1.1 Date

This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand the consolidated financial statements of Maple Leaf Green World Inc., together with its wholly owned subsidiary, *Inner Mongolia Maple Leaf Reforestation Co. Ltd.*, China, consolidated up to the date of disposal on November 29, 2013, referred to as "Maple Leaf" or the "Company". The information herein should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2013 and related notes. The following discussion may contain management estimates of anticipated future trends, activities or results. These are not a guarantee of future performance, since actual results could change based on factors and variables beyond managements control.

This MD&A contains information up to and including April 24, 2014.

Unless otherwise indicated, in this MD&A all references to "dollar" or the use of the symbol "$" are to the Canadian dollar, all references to "RMB¥" are to the Renminbi, which is the legal currency of the People's Republic of China ("China").

Additional information relating to Maple Leaf is available on SEDAR at www.sedar.com and on Maple Leaf's website at www.mlgreenworld.com.

Except for statements of historical fact relating to the Company, certain information contained herein constitutes forward-looking statements. This MD&A contains forward-looking statements which reflect management's expectations regarding Maple Leaf's future growth, results of operations, performance, business prospects and opportunities. Words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", "seek", "could", or similar expressions, are forward-looking statements within the meaning of securities laws. Forward-looking statements include, without limitation, the information concerning possible or assumed future results of operations of Maple Leaf. These statements are not historical facts but instead represent only Maple Leaf's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. In addition to the factors that Maple Leaf currently believes to be material such as, but not limited to, its ability to obtain adequate working capital, its ability to secure purchase contracts relating to its various operations, its ability to capitalize on opportunities available to the Company, other development trends within the agriculturalindustry, expansion and growth of Maple' Leaf's business and operations, government and regulatory developments including availability of requisite licences; its ability to suceessfully cultivate and market effective products, including marijuana with suffficient levels of CBD, its ability to attract and retain qualified personnel, its reliance on joint venture partners, authorized intermediaries, key customers, suppliers and third party service providers, its ability to operate its production facilities on a profitable basis, changes in currency exchange rates and interest rates, evaluation of its provision for income and related taxes and the Chinese economic, political and social conditions and government policy, as well as other factors, such as general, economic and business conditions and opportunities available to or pursued by Maple Leaf, which are not currently viewed as material but could cause actual results to differ materially from those described in the forward-looking statements. Although Maple Leaf has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors and risks that cause actions, events or results not anticipated, estimated or intended. Accordingly, readers should not place any undue reliance on forward-looking statements as such information may not be appropriate for other purposes.

Maple Leaf maintains a forward-looking statement database which is reviewed by management on a regular basis to ensure that no material change has occurred with respect to such forecasts. The Company will publicly disclose such material changes to its forward-looking statements as soon as they are known to management.

1.2 Business Overview and Development

Maple Leaf is a Canadian company that focuses on eco-agriculture and renewable energy in the environmental industry. Maple Leaf devoted substantially all of its efforts to establish and operate a green-house to plant and sell young tree seedlings in Inner Mongolia, China through its wholly-owned subsidiary, *Inner Mongolia Maple Leaf Reforestation Co. Ltd*. ("Inner Mongolia Forestry"). However, due to the decline in seedlings sales, lack of improvement in infrastructure development in the geographical area of operation since acquisition, and the difficulties to raise capital, Maple Leaf disposed of its interest in Inner Mongolia Forestry and all assets and liabilities related to Inner Mongolia Forestry were deconsolidated on November 29, 2013.

Subsequent to December 31, 2013, the Company announced that it engaged a professional consulting group to advise on opportunities to obtain an MMPR License (Marijuana for Medical Purposes Regulation License) from Health Canada and follow on business opportunities.

1.2.1 Greenhouse Operation

The 110,000 square foot greenhouse with a capacity to produce 18 million seedlings under normal operation conditions was constructed in Inner Mongolia, China and was operated by the Company's 100% owned subsidiary, Inner Mongolia Forestry. However, due to limited financial resources, the operation of the greenhouse had never been able to achieve its normal capacity and incurred losses since its inception.

During the year ended December 31, 2013, sales from the greenhouse operation were $40,570 (2012 - $365,643) with a negative gross margin of $617 (2012 - positive gross margin of $42,617). In November 2013, the Company disposed Inner Mongolia Forestry for $719,899 (RMB¥4,000,000) net of all of the liabilities of $143,953 (RMB¥828,128), and recorded a loss of $84,657. The decision to dispose Inner Mongolia Forestry was mainly due to the decline in seedling sales, lack of improvement in infrastructure development in the geographical area of operation, and difficulties to raise sufficient capital.

1.2.2 Yellowhorn Tree Farm Operation

The bio-diesel industry around the world has been flourishing and demand for feedstock oil has been increasing, however it has been lagging in China. The Company's knowledge and involvement in Yellowhorn trees has led to it being approached by North American entities that require Yellowhorn seedlings.

Although Maple Leaf continues to pursue operating opportunities relating to Yellowhorn trees and the bio-diesel industry, due to the financial condition of the Company, at this time it does not have an active operation relating to Yellowhorn seedling or trees. The Distribution agreement with Unni is still in effect and they have been trying to apply for a U.S. government grant under the BCAP program for a couple of years without success. The Australian plantation was supposed to visit the Company's Yellowhorn base in Inner Mongolia before they will place the order, and they have advised the Company to postpone the visit until 2014. The JV agreement with Spanish Vinomatos to introduce Yellowhorn to Europe is still in effect, but the action plan has been postponed due to the economic situation in Europe.

1.2.3 Other Business Developments

a) Medical Marijuana

Subsequent to December 31, 2013, the Company engaged a professional consulting group to advise on opportunities to obtain an MMPR License (Marijuana for Medical Purposes Regulation License) from Health Canada and follow on business opportunities. Mr. Joe Wong, a director of the Company, was also appointed as the Vice President of Operations to spearhead the Medical Marijuana Project. Mr. Wong's first task will be to identify growing facilities and to work closely with consultants in applying for the MMPR License.

The Company also entered into an agreement with Woodmere Nursery Ltd. ("Woodmere"), a private company related to a director and officer of the Company, to lease 80,000 square feet greenhouse spaces, located in Telkwa, British Columbia, at $3 per squre foot per annum from Woodmere to plant medical marijuana if the Company was able to obtain the MMPR License. The lease is for three years term but would take effect only when the Company receives conditional approval of the MMPR License from Health Canada. The agreement also grants an option to the Company to purchase the greenhouse spaces at a price to be negotiated or determined by an independent appraiser.

Maple Leaf has determined that given the knowledge and years of experience that its personnel have in greenhouse operations, and combined with its soil enhancement technology partnership, it is well positioned to consider licensed business opportunities in Canada to grow top quality marijuana and to pursue the medical marijuana business.

Maple Leaf's objective is to acquire requisite licences and facilities to grow pesticide free, top grade marijuana from contamination-free soil. Management believes that the knowledge and expertise accumulated through years of experience in greenhouse operations combined with the soil enhancement technology, provides a solid basis of experience for the Company.

Health Canada estimates that the medical marijuana market could be worth as much as $1.3 billion by 2024. Analysts and industry experts speculate that the new commercial marijuana business could reach $2.6 billion by 2016. Medical marijuana is currently legal in 20 U.S. states and several other states are considering both medical and recreational legalization of marijuana which provides an opportunity for quality Canadian growers to expand south.

The Company has not yet entered into any agreements in connection with the operation of a medical marijuana business.

b) Soil Enhancement Products

In March 2013, the Company announced that it entered into an one-year exclusive agency agreement with High Brix Manufacturing Inc of Alberta, Canada ("High Brix") and Soil Works LLC of South Dakota, U.S.A. ("Soil Works") to market their products in China.

High Brix is a privately owned company that was formed to blend and develop high quality phosphate products. The focus of the program and product line is to increase the nutrient density of food. With research and theories based in the Biological ionization of Dr. Carey Reams, the process consists of several important steps to flocculate soil, re-establish microbial life and function and ensure homogenized energy flow in the soil. Use of clean minerals, free from excess salts, heavy metals and unneeded fillers is a key component to product selection and development. All of High Brix's products have been formulated and blended to ensure the end product is efficient, biologically friendly and contain no unneeded minerals or additives.

Soil Works is a manufacturer of a Calcium product that meets and exceeds the average criteria, and it is a perfect match to High Brix's phosphate products in meeting the goals of soil flocculation, increased plant health and superior food quality. Soil Work's website is www.gsrcalcium.com. Unlike any product currently on the market, Genesis Soil Rite Calcium is designed to attack and correct the cause of the problem rather than reacting only to the symptoms. Throughout the world, Soil Works stands confident in knowing that the addition of calcium is the only solution to a wide source of soil problems, including fungi, weeds, insects, pH, drought and plant sugars in plants. The growth, health and productivity of all plants is determined by the balance and interaction of many nutrients. Calcium's role is to use its electrical power to assist other minerals for an overall healthy soil that produces quality food.

High Brix and Soil Works products are currently being used in 44 U.S. States, 8 Provinces in Canada and in 15 different countries outside of North America.

In May 2013, the Company entered into a 5-year waste land reclamation contract with Ordos Lin Ze Bio-Tech Company Ltd. ("Lin Ze") of Inner Mongolia, China. The Contract involves 50,000 acres of wasteland that Lin Ze owns. Maple Leaf will conduct a test on Lin Ze's 1.5 acres of wasteland with its partners, Soil Works and High Brix. If it is proven successful that trees planted by Lin Zi survive on the 1.5 acres of land, Lin Ze has agreed to grant Maple Leaf a contract for the whole 50,000 acres to conduct the soil reclamation at a price of US$50 per acre per year for 5 years. The total price will be US$2.5 million a year or US$12.5 million for 5 years. The price is fixed for the 1st year but may be adjusted for the next 4 years depending on the progress of the reclamation. Lin Ze also intends to grow fruit bearing corps on the 50,000 acres of land, and if it is successful, the financial benefits generated from it will be distributed amongst Lin Ze and Maple Leaf in a separate agreement. Both companies will bear their own cost for doing the test, but Lin Zi will provide full cooperation under Maple Leaf's guidance.

Lin Ze is a biotechnology company established in 2008 that specializes in growing special species of trees in semi desert wasteland. In addition to the 50,000 acres of wasteland that it owns, it also has a 6,700 sq metre high tech greenhouse that uses Israel's greenhouse technology. With the success of the soil reclamation project, Lin Ze intends to establish a long term relationship with Maple Leaf to jointly exploit all other wastelands totalling about 500,000 acres that Lin Ze has access to in Inner Mongolia. It is estimated there are approximately 73 million acres of wasteland in Inner Mongolia that are in the danger of turning into desert if no reclamation work is done to them in the near future. The new China government has emphasized again to increase their efforts and spending to counter such environmental disasters in all the northern regions including Inner Mongolia.

Assuming that the soil reclamation test is successful, Maple Leaf and its partners, Soil Works and High Brix, have agreed that Maple Leaf will earn 30% of the revenue for the 1st year, or US$750,000, without incurring any operating costs. The subsequent 4 years would be a minimum of 30% of the revenue for Maple Leaf, unless a new formula is agreed to among Maple Leaf, Soil Works and High Brix based on the progress of the project. Soil Works and High Brix are very confident that they can help reclaim Lin Ze's lands given that the technology has already been successfully applied in areas experiencing similar desertification problems, including but not limited to Southern California, Florida and Kazakhstan.

Besides Lin Ze, there are also other companies in Inner Mongolia that have been inquiring with Maple Leaf about the possibility of conducting the soil reclamation test on their lands. Personnel from both Maple Leaf and Soil Works traveled to Ordos to set up the test in late July 2013, after 3 months of testing, Soil Works personnel concluded that the soil condition in that region was exceptionally poor and it would take up to one year to improve, as such, they have planned to go back there in the spring of 2014 to help them to start the Spring season.

c) Peat Moss Project

Due to the delay of sample shipment, the previously annouced peat moss order from Shandong Yuan Ji Horicuture Garden was cancelled. The Company is in the process of setting up a shipment receiving point in Yunan province, where no import duty will be charged for all peat moss importation. As such, Maple Leaf will be able to become more competitive.

d) Agreement with China Light

In November 2013, the Company cancel its collaboration agreement with China Light Enrich Ltd ("China Light"), a private Hong Kong company that specializes in the econlogical agriculture and bio-fertlizer business, regarding its raising pig technology. The Company entered into an exclusive agreement to test, with an option to purchase, a pig rasing technology of China Light. The pig-raising testing began in May 2013, but China Light refused to provide details regarding the test and ingredients in its pig rasing formula although the Company had been making continuouse requests to China Light. The cancellation of this agreement has no financial impact on the Company.

1.2.4 Financing and use of proceeds

In March 2013, the Company raised $50,000 by issuing convertible debentures to a third party. The debentures bear a coupon interest rate of 10% per annum and are convertible into common shares at a price of $0.10 per share before September 30, 2013.

In April 2013, the Company raised gross proceeds of $57,500 by issuing 2,300,000 units at a subscription price of $0.025 per unit. Each unit consists of one common share and one common share purchase warrant exercisable into one common share at a price of $0.05 for the first twelve months after the issuance and $0.10 thereafter for the remaining term.

The proceeds raised were used as planned.

1.3 Annual Financial Results

The following table set forth selected operational results for the three most recently completed financial years.

	Years ended					
		December 31, 2013		December 31, 2012		December 31, 2011 *
Total assets	$	369,645	$	990,546	$	2,114,951
Shareholders' equity	$	(264,939)	$	313,713	$	1,391,507
Dividend declared	$	-	$	-	$	-
Sales	$	40,570	$	365,643	$	297,260
Gross profit	$	(617)	$	42,617	$	(1,049)
Operating expenses	$	(581,877)	$	(1,454,178)	$	(1,075,114)
Loss from continuing operations	$	(582,494)	$	(1,411,561)	$	(1,070,027)
Loss on discontinued operations	$	-	$	-	$	(6,136)
Net loss	$	(582,494)	$	(1,411,561)	$	(1,076,163)
Basis and diluted loss per share from continuing operations	$	(0.01)	$	(0.02)	$	(0.01)
Basic and diluted loss per share	$	(0.01)	$	(0.02)	$	(0.01)

** During the year ended December 31, 2011, the Company changed its financial year end from January 31 to December 31, and therefore, the operational results for the year ended December 31, 2011 represents the 11 month period from February 1, 2011 to December 31, 2011.*

1.4 Quarterly Financial Results

	Quarter ended			
	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013
Revenue	$ 16,752	$ 13,395	$ 9,119	$ 1,304
Cost of sales	(16,445)	(13,288)	(10,317)	(1,137)
Gross profit	307	107	(1,198)	167
Operating expenses	(256,066)	(123,576)	(131,943)	(70,292)
Net loss	(255,759)	(123,469)	(133,141)	(70,125)
Loss per share	(0.00)	(0.00)	(0.00)	(0.00)

	Quarter ended			
	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012
Revenue*	$ 22,788	$ 50,504	$ 263,166	$ 23,995
Cost of sales	(52,145)	(45,006)	(204,932)	(20,943)
Gross profit*	(29,357)	5,498	58,234	3,052
Operating expenses	(999,791)	(150,894)	(221,274)	(77,029)
Net loss	(1,029,148)	(145,396)	(163,040)	(73,977)
Loss per share	(0.01)	(0.00)	(0.00)	(0.00)

**During the three months ended September 30, 2012, the Company reclassified rental income and interest earn from Revenue to Expenses and other. During the three months ended December 31, 2012, the Company reclassified change in biological assets from the assessment of gross profit to Operating expenses. Such reclassifications had no impact on the loss from continued operation and net loss.*

The expenses incurred by the Company are typical of a development company that has not yet established its principal operations or reached operating capabilities. The Company`s expenditures fluctuate from quarter to quarter mainly related to its activities conducted in estabishing and developing its operations during the respective quarter**.**

The increase of net loss for the quarter ended December 31, 2013 was mainly due to a loss of $84,657 arising from the disposal of its wholly owned subsidiary, Inner Mongolia Forestry.

The increase of net loss for the quarter ended December 31, 2012 was mainly due to a total of $562,150 impairment charges related to the Company's Inner Mongolian green house business.

1.5 Results of Operations

1.5.1 Operation results for the year ended December 31, 2013

Net loss in 2013 was $582,494, a decrease of $829,067 or 59%, compared to the loss of $1,411,561 in 2012. The decrease was mainly due to lower expenses and impairment charges recognized. These amounts were offset by reduced revenue from operations and the recognition of a loss on disposal of Inner Mongolia Forestry amounted to $84,657.

Revenue in 2013 was $40,570, a decrease of $325,073 compared to the sales of $365,643 in the same period last year. The decrease of sales was mainly due to changes in seedling requirements by the local government. These changes in requirements included requiring bigger seedlings, 2 to 3 years old compared to previously requiring seedlings of less than one year old, for their reforestation program, and the increasing allowable competition from local family farmers.

Cost of sales in 2013 was $41,187, a decrease of $281,839 compared to the cost of sales of $323,026 in 2012. The decrease of cost of sales was mainly associated to the decrease of the sales.

Gross margin in 2013 was a loss of $617 compared to a profit of $42,617 achieved in 2012. The significant reduction on gross margin was because higher unit fixed overhead costs were allocated to seedlings due to lower production and sales in the current period.

Operating expenses in 2013 was $581,877, a decrease of $872,301 or 60% compared to $1,454,178 operating expenses in 2012. Operating expenses include $1,778 consulting fee (2012 - $32,524), $87,538 depreciation and amortization (2012 - $90,661), $8,711 filing and transfer agent fee (2012 - $11,510), $54,301 interest and bank charges (2012 - $37,420), $90,000 management salaries (2012 - $90,062), $7,029 meals and entertainment (2012 - $12,098), $25,724 office expense (2012 - $44,076), $53,379 professional fees (2012 - $96,243), $62,683 rent (2012 - $71,855), $107,488 salaries and wages (2012 - $96,590), $6,127 telephone expense (2012 - $5,655), $7,902 travel and promotion (2012 - $14,871), $84,657 loss on disposal of subsidiary (2012 - $nil), $nil share-based payment (2012 - $9,854), $32,959 change in biological assets (2012 - $285,838), $nil write-down of assets (2012 - $562,150) offset by $26,800 interest and other income (2012 - $21,144) and $27,035 foreign exchange gain (2012 - $226). In light of the financial conditions of the Company and the equity market conditions, the Company has reduced its administration activities to the minimal level to minimize the costs in 2013. Also, due to the decline of seedling sales and lack of improvement in infrastructural development, the Company disposed its greenhouse operations and recorded a loss of $84,657 in 2013. In 2012, the Company determined the carrying value of its biological assets and long lived assets of its greenhouse operations were substantially higher than their recoverable values and recorded $285,838 impairment charges against its biological assets and $562,150 impairment charges against long-lived assets.

1.5.2 Operation results for the fourth quarter ended December 2013 ("Q4 2013")

Net loss for the Q4 2013 was $255,759, a reduction of $773,389, compared to the net loss of $1,029,148 during the same period last year. Less costs incurred was mainly due to less impairment charges against the assets used in the greenhouse operations offset by the loss arising from the disposal of those greenhouse operations.

Revenue for the Q4 2013 was $16,752, a decrease of $6,036 or 26%, compared to the sales of $22,788 in the same period last year. The decrease of sales was mainly because the local government changed its requirements of seedlings from less than one year old seedlings to bigger seedlings, 2 to 3 years old seedlings, for their reforestation program and increased allowable competition from the local family farmers.

Cost of sales for the Q4 2013 was $16,445, a decrease of $35,700, compared to the cost of sales of $52,145 in the same period last year. The decrease of cost of sales was mainly associated with the decrease of sales.

Operating expenses in Q4 2013 was $256,066, a decrease of $743,725 or 74% compared to $999,791 operating expenses in the same period last year. Operating expenses include $1,500 consulting fee (Q4 2012 - $9,000), $83,413 depreciation and amortization (Q4 2012 - $24,008), $1 filing and transfer agent fee (Q4 2012 - $2,436), $17,521 interest and bank charges (Q4 2012 - $8,588), $22,500 management salaries (Q4 2012 - $22,500), $1,885 meals and entertainment (Q4 2012 - $3,805), $4,685 office expense (Q4 2012 - $5,933), $36,721 professional fees (Q4 2012 - $56,706), $7,675 rent (Q4 2012 - $22,420), $27,323 salaries and wages (Q4 2012 - $23,007), $1,409 telephone expense (Q4 2012 - $2,193), $84,657 loss on disposal of subsidiary (Q4 2012 - $nil), $nil in charges to biological assets (Q4 2012 - $285,838), $nil write-down of assets (Q4 2012 - $562,150) offset by $6,476 interest and other income (Q4 2012 - $6,144) and $27,035 foreign exchange gain (Q4 2012 - $226). The decrease in operating expenses was mainly due to the loss arising from the disposal of the greenhouse operations offset by charges to date for change in biological assets and write down of long-lived assets used by the greenhouse operations.

1.6 Liquidity and Capital Resources

1.6.1 Working Capital

As at December 31, 2013, the Company had working capital deficiency of $267,939 (December 31, 2012 - $276,313). As at December 31, 2013, cash increased by $351,392 to $363,618 as a result of: cash provided by investing activities of $575,946 offset by cash used in operating activities of $208,869 and in investing activities of $15,685.

Management recognizes that the ability of the Company to continue as a going concern is dependent upon its ability to raise adequate financing from from shareholders and other investors, and to achieve profitable operations in the future. If the Company is not able to raise additional funds, there would be significant doubt that the Company would be able to continue as a going concern and operations may have to be curtailed. There is no assurance that the Company will be able to obtain adequate financing.

In March 2013, the Company raised $50,000 by issuing convertible debentures to a third party, and in April 2013, the Company raised gross proceeds of $57,500 through a equity private placement. In November 2013, the Company disposed its only wholly-owned subsidiary, Inner Mongolia Forestry, for net cash proceeds of $575,946 (RMB¥3,171,872).

The Company has historically been successful in raising capital by way of the issuance of common shares or convertible securities, and is continuously seeking and considering financing options and reviews available opportunities to raise additional funds through private placements and debt financing. The Company is actively looking to raise other sources of financing.

1.6.2 Cash flow

Operating activities in 2013 used cash of $208,869 (2012 - $144,602). Before changes in non-cash working capital, cash used in operations was $254,298 in 2013 (2012 - $188,490). More cash used in operating activities was mainly due to less sales realized in 2013.

Operating activities used cash of $97,790 in Q4 2013 (Q4 2012 - $7,069). More cash used in operating activities was mainly due to less sales realized in Q4 2013.

Investing activities in 2013 provided cash of $575,946 (2012 – used cash of $21,002). Cash provided was mainly arising from the proceeds of disposal of its wholly owned subsidiary, Inner Mongolia Forestry.

Investing activities provided cash of $575,946 in Q4 2013 (Q4 2012 $nil) similarly to the above which resulted from the disposal of its wholly owned subsidiary, Inner Mongolia Forestry.

Financing activities in 2013 used cash of $15,685 (2012 - provided cash of $155,346), which comprised of $55,575 from equity private placement (2012 - $126,000) and $50,000 from convertible debenture financing (2012 - $nil) offset by net repayments of $109,760 for short-term loans (2012 - net cash of $29,346 from short-term loans) and $11,500 repayment of convertible debenture (2012 - $nil).

Financing activities used cash $115,348 in Q4 2013 (Q4 2012 - provided cash of $8,172), which comprised of net repayments of $103,848 for short-term loans (Q4 2012 - net cash of $8,172from short-term loans) and $11,500 repayment to convertible debentures (Q4 2012 - $nil).

1.6.3 General Contractual Commitments and Contingency

The Company has a lease with Giamel Inc. with respect to its Calgary head office location. The lease is for a term of three years, from November 1, 2011 to October 31, 2014, with the remaining lease payment of $36,500 over the remaining period in 2014. The Company has currently sub-leased some office space to offset the costs of its Calgary lease in the amount of $10,410.

The Company is in dispute with a third party ("plaintiff") with respect to unpaid professional fees. The plaintiff has filed a civil claim and is seeking payment of approximately $34,000. Management of the Company has filed a counterclaim and has accrued the contingent amount in trade and other payables in the consolidated financial statements.

1.7 Transactions with Related Parties

Related party transactions are in the normal course of operations and are measured at the amount of consideration established and agreed by the related parties.

The Company has identified its directors and executive staff as key management personnel. Compensation to key management, including fees paid to companies controlled by directors and officers for their services provided, is follows:

		2013		2012
Management fees, consulting fees, and wages	**$**	**126,600**	$	163,312
Share-based payments		**-**		5,091
Total	**$**	**126,600**	$	168,403

As at December 31, 2013, a total of $140,357 (2012 - $63,000) payable to key management remained outstanding and included in accounts payable and accrued liabilities on the consolidated statement of financial position. Amounts are non-interest bearing and are due on demand. The Company did not pay any long-term or termination benefits to its key management personnel during the years ended December 31, 2013 and 2012. The Company's employment agreement with an officer would entitle that officer to $90,000 upon termination.

The Company advanced funds from officers and directors of the Company or individuals related to the Company through these officers and directors for working capital expenditures of the Company. These advances bear an average interest rate of 10.75% per annum and are payable on demand. The following table summarizes information about the short-terms loans.

		2013		2012
Opening balance, as at January 1	**$**	**104,339**	$	69,553
Advance		**141,136**		186,862
Interest accrual		**6,386**		5,440
Repayment		**(250,896)**		(157,516)
Ending balance, December 31	**$**	**965**	$	104,339

Subsequent to December 31, 2013, the lender forgave the loan of $965 to the Company.

1.8 Proposed Transactions

With the exception of the information provided in item 1.2 - Business Overview and Development above, the Company is not a party to any proposed transaction that may have an effect on its financial position, its financial performance or cash flows which the management believes would require the intervention or approval of the Board of Directors of the Company.

1.9 Critical Accounting Policies and Estimates

Preparing the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and judgments have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Management continually evaluates these judgments, estimates and assumptions based on experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates. Please refer to Note 5 of the Company's consolidated financial statements for a description of all the significant accounting policies. Critical accounting estimates and judgments include:

Estimated useful lives of property, plant and equipment

Management estimates the useful lives of property, plant and equipment based on the period during which the assets are expected to be available for use. The amounts and timing of recorded expenses for depreciation of property, plant and equipment for any period are affected by these estimated useful lives. The estimates are reviewed at least annually and are updated if expectations change as a result of physical wear and tear, technical or commercial obsolescence and legal or other limits to use. It is possible that changes in these factors may cause significant changes in the estimated useful lives of the Company's property, plant and equipment in the future. As the majority of the Company's property, plant and equipment were disposed during the year ended December 31, 2013, the impact of this management estimate is not expected to be material in the future.

Income taxes

Management makes estimates in determining the appropriate rates and amounts in recording deferred income tax assets or liabilities, giving consideration to timing and probability. Actual taxes could vary significantly from these estimates as a result of future events, including changes in income tax law or the outcome of reviews by tax authorities and related appeals. The resolution of these uncertainties and the associated final taxes may result in adjustment to the Company's tax assets and tax liabilities. The recognition of deferred income tax assets is subject to estimates over whether these amounts can be realized.

Biological assets

The fair value of biological assets is derived using the future estimated selling prices. Management uses estimates for the expected sales price of seedlings and costs to sell and complete, which are determined by considering historical actual costs incurred on a per seedling basis. The estimated selling price and costs are subject to fluctuations based on the timing of prevailing growing conditions and market conditions. The Company does not hold biological assets as of December 31, 2013, as they have been disposed of during the year.

Stock options, warrants and convertible debentures

The fair value of the Company's stock options, warrants and convertible debentures are derived from estimates based on available market data at that time, which include volatility, interest-free rates and share prices. Changes to subjective input assumptions can materially affect the fair value estimate.

Going concern

The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its business development and working capital requirements.

1.10 Change in Accounting Policies and Future Accounting Standards

Effective January 1, 2013, the Company has applied the following new and amended standards issued by IASB.

IFRS 10 Consolidated Financial Statements

IFRS 10 replaces the guidance on control and consolidation in IAS 27 *Consolidated and Separate Financial Statements*, and Standing Interpretations Committee ("SIC") 12 *Consolidation – Special Purpose Entities*. IFRS 10 requires consolidation of an investee only if the investor possesses power over the investee, has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns. Detailed guidance is provided on apply the definition of control. The accounting requirements of consolidation have remained largely consistent with IAS 27. The Company assessed its investees on January 1, 2013 and determined that the adoption of IFRS 10 did not result in any change in the consolidation requirements of its subsidiary.

IFRS 13 Fair value measurement

IFRS 13 provides a single IFRS framework for measuring fair value and disclosure requirements about fair value measurement. This Standard defines fair value on the basis of exit price notion and use a fair value hierarchy, which results in a market-based, rather than entity-specific measurement. The adoption of IFRS 13 did not require any adjustments to the valuation techniques used by the Company to measure fair value and did not result in any measurement adjustments as at January 1, 2013. Additional disclosures where required, are provided in the individual notes relating to the assets and liabilities whose fair values were determined.

Amendments to IAS 1 Presentation of Financial Statements

IAS 1 *Presentation of Financial Statements* amendments required the Company to group other comprehensive income items by those that will be reclassified subsequently to profit or loss and those that will not be reclassified. These changes did not result in any significant adjustments to other comprehensive income or comprehensive income, aside from the presentation of other comprehensive income.

Standards and interpretations that are issued but not yet effective listed below, are those that the Company reasonably expects will have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards and interpretations, if applicable, when they become effective.

IFRS 9 Financial Instruments

IFRS 9, as issued, reflects the first phase of the IASB's work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities, as defined in IAS 39. The adoption date of this standard is not yet specified.

In subsequent phases, the IASB is addressing hedge accounting and impairment of financial assets. The adoption of the first phase of IFRS 9 may have an effect on the classification and measurement of the Company's financial assets but it will not have an impact on classification and measurement of the Company's financial liabilities. The Company will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)

Amends IAS 32 to clarify certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas:

- the meaning of "currently has a legally enforceable right of set-off"
- the application of simultaneous realization and settlement
- the offsetting of collateral amounts
- the unit of account for applying the offsetting requirements.

This standard is applicable to annual periods beginning on or after January 1, 2014. The Company is in the process of assessing and quantifying the effect of this standard.

1.11 Financial Instruments and Related Risks

Financial instruments are agreements between two parties that result in promises to pay or receive cash or equity instruments. The Company classifies its financial instruments as follows: cash is classified as a financial asset at FVTPL, and trade payables are classified as other financial liabilities, which are measured at amortized cost. The carrying value of these instruments approximates their fair values due to their short term to maturity.

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Cash is placed with major financial institutions. The Company's concentration of credit risk for cash and maximum exposure thereto is $363,618 (2012 - $12,226).

b) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. At December 31, 2013, the Company has $363,618 (2012 - $12,226) of cash to settle current liabilities with the following due dates: trade and other payables of $411,761 (2012 - $419,982) are due within three months; convertible debentures of $210,712 (2012 - $141,366), short-term loans of $965 (2012 - $104,339) and deposits of $11,146 (2011 - $11,146) are due on demand.

c) Market risk

The significant market risks to which the Company is exposed are interest rate risk and currency risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market interest rates. The Company's cash consists of cash held in bank accounts that earn interest at variable rates. Due to the short-term nature of this financial instrument, fluctuations in market rates of interest do not have a significant impact on the estimated fair value or future cash flows.

(ii) Currency risk

The Company is exposed to currency risk to the extent that expenditures incurred or funds received and balances maintained by the Company are denominated in CAD. The Company does not manage currency risk through hedging or other currency management tools. The Company's exposure to currency risk is limited to the net investment in the subsidiary.

As at December 31, 2013, with other variables unchanged, the impact on comprehensive income arising from 1% fluctuation of the RMB against the CAD was nominal (2012 - $850).

(iii) Other price risk

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or currency risk. The Company is not exposed to other price risk.

The Company manages its exposure to financial risks, including liquidity risk, foreign exchange rate risk, interest rate risk, and credit risk in accordance with its risk management framework. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis.

1.12 Additional Disclosure for Venture Issuers without Significant Revenue

(a) capitalized or expensed exploration and development costs;

Not applicable.

(b) expense research and development costs;

Not applicable.

(c) deferred development costs;

Not applicable.

(d) general and adminstration expenses;

This required disclosure is presented on the consolidated statements of loss and comprehensive loss for the year ended December 31, 2013 and 2012.

(e) any material costs, whether capitalized, deferred or expensed, not referred to in (a) through (d);

None

1.13 Disclosure of Outstanding Share Data

As at the date of this MD&A, the following securities were outstanding:

(a) Share Capital

Authorized – unlimited number of common shares without par value.

Issued and outstanding – 86,486,427 common shares outstanding

Shares subject to escrow – Nil.

(b) Options

As at the date of this report, a total of 100,000 options remain outstanding and exercisable at $0.125 per share with expiry date on July 29, 2014.

(c) Warrants

As at the date of this report, a total of 4,900,000 warrants remain outstanding and the exercise price ranges from $0.05 to $0.10 per share with expiry dates up to April 8, 2018.

1.14 Internal Control over Financial Reporting Procedures

The management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the consolidated financial statements for year ended December 31, 2013.

The management of the Company has filed the Venture Issuer Basic Certificate with the Annual Filings on SEDAR at www.sedar.com.

In contrast to the certificate required under Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("MI 52-109"), the venture issuer 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 MI52-109. In particular, the certifying officers filing certificates for venture issuers 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 generally accepted accounting principles.

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 their certificates(s).

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 MI 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.

MAPLE LEAF GREEN WORLD INC.

CORPORATE DATA

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DIRECTORS AND OFFICERS

- Raymond Lai: President, CEO & Chairman
- Daniel Chu: CFO, Director & Audit Committee Member
- Terence Lam: Corporate Secretary & Director
- Joe Wong: Vice President of Operations & Director
- Derek Ng: Independent Director & Audit Committee Member
- Greg Moline: Independent Director & Audit Committee Member

REGISTAR AND TRANSFER AGENT

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