Cultivar Holdings Inc (formerly Admiral Bay Resources Inc.)

MANAGEMENT DISCUSSION & ANALYSIS

FORM 51-102F1

For the year ended July 31, 2019

December 10, 2019

This management's discussion and analysis provides an analysis of our financial situation which will enable the reader to evaluate important variations in our financial situation for the year ended July 31, 2019, compared to the year ended July 31, 2018. This report prepared as at December 10, 2019 intends to complement and supplement our financial statements (the "financial statements") as at July 31, 2019 and should be read in conjunction with the financial statements and the accompanying notes, which have been prepared in according with International Financial Reporting Standards.

Our financial statements and the management's discussion and analysis are intended to provide a reasonable base for the investor to evaluate our financial situation.

Our financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). All dollar amounts contained in this MD&A are expressed in Canadian dollars, unless otherwise specified.

Where we say "we", "us", "our", the "Company" or "Admiral Bay", we mean Cultivar Holdings Inc. (formerly Admiral Bay Resources Inc.), as it may apply.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and Management Discussion and Analysis ("MD&A"), is complete and reliable.

All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted. This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Company is available for viewing on SEDAR at www.sedar.com.

OVERVIEW AND DESCRIPTION OF BUSINESS

Cultivar Holdings Inc. (formerly Admiral Bay Resources Inc.) ("the Company") was originally incorporated under the name Riviera Explorations Ltd. pursuant to the Business Corporations Act (British Columbia) on September 3, 1987. In 1993 the Company changed its name to Kentucky Oil & Gas Inc., and in 1994 to Integrated Card Technologies Inc., in 1997 to Arizona Ventures Ltd., and on August 31, 1998 to Admiral Bay Resources Inc. The Company was a listed issuer on the TSX-V under the symbol "ADB". On December 6, 2011 a Cease trade order was issued by the director of the BCSC for not meeting the required financial statements filing requirements.

On February 23, 2016, the BCSC issued a Partial Revocation Order to solely permit each of the Definitive Agreement, including the Funding Provision, and the Reorganization Agreement. The Company proposed to negotiate a Definite Agreement to enter into an amalgamation agreement with an Alberta corporation and a British Columbia corporation, both to be created, the Reorganization Agreement. The Definitive agreement would also contain the Funding Provision to cover the costs to bring the required filings up to date. The Definite Agreement was not completed.

On May 16, 2018, the Company received the following revocation orders:

- Revocation Order dated May 16, 2018 from the British Columbia Securities Commission to a Cease Trade Order ("CTO") previously issued on December 6, 2011; and
- Revocation Order dated May 16, 2018 from the Alberta Securities Commission to a CTO previously issued on March 5, 2012.

The CTOs were issued by the BCSC and the ASC, as a result of the failure of the Company, under its previous management, to file annual audited financial statements and related management discussion and analysis within the required time. The Company has addressed all of the outstanding filing deficiencies and brought its continuous disclosure records on SEDAR up to date.

Management is currently seeking new opportunities as it does not hold any material resource property interests at this time.

The Company is engaged in the business of acquiring, exploring and developing natural resource properties, with a focus on emerging unconventional gas production. The Company's corporate head office is located at 77 King Street W, Suite 3000, Toronto, Ontario, Canada, M5K 1G8.

CORPORATE DEVELOPMENTS AND SIGNIFICANT TRANSACTIONS AND FACTORS AFFECTING RESULTS OF OPERATIONS

Announcements

During the year ended July 31, 2019, the Company announced the following:

- The resignation of Johannes van der Linde, Eugene Beukman, Joel Dumaresq and Steven Tedesco from the Board of Directors; and,
- The appointment of Rajendra Kushwah, Dr. Rahul Kushwah, and Michelle Butler as directors.
- The Company entered into a non-binding letter of intent with Cultivar Holdings Ltd. with respect to a reverse take-over transaction which would ultimately result in the Company's common shares being listed on the Canadian Securities Exchange.

(Refer to subsequent events)

Equity

During the year ended July 31, 2019, there were no equity transactions.

During the year ended July 31, 2018, the following equity transactions were completed:

On July 25, 2018, the Company completed a non-brokered private placement and issued an aggregate of 6,000,000 common shares for gross proceeds of $6,000. The Company intends to use the private placement funds for working capital purposes.

On July 11, 2018, the Company increased the number of authorized common shares without par value from 202,297,706 common shares to an unlimited number of common shares.

On July 11, 2018 the Company consolidated its share capital on a one-for-ten basis. All share and per share information have been restated to reflect this consolidation for all periods presented.

OVERALL PERFORMANCE

At July 31, 2019, the Company had no revenue and had accumulated losses of $50,298,123 (July 31, 2018 - $50,255,790) since its inception and has negative working capital of $112,639 (July 31, 2018 - $70,306). The Company incurred losses of and reported a net loss of $42,333 (2018 - $42,685) for the twelve-month period.

SELECTED ANNUAL INFORMATION FOR THE PAST THREE YEARS

The following table summarizes selected financial data for the Company for each of the three most recently completed financial years. The information set forth below should be read in conjunction with the Financial Statements. Financial Statements for all years presented are prepared in accordance with IFRS.

	Fiscal Years Ended July 31,		
	2019	**2018**	**2017**
	$	$	$
Total Revenue	-	-	-
Total Assets	6,013	17,671	2,652
Total non-current financial liabilities	-	-	-
Total liabilities	118,652	87,977	36,273
Net loss for the year	42,333	42,685	14,750
Basic and diluted loss per share	(0.01)	(0.07)	(0.03)

Total assets in 2019 decreased as a result of the usage of limited cash and usage of refunds received from sales taxes. Net loss has decreased from previous years due to reduced activity in 2019 as compared to 2018. In 2018, net loss was made up mainly due to professional fees, rent and transfer agent and filing fees. In 2019 there was no expense for rent and a reduction in transfer agent costs contributed to the decreased losses. There was management fee of $16,000 in 2019 paid to the new CEO of the Company for the four months ended July 31, 2019 (Prior year: $nil).

BUSINESS STRATEGY

Management is currently seeking new opportunities as it does not hold any material resource property interests at this time. The Company is engaged in the business of acquiring, exploring and developing natural resource properties, with a focus on emerging unconventional gas production. Refer to note on subsequent events.

MANAGEMENT DISCUSSION & ANALYSIS

RESULTS OF OPERATIONS

All of the balances set out in this and following sections, including the summary of quarterly results conform to IFRS standards.

For the Years Ended July 31,	**2019** **$**	2018 $
Expenses		
Consulting fees	**6,000**	4,524
Office and miscellaneous	**565**	2,774
Management fees	**16,000**	-
Professional fees	**14,650**	10,645
Rent	**-**	15,500
Transfer agent and filing fees	**5,118**	10,958
Total expenses	**(42,333)**	(44,401)
Other items		
Interest income	**-**	124
Recovery of expenses	**-**	1,592
Loss and comprehensive loss for the year	**(42,334)**	(42,685)
Loss and comprehensive loss per share - basic and diluted	**(0.01)**	(0.07)
Weighted average number of shares outstanding – basic and diluted	**6,514,249**	612,879

For the year ended July 31, 2019 compared to the year ended July 31, 2018

The Company recorded net loss of $42,333 for the year ended July 31, 2019 compared to a net loss of $42,685 for the year ended July 31, 2018. Some of the significant charges to operations are as follows:

- General and Administration expenses of $565 (2018 - $2,774) consisted mainly of postage, courier and bank charges.
- Professional fees of $14,650 (2018 - $10,645) increased by $4,005 mainly due to the accounting charges that were higher in the current year incurred to bring the accounting records and financial statements up to date.
- Rent expense of $nil (2018 - $15,500) incurred for the prior year. The Company had no rental obligations in the current year.
- Transfer agent and filing fees of $5,118 (2018 - $10,958). A decrease of $5,840 was incurred in the year ended July 31, 2019 to comply with its regulatory filing requirements to bring the Company into good standing for the prior year.
- Recovery expenses increased to $nil (2018 - $1,592). In the prior year, the company expensed claimable historical GST/HST amounts and it intended to collect. Thus, the Company recorded a recovery to expenses of $1,592 in prior year.

Cash flow Analysis

Operating activities

During the year ended July 31, 2019 and 2018, cash used in operating activities was $37,130 and $26,508, respectively. During the year ended July 31, 2019, the Company paid off accounts payable of $37,325 primarily utilizing the cash from financing activities.

Financing activities

During the year ended July 31, 2018, the Company obtained three separate loans for total gross proceeds of $31,526, of which a total of $21,526 was from related parties. The loans are unsecured, non-interest bearing and due on demand. These loans were repaid during the year ended July 31, 2019 from unsecured, non-interest-bearing loan due on demand for $99,526 availed from Cultivar Holdings Limited in addition to meeting the needs of its working capital.

SUMMARY OF QUARTERLY RESULTS

The table below presents selected financial data for the Company's eight most recently completed quarters, all prepared in accordance with IFRS.

	July 31 2019 $	April 30 2019 $	Jan 31 2019 $	Oct 31 2018 $	Jul 31 2018 $	Apr 30 2018 $	Jan 31 2018 $	Oct 31 2017 $
Deficit and Cash Flow								
Net income (loss)	(29,202)	(37)	(9,957)	(3,138)	(20,362)	(10,603)	(6,835)	(4,885)
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)	(0.03)	(0.02)	(0.01)	(0.01)
Balance Sheet								
Total Assets	6,013	1,572	1,608	15,840	17,671	12,838	20,232	2,821

Over the last eight quarters operational expenses fluctuated mainly due to professional fees and rent charges as spending as well as attempts to preserve cash spending on general and administrative and the fact that operations have been put on hold for a period of time. The quarter ending July 31, 2019 show an increase in net loss due to management fees of $16,000 expensed in the quarter.

LIQUIDITY AND CAPITAL RESOURCES

The annual financial statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Continuing operations, as intended, are dependent on management's ability to raise required funding through loans, debentures and future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given today's volatile and uncertain financial markets. The Company may revise future plans depending on its working capital position.

As at July 31, 2019 the Company had a negative working capital of $112,639 (July 31, 2018 negative working capital of $70,306). Current assets primarily consisted of, cash of $4,888 (July 31, 2018 - $11,018), receivables of $1,125 (July 31, 2018 - $6,653). Current liabilities, being loans payable of $99,526 (July 31, 2018 - $31,526), accounts payable and accrued liabilities as at July 31, 2019 amounted to $19,126 (July 31, 2018 - $56,451). Refer to the annual financial statements for the years ended July 31, 2019 and 2018 for more information on the use of cash in operating, investing and financing activities.

Other than the above mentioned current liabilities, the Company has no short-term capital spending requirements and future plans and expectations are based on the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. There can be no assurance that the Company will be able to obtain adequate financing in the future or if available that such financing will be on acceptable terms. 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 future equity offerings. 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. Also refer to subsequent events disclosure

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet arrangements.

DIRECTORS AND OFFICERS

The Directors and Officers of the Company as of July 31, 2019 are as follows:

Rajendra Kushwah	CFO and Director
Rahul Kushwah	CEO and Director
Michelle Butler	Director

SUBSEQUENT EVENTS

Effective September 23, 2019, the Company completed the acquisition of all of the issued and outstanding shares of Cultivar Holdings Limited by way of a three-cornered amalgamation, pursuant to which 2693980 Ontario Inc., the Company's wholly owned subsidiary, amalgamated with Cultivar Holdings Limited (the "Transaction"). Pursuant to the Transaction, each registered shareholder of Cultivar Holdings Limited received one (1) common share in the capital of the Company for each common share held, resulting in the issuance of an aggregate of 97,439,900 common shares of the Company to Cultivar Holdings Limited's Shareholders. As part of the Transaction, warrants of Cultivar Holdings Limited were replaced with common share purchase warrants of the Company. In addition, 500,000 Cultivar Holdings Limited shares were set aside to be issued to members of Cultivar Holdings Limited's management team upon the final approval of Jamaica's Cannabis Licensing Authority for the licences involved in the cultivation, processing, retail and transportation of cannabis. At the time of closing, Cultivar Holdings Limited also had outstanding warrants exercisable into an aggregate of 1,648,000 shares at a price of $0.50 per share until August 12, 2021.

The Company also changed its name from "Admiral Bay Resources Inc." to "Cultivar Holdings Inc.". Following completion of the Transaction, the directors and officers of the Company are as follows: Sheldon Kales (Director and Chief Executive Officer), Dr. Rahul Kushwah (Director and Chief Operating Officer), Rakesh Malhotra (Chief Financial Officer), Tom Sipos (Director), and Ajit Kumar (Director).

TRANSACTIONS WITH RELATED PARTIES

Key management compensation was $16,000 for the year ended July 31, 2019 and $nil for year ended July 31, 2018.

During the year, the Company entered into transactions with related parties comprised of directors, officers and Companies with common directors as follows:

	Years ended	
	July 31, 2019	July 31 2018
	$	$
Consulting fees to a company with a director in common	**-**	4,500
Professional fees to a company with a director in common	**-**	3,500
Rent to companies with directors in common	**-**	15,500
Management fees paid to a Company owned by a director of the Company	**16,000**	-
Filing fees to a company with a director in common	**-**	1,100
Total	**16,000**	24,600

The amounts due to related parties consist of the following as at July 31, 2019 and July 31, 2018:

		2019	2018
	Note	**$**	$
Included in accounts payable		**-**	25,474
Included in loans payable		**99,526**	21,526
Total		**99,526**	47,000

The amounts due to the related parties are unsecured, non-interest bearing and due on demand.

FOURTH QUARTER RESULTS

The Company incurred a loss of $29,202 in the fourth quarter of 2019 (2018 - $20,362) as per details below:

	Quarter ended July 31, 2019	2018
	$	$
Expenses		
Consulting	-	4,524
Management fees	16,000	-
General and administration	52	2,419
Professional fees	13,150	5,640
Rent	-	6,500
Transfer agent and filing fees	-	2,995
Total expenses	**(29,202)**	(22,078)
Other Items		
Interest income	-	124
Recovery of expenses	-	1,592
Loss and comprehensive loss	**(29,202)**	(20,362)
Basic and diluted loss per share	**(0.00)**	(0.03)

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these financial statements requires management to make judgements and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgements and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, 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:

(i) the $nil provision for income taxes which is included in the statements of loss and comprehensive loss and composition of deferred income tax assets and liabilities included in the statements of financial position.

FINANCIAL INSTRUMENTS AND RISKS

Fair value

The Company's financial instruments consist of cash, accounts payable, and loans payable. The carrying and fair value amounts of the Company's financial instruments are approximately equivalent due to the relatively short periods to maturity of these instruments.

Cash is recorded at fair value, using level 1 inputs.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

Credit risk
Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company limits its exposure to credit loss for cash by placing its cash with high quality financial institutions. The credit risk for cash is considered negligible since the counterparties are reputable banks with high quality external credit ratings and customers with no history of default.

Liquidity risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they become due. As at July 31, 2019, the Company had a working capital deficiency of $112,639 (July 31, 2018 - $70,306). In order to meet its longer-term working capital requirements, the Company intends on securing further financing to ensure that those obligations are properly discharged. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of the Company may change, and shareholders may suffer additional dilution. If adequate financing is not available, the Company may be required to delay, reduce the scope of, or eliminate one or more operating activities. The Company's financial liabilities generally have contractual maturities of 30 days and are subject to normal trade terms.

Foreign exchange risk
The Company has no assets and liabilities denominated in foreign currency and conducts its business mainly in Canada. The Company's exposure to currency risk is currently considered insignificant.

Interest Rate Risk
Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company's interest income on cash balance is negligible and the accounts payable and loans payable are non-interest bearing. The Company is not exposed to significant interest rate risk.

OTHER INFORMATION

Off Balance Sheet Items

The Company has no off-balance sheet arrangements.

Going Concern

The financial statements for the year ended July 31, 2019 have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Several material uncertainties may cast a significant doubt on the validity of this assumption. The Company has incurred losses since inception and has no current source of revenue. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to acquire resource property or business interests and develop profitable operations or a combination thereof, which is not assured, given the volatile and uncertain financial markets.

These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. At July 31, 2019, the Company had a deficit of $50,298,123 (July 31, 2018 - $50,255,790) and a negative working capital of $112,639 (July 31, 2018 - $70,306).

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to continue as a going-concern, the net realizable values of its assets may be materially less than the amounts recorded on the statement of financial position.

Management of capital

The Company considers its capital to be equity, which is comprised of share capital and deficit, which as at July 31, 2019 totaled a deficiency of $112,639, (2018 - deficiency of $70,306). The Company's capital structure is adjusted based on the funds available to the Company such that it may continue to seek new opportunities. The Board of Directors does not establish quantitative return on capital criteria, but rather relies on the expertise of management and other professionals to sustain future development of the business.

The only sources of future funds presently available to the Company are through the sale of equity capital of the Company. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the years ended July 31, 2019 and 2018. The Company is not subject to externally imposed capital restrictions.

Outstanding Share Data

The table below presents the Company's common share data as of July 31, 2019.

	Number of common shares	Share Price	Expiry Date
Common Shares, issued and outstanding *	**6,514,249**	**N/A**	**N/A**
Stock options convertible into common shares	**Nil**	**N/A**	**N/A**
Warrants convertible into common shares	**Nil**	**N/A**	**N/A**
Total outstanding – fully diluted	**6,514,249**	**N/A**	**N/A**

*On July 11, 2018 the Company consolidated its share capital on a one-for-ten basis. All share and per share information have been restated to reflect this consolidation for all periods presented.

RISKS AND UNCERTAINTIES

Early Stage – Need for Additional Funds

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to such enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investments and the likelihood of success must be considered in light of its early stage of operations. The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, 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, especially in today's volatile and uncertain financial markets. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

Foreign Country and Political Risk

The Company might from time to time pursue mineral properties in unstable political or economic countries. The Company would be subject to certain risks, including currency fluctuations and possible political or economic instability in certain jurisdictions, which may result in the impairment or loss of mineral concessions or other mineral rights. Mineral exploration and mining activities may be affected in varying degrees by political instability and government regulations relating to the mining industry. Any changes in regulations or shifts in political attitudes may also adversely affect the Company's business. Exploration may be affected in varying degrees by government regulations with respect to restrictions on future exploitation and production, price controls, export controls, foreign exchange controls, income taxes, expropriation of property, environmental legislation and mine and/or site safety. The Company does not presently own/pursue foreign exploration projects.

Environmental Regulations, Permits and Licenses

The Company's operations are subject to various laws and regulations governing the protection of the environment, exploration, development, production, taxes, labor standards, occupational health and safety, waste disposal, and other matters. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in impositions of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a direction of stricter standards, and enforcement, and higher fines and penalties for non-responsibility for companies including its directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability for the Company and its directors, officers and employees. The Company intends to fully comply with all environmental regulations.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or productions costs or reduction in levels of productions at producing properties, or requirements abandonment, or delays in development of new mining properties.

Competition and Agreements with Other Parties

The mining industry is intensely competitive in all its phases. The Company competes with other companies that have greater financial resources and technical capacity. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party, and it may have its interest in the properties subject to such agreements reduced as a result. Also, if other parties to such agreements do not meet their share of such costs, the Company may not be able to finance the expenditures required to complete recommended programs.

Price Volatility of Public Stock

In recent years, securities markets have experienced extremes in price and volume volatility. The market price of securities of many early stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on a stock exchange may be affected by such volatility.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Conflicts of Interest

The Company's directors and officers may serve as directors and officers, or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act, British Columbia ("Corporations Act") in dealing with conflicts of interest. These provisions state, where a director/officer has such a conflict, that the director/officer must at a meeting of the board, disclose his interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning Admiral Bay's general and administrative expenses and exploration and evaluation costs is provided in the Company's statement of loss and note disclosures contained in its financial statements for the year ended July 31, 2019. These statements are available on SEDAR - Site accessed through www.sedar.com.

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors deem relevant.

Management's Responsibility for Financial Statements

The 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 values 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. In contrast to the certificate required under National Instrument 52-109 Certificate 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 Company 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 Company'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 this 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.

Nature of the Securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

Proposed Transactions

Refer to Subsequent Events disclosure

Approval

The Board of Directors oversees management's responsibility for financial reporting and internal control systems. The Board of Directors of the Company has approved the financial statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

Forward Looking Information

Certain statements in this document constitute "forward-looking statements" and are based on current expectations and involve risks and uncertainties, referred to above and or in the Company's financial statements for the year ended July 31, 2018, that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in the forward-looking statements. Examples of such forward looking statements include statements regarding financial results and expectations for 2019. This list is not exhaustive and should be considered carefully by prospective investors, who should not place undue reliance on such forward-looking statements. Factors that could cause actual results, developments or events to differ materially from those anticipated include, among others, the factors described or referred to elsewhere herein including, without limitation, under the heading "Risks and Uncertainties" and/or the financial statements, and include unanticipated and/or unusual events. Many of such factors are beyond the Company's ability to control or predict. Actual results may differ materially from those anticipated. Readers of this MD&A are cautioned not to put undue reliance on forward looking statements due to their inherent uncertainty. Forward-looking statements are made based upon management's beliefs, estimates and opinions on the date the statements are made, which management believes are reasonable, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law. These forward-looking statements should not be relied upon as representing management's views as of any date subsequent to the date of this MD&A. Additional information, including interim and annual financial statements, circulars and other disclosure documents, may also be examined and/or obtained through the Internet by accessing the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") website at www.sedar.com.