BENEV CAPITAL INC.

Management's Discussion and Analysis

November 14, 2013

The following is management's discussion in respect of the results of operations of BENEV Capital Inc. ("BENEV" or the "Company") for the quarter ended September 30, 2013 and should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements for the quarters ended September 30, 2013 and 2012 and the Company's audited consolidated financial statements and management's discussion and analysis ("MD&A") for the years ended December 31, 2012 and 2011. The financial statements of the Company are presented in Canadian dollars and are prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A is dated November 14, 2013. Additional information related to the Company, including its Annual Information Form, Management Information Circular and Proxy form is available on SEDAR at www.sedar.com.

CORPORATE UPDATE

On May 31, 2013 the Company completed the sale of its Saint Ambroise, Quebec waste treatment plant and related assets and liabilities to 8439117 Canada Inc., a company indirectly controlled by the plant's manager. All post-closing adjustments have now been finalized resulting in a purchase price of $7.7 million. The Company may be entitled to additional consideration which could be as high as $2.0 million or more, contingent on a specific potential new contract being entered into prior to March 7, 2016. The receipt of the potential new contract for any amount of contingent consideration cannot be assured.

The Saint Ambroise treatment plant was the Company's sole operating facility and was responsible for all of the Company's sales and a substantial portion of its operating expenses for the past four years. With the completion of the sale transaction at the end of May, 2013, all of the Company's sales and plant operating costs, substantially all of the amortization, and some of its administrative and business development costs will not be recurring going forward.

Consistent with the strategy articulated since the installation of a new Board in June, 2011, the sale transaction was designed to transform the Company and to enable it to create meaningful value for shareholders. The sale of the plant was a first step in this direction, which is expected to increase the range of available options and provide enhanced flexibility on a go forward basis. In addition to managing its cash position, the Company continues to seek to source, structure and complete a transformative transaction or series of transactions to enhance value for shareholders, with a focus on attractive equity investments in businesses with cash flow as a first priority. A return of capital, special dividend and/or the dissolution of the Company may also be considered.

As previously announced, the Toronto Stock Exchange (the "TSX") determined that, following the sale of the Company's waste treatment plant in Saint Ambroise, it no longer meets the TSX's requirements for continued listing. Accordingly, the Company has voluntarily delisted from the TSX and effective September 23, 2013, the Company's common shares commenced trading on the NEX Board of the TSX Venture Exchange under the new ticker symbol BEV.H.

SUMMARY OF QUARTERLY RESULTS

The following table discloses certain unaudited financial data for the eight most recently completed quarters, expressed in millions of Canadian dollars (except per share data – basic and diluted which is in dollars).

	2013			**2012**				**2011**
	Q3	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**
Net sales	-	-	-	7.83	12.23	8.23	-	-
Net income (loss)	(0.87)	(1.30)	(0.90)	0.61	6.55	3.37	(1.22)	(1.57)
Earnings (loss) per common share*								
Basic	(0.02)	(0.03)	(0.02)	0.02	0.17	0.09	(0.03)	(0.04)
Diluted	(0.02)	(0.03)	(0.02)	0.02	0.17	0.09	(0.03)	(0.04)

*The sum of the quarterly earnings per share values in 2013 and 2012 does not equal the total on the financial statements for the respective years due to rounding.

Variations in revenue over the last eight quarters are due to the volumes of material processed in each quarter. The net income in the third quarter of 2012 is significantly higher than the second and fourth quarters of 2012. This is due to differences in: volumes processed; the amount of transportation included in revenue; and income taxes.

OPERATING RESULTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2013

Sales

Sales for the third quarter of 2013 were nil compared to $12.2 million in the same period a year earlier. The sale of the Company's waste treatment facility was completed on May 31, 2013.

Operating Costs

Operating costs for the third quarter of 2013 were nil compared to $5.1 million in 2012. The Company has not incurred operating expenses subsequent to the completion of the sale of its waste treatment facility.

OTHER INCOME STATEMENT ITEMS

Administration and Business Development Costs

Administration and business development costs were $1.1million in the third quarter of 2013, compared with $1.1 million in the same quarter of 2012. Administrative cost savings resulting from the sale of the treatment facility were completely offset by increases in legal and M&A expenses as compared to the same quarter of 2012. The increase in legal costs was primarily due to John Bennett's indemnity claims against the Company which are described in the section of this report entitled "Contingencies and Provisions".

Amortization

Amortization expense was $0.003 million in the third quarter of 2013 compared with $0.2 million in the same quarter of 2012. Substantially all of the Company's amortizable long-term assets were sold on May 31, 2013.

Loss on Disposal of Assets Held for Sale and Related Restructuring Costs

The Company completed the sale of its Saint Ambroise, Quebec waste treatment plant and related assets and liabilities on May 31, 2013. Post-closing purchase price adjustments have now been finalized resulting in an additional loss on disposal and related restructuring costs in the amount of $0.01 million in the third quarter of 2013.

In September 2012, the Company and the purchaser of the Belledune facility reached an agreement regarding the Company's obligation to remediate the facility. As a result, the Company recorded an additional loss on disposal in the amount of $0.06 million in the third quarter of last year.

Finance Income

Finance income increased over the comparable period of 2012 because higher cash balances were available for investment.

Income Taxes

The Company recorded income taxes of nil in the third quarter of 2013 versus an income tax recovery of $0.6 million in the same period of the prior year. The income tax recovery in the third quarter of 2012 was due to a reduction to income tax accruals, recorded in prior periods, which were no longer required.

Net (Loss) Earnings

The net loss for the third quarter of 2013 was $0.9 million or a basic and diluted loss per share of $0.02 compared to a net earnings of $6.6 million or basic and diluted earnings per share of $0.17 for the third quarter of 2012. Earnings were higher in the comparable period of the prior year as a result of the operation of the Saint Ambroise facility which has been sold, as previously described.

OPERATING RESULTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013

Sales

Sales for the nine month period ended September 30, 2013 were nil compared to $20.5 million in the same period a year earlier. No soil was processed in 2013 prior to the sale of the facility on May 31, 2013.

Operating Costs

Operating costs consist mainly of transportation costs, fuel, processing supplies, maintenance costs, and labour. Some of these costs fluctuate based on the number of tonnes processed; however, there are some costs which are fixed in nature.

Operating costs for the nine months ended September 30, 2013 were $0.5 million compared to $9.2 million in the same period a year ago. Operating costs decreased because no soil was processed in 2013 prior to the sale of the facility on May 31, 2013.

OTHER INCOME STATEMENT ITEMS

Administration and Business Development Costs

Administration and business development costs were $2.7 million in the nine months ended September 30, 2013, compared with $3.6 million in the same period of 2012. The decrease is primarily due to a reduction in share-based expenses and administrative costs relating to the plant, which was sold in May, 2013.

Amortization

Amortization expense was $0.1 million in the first nine months of 2013 compared with $0.6 million in the same period of 2012. Substantially all of the Company's amortizable long-term assets were sold on May 31, 2013 and classified as held for sale in March, 2013. Assets held for sale are not amortized.

Loss on Disposal of Assets Held for Sale and Related Restructuring Costs

As previously noted, the Company completed the sale of its waste treatment plant on May 31, 2013 and all post-closing adjustments have now been finalized. For the first nine months of 2013, the combined loss on disposal of assets held for sale and related restructuring costs was $0.56 million. The components of this loss are described below.

The year to date loss on the disposal of assets held for sale of $0.3 million was due to disposal costs exceeding earlier estimates. These costs increased primarily as a result of the Company's decision to enter into a long-term insurance contract to protect against future liabilities and claims stemming from properties which have been sold.

The Company has also recorded an expense of $0.26 million for restructuring costs incurred in connection with the sale of the facility. These costs include a bonus awarded to the previous President and CEO for completing the sale of the facility and severance costs to be paid in connection with the downsizing of the Company's head office.

In September 2012, the Company and the purchaser of the Belledune facility reached an agreement regarding the Company's obligation to remediate the facility. As a result, the Company recorded an additional loss on disposal in the amount of $0.06 million for the first nine months of last year.

Finance Income/Costs

Finance income earned in the first nine months of 2013 decreased by $0.2 million over the comparable period in 2012 due to an interest refund received in the first quarter of 2012 in connection with an income tax reassessment of a return filed in a prior period.

Finance costs in the first nine months of 2013 decreased by $0.06 million as compared to the same period in 2012. The decrease was due to lower foreign exchange losses and a reduction in interest expense accruals.

Income taxes

The Company recorded income tax recoveries of $0.1 million and $0.8 million in the first nine months of 2013 and 2012, respectively. These income tax recoveries are due to a reduction in income tax accruals, recorded in prior periods, which are no longer required.

Net (Loss) Earnings

The net loss for the nine months ended September 30, 2013 was $3.1 million or a basic and diluted loss per share of $0.08 compared to net earnings of $8.7 million or basic and diluted earnings per share of $0.22 for the first nine months of 2012. Earnings were higher in the comparable period of the prior year as a result of the operation of the Saint Ambroise facility which has been sold, as previously described.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

At September 30, 2013 the Company had unrestricted cash and equivalents of $70 million and working capital (including cash) of $68.8 million compared to unrestricted cash and equivalents of $63.9 million and working capital (including cash) of $64.2 million on December 31, 2012.

Cash from Operating Activities

For the first nine months of 2013, cash used by operations was $1.4 million as compared to the same quarter of 2012 when cash used by operations was $3.5 million. The net loss for the period, partially offset by changes in non-cash working capital items was primarily responsible for the the use of cash in the first nine months of 2013.

Earnings for the first nine months of 2012 were more than offset by the increase in amounts receivable and holdbacks receivable and the decrease in deferred revenue and deferred costs resulting in the net use of cash. The Company records deferred revenue when cash is collected from customers before soil has been processed. Deferred revenue is drawn down as the customer's soil is processed.

Cash from Investing Activities and Capital Expenditures

Cash provided by investing activities during the nine months ended September 30, 2013 was $7.5 million and was due to cash received on disposal of assets held for sale, and a decrease in restricted cash. Capital expenditures at the Quebec facility resulted in a use of cash in investing activities during the first nine months of 2012 in the amount of $0.1 million.

Cash from Financing Activities

Cash used in financing activities was $0.01 million during the first nine months of 2013 versus cash used in financing activities of $0.1 million during the same period of the prior year. The use of cash in both periods was due to the repayment of the finance lease obligations, which was offset in 2013 by proceeds from the exercise of share options.

Contractual Obligations

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

Millions of Canadian dollars	Carrying amount	Contractual cash flow	2013	2014	2015	2016	2017	Thereafter
Tenure agreement	$ 0.69	$ 0.73	$ 0.02	$ 0.08	$ 0.08	$ 0.08	$ 0.08	$ 0.39
Accounts payable and accrued liabilities	0.82	0.82	0.68	0.14	-	-	-	-
Total contractual obligations	$ 1.51	$ 1.55	$ 0.70	$ 0.22	$ 0.08	$ 0.08	$ 0.08	$ 0.39

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

FINANCIAL AND OTHER INSTRUMENTS

On occasion short-term foreign exchange forward contracts are used to reduce foreign exchange risk. The Company marks these contracts to market, and records the corresponding gain or loss in income.

As at September 30, 2013 the Company had no foreign exchange contracts outstanding. As at December 31, 2012, the Company held a foreign exchange contract to sell $0.23 million U.S. with an insignificant fair value on that date.

CONTINGENCIES AND PROVISIONS

No additional developments have occurred relating to the provisions or contingencies as described in the audited consolidated financial statements as at and for the year ended December 31, 2012 other than:

Indemnity claim against the Company

As described in note 12(b) of the financial statements noted above, the Company is subject to an Interim Court Order (“Order”) which requires the reimbursement of Mr. John Bennett’s legal costs reasonably incurred in connection with his indictment by the U.S. Department of Justice ("DOJ”). During the first nine months of 2013 the Company accrued $368,900 of costs incurred pursuant to this Order composed of $110,000 and $258,900 in second and third quarters of 2013, respectively. The above amounts, together with the amounts accrued in prior periods resulted in a liability to Mr. Bennett, as at September 30, 2013, of $384,395. This liability provides for Mr. Bennett’s legal costs estimated to be incurred and reimbursable to him at the end of the current reporting period. The cost to the Company in respect of his future legal expenses will be recorded when these expenses are known and the amounts reimbursable to him can be reasonably estimated.

The Company expects to receive reimbursement from its insurance underwriter in the amount of approximately $282,000 in respect of costs incurred to date. Under its funding agreement with the underwriter, the Company expects to be required to repay all legal costs it recovers from the underwriter in the event that Mr. Bennett is found guilty. The Company has adequately provided for the estimated liability that may result from this requirement and has offset this provision against the reimbursement expected to be received from the underwriter.

The Company has long believed that Mr. Bennett is not entitled to indemnification but has not been able to successfully dispute his claims due to the unavailability of key witnesses and other constraints. As a result of recent developments these constraints have been removed and the Company has now filed a motion which seeks to deny Mr. Bennett any future indemnification payments and require the repayment of all such advances previously made to him. Alternatively, the motion requests a stay of the Order requiring these advances, and an expedited trial to resolve the matter. The outcome of these proceedings cannot be determined at this time.

Fraud claim against John Bennett

Regarding note 30(b) to the financial statements mentioned above, John Bennett has attempted to serve the Company with a defense to its claim against him in the amount of $10.3 million. The claim had been stayed, with the consent of both parties, until June of this year when Mr. Bennett withdrew his consent to the stay in order to serve the Company with a statement of defence and counterclaim in the amount of $30 million. The Company believes that it is not probable that any liability will arise and no amount has been recorded in the Company's financial statements in respect of this counterclaim. As a result of recent developments described in the section entitled "Indemnity claim against Company" above, the Company has accepted Mr. Bennett's lifting of the stay and has filed a motion which seeks to strike his counterclaim and obtain judgement on the Company's claim.

Claim against contractor

Regarding note 30(e) to the financial statements mentioned above, the Company and the contractor signed a full and final mutual release in June 2013, subject to the terms and conditions contained in the minutes of settlement, whereby the parties released and discharged each other from any and all actions and claims related to the matters under dispute.

TRANSACTIONS WITH RELATED PARTIES

As described in the Corporate Update section of this report, on May 31, 2013 the Company completed the sale of its Saint Ambroise facility to a company controlled by the plant's manager.

As described in the Corporate Update section of the MD&A for the second quarter of 2013, the Company granted investment rights to a fund to be created by Maxam Capital Corp. The Company`s new President and CEO is the founder and managing partner of Maxam Capital Corp.

SHARE CAPITAL

The number of common shares outstanding at November 14, 2013 was 38,778,897. There were 3,168,525 stock options outstanding as at November 14, 2013 exercisable at prices from $1.50 to $2.12 per share.

In the third quarter, the Board issued 1,784,400 stock options to the directors and the new President and CEO. The non-executive directors and the new Executive Chairman were issued an aggregate amount of 284,400 options (129,900 of these were issued to the new Executive Chairman) which are exercisable on the earlier of: (i) the date the share price exceeds 133% of the share price on grant date; and (ii) the date the Company enters into a transformational transaction. Concurrent with the issuance of 284,400 options to the non-executive directors and the new Executive Chairman, their cash remuneration was reduced.

The Company's new President and CEO was issued 1,000,000 options. The first tranche of the issuance, consisting of 500,000 options, vest immediately but will be automatically cancelled if a binding definitive agreement is entered into with respect to a transformational transaction already being considered by the Company or previously considered by the Company as of July 12, 2013. The second tranche of the issuance consists of 500,000 options, which are only exercisable if the Company enters into a transformational transaction. Transformational transaction is defined as an arrangement with another company which results in a substantial change in the nature, size or prospects of the business, and includes a change of control.

The new Executive Chairman was issued an additional 500,000 options which will only be exercisable if a binding definitive agreement is entered into with respect to a transformational transaction already being considered by the Company or previously considered by the Company as of July 12, 2013. These options and the first tranche of the options issued to the new President and CEO, if the latter are not previously exercised, are mutually exclusive. If the Executive Chairman's options become exercisable, then the first tranche of the President and CEO's options, if not previously exercised, will be automatically cancelled.

In addition, 729,900 of the options currently held by the new Executive Chairman (formerly the President and CEO) will in future only be exercisable in the unanimous discretion of the Board.

CRITICAL ACCOUNTING ESTIMATES

There are no changes in the nature of the Company's critical accounting estimates as described in the Company's annual MD&A dated March 22, 2013 which can be found on SEDAR at www.sedar.com. Changes in estimates related to contingencies and provisions are discussed earlier in this interim MD&A.

CHANGES IN ACCOUNTING POLICIES

These interim condensed consolidated financial statements have been prepared using the same accounting principles and policies as the annual financial statements for the year ended

December 31, 2012 and adopted new IFRS accounting standards as outlined in the interim condensed consolidated financial statements for the period ended September 30, 2013.

RISK FACTORS

Information on "Risk Factors" can be found in the Company's Annual Information Form ("AIF"`) dated March 22, 2013 for the fiscal year ended December 31, 2012.

As a result of the sale of the Saint Ambroise facility, the following risk factors included in the most recent AIF require modification:

Competition and Cyclical Nature of the Business

The Company continues to face competitive risk but is no longer in the business of remediating contaminated soil.

Commodities and Transportation

This no longer applies.

Sale May Not be Completed

This no longer applies.

FORWARD LOOKING STATEMENTS

Certain statements contained in this MD&A, or incorporated herein by reference, may constitute "forward-looking statements" which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The use of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe", "confident", "plan" and "intends" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These statements reflect current expectations, estimates and projections regarding future events and operating performance and speak only as of the date of this MD&A. These forward-looking statements involve a number of risks and uncertainties. The following are some factors that could cause actual results to differ materially from those expressed in or underlying such forward-looking statements: competition; changes in international, national and local business and economic conditions; legislation and governmental regulation; accounting policies and practices; and the results of operations and financial condition of the Company. The foregoing list of factors is not exhaustive. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as expressly required by law.