
- (d) for any other reason at the sole discretion of the Exchange.

Approval by the Majority of the Minority

Where Majority of the Minority Approval is required, unless the shareholder has the right to dissent and be paid fair value in accordance with the applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Company of fair value for the common shares.

Dilution

If the Company issues treasury shares to finance acquisition or participation opportunities, control of the Company may change and subscribers may suffer dilution of their investment.

Directors and Officers

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company but will be devoting such time as required to effectively manage the Company. Some of the directors and officers of the Company are engaged and will continue to be engaged in the search for assets or businesses on their own behalf or on behalf of others such that conflicts may arise from time to time. As a consequence of such conflicts, the Company may be exposed to liability and its ability to achieve its business objectives may be impaired.

Reliance on Management

The Company is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of its directors and officers. The loss of any of its directors or officers could have a material adverse effect upon the business and prospects of the Company.

Foreign Acquisition

In the event the Company identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts.

Critical Accounting Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- the inputs used in measurement for agents options in the statement of financial position;
- the inputs used in measurement for share based payments expense in the statement of comprehensive loss; and
- \$Nil provision for income taxes which is included in the statements of comprehensive loss and recognition of deferred income tax assets and liabilities included in the statement of financial position at December 31, 2014.

New standards adopted during the period

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for annual periods beginning on or after January 1, 2015 or later periods.

The following new standards, amendments and interpretations were adopted and had no impact in these unaudited interim financial statements for the period ended March 31, 2015:

- i) IFRS 9 - Financial Instruments (New; to replace IAS 39 and IFRIC 9)
- ii) Annual Improvements to IFRSs 2012 - 2014 Cycle, including IFRS 7, Financial Instruments: Disclosures and IAS 34, Interim Financial Reporting.

Capital Management

The Company's capital structure consists of items in shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through debt and equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

There were no changes to the Company's approach to capital management during the period. The Company currently has adequate sources of capital to repay its current liabilities.

Financial Risk Factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. Cash is held with reputable financial institutions, from which management believes the risk of loss to be remote.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2015, the Company had cash balances of \$25,224 (December 31, 2014 - \$36,140) and current liabilities of \$148,619 (December 31, 2014 - \$155,070).

The Company has historically relied on equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain the required financing in the future on acceptable terms. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing market conditions. With the economy slowly recovering from recession, the Company may continue to face significant challenges in 2015.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to change in market interest rate. The Company has cash and no interest-bearing debt and therefore is not exposed to risk in the event of interest rate fluctuations.

Foreign currency risk

The Company is not exposed to foreign currency risk.

Fair value hierarchy

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; and

Level 3 – Inputs that are not based on observable market data.

The fair value of cash is measured based on level 1 inputs of the fair value hierarchy.

Outlook

The Company continues to monitor its spending and will amend its plans based on business opportunities that may arise in the future.

Management's Responsibility for the Financial Statements

Information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future value for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements. Management maintains a system of internal controls to provide reasonable assurances that the Corporation's assets are safeguarded and to facilitate the preparation of relevant and timely information.

Disclosure of Internal Controls

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements, and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Additional Information

Additional information relating to the Company can also be found on SEDAR at www.sedar.com.

Board of Directors and Officers

Donald Gee, President and CEO

David Stone

Chris Taylor

Wan Jung, CFO and Corporate Secretary