



**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**THREE AND NINE MONTHS ENDED**

**September 30, 2024**

**(EXPRESSED IN CANADIAN DOLLARS UNLESS OTHERWISE INDICATED)**



November 28, 2024

This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand the financial statements of Maple Leaf Green World Inc. (referred to as "we", "Maple Leaf" or the "Company"). The information herein should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the three and Nine months ended September 30, 2024 (the "Interim Financial Statements") and audited consolidated financial statements for the years ended December 31, 2023, and 2022 and related notes thereto. The Company's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. This MD&A is based on information available to November 28, 2024, and was approved by the Board of Directors. Additional information relating to Maple Leaf is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on Maple Leaf's website at [www.mlgreenworld.com](http://www.mlgreenworld.com).

Unless otherwise indicated, in this MD&A all references to "dollar" or the use of the symbol "\$" are to the Canadian dollar.

## FORWARD-LOOKING STATEMENTS

*This MD&A contains certain information that may constitute "forward-looking information" and "forward-looking statements" which are based upon the Company's current internal expectations, estimates, projections, assumptions, and beliefs. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget" or "budgeted", "scheduled", "estimates", "projects", "intends", "proposes", "complete", "anticipates" or "does not anticipate", "believes", "likely", "may", "will", "should", "intend", "anticipate", "proposed", "potential", or variations of such words and phrases or state that certain actions, events, or results "may", "can", "could", "would", "might", "will be taken", "occur", or "be achieved", and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. Forward-looking statements include, but are not limited to estimates, plans, expectations, opinions, forecasts, projections, targets, guidance, or other statements that are not statements of fact. Forward-looking statements are subject to known and unknown risks, uncertainties, and other factors that may cause the actual results, level of activity, performance, or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. The forward-looking statements included in this MD&A are made only as of the date of this MD&A. Forward-looking statements in this MD&A include, but are not limited to, statements with respect to: the performance of the Company's business and operations; the development, expansion, and assumed future results of operations of the Company's projects; the ability to access sufficient capital from internal and external sources and the ability to access sufficient capital on favourable terms; the ability of the Company to generate cash flow from operations; income and sales tax regulatory matters, competition, currency, and interest rate fluctuations; the competitive and business strategies of the Company; the Company's investment in the United States, the characterization and consequences of the investment under U.S. federal law, and the framework.*

*Forward-looking statements are based on certain assumptions and analyses made by the Company in light of the experience and perception of historical trends, current conditions, and expected future developments and other factors it believes are appropriate and are subject to risks and uncertainties. Although we believe that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and we cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties, and assumptions, readers should not place undue reliance on these forward-looking statements. Whether actual, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "Risk Factors" in this MD&A. Additional information on these and other factors which could affect the Company's operations and financial results are discussed in the sections relating to risk factors of our business filed in the Company's required securities filings with applicable securities commissions or other securities regulatory authorities and which may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)).*

*Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, the Company can give no assurance that such expectations will prove to be correct. The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement. In particular, but without limiting the foregoing, disclosure in this MD&A as well as statements regarding the Company's objectives, plans and goals, including future operating results, economic performance, and patient acquisition efforts may make reference to or involve forward-looking statements. A number of factors could cause actual events, performance, or results to differ materially from what is projected in the forward-looking statements. The purpose of forward-looking statements is to provide the reader with a description of management's expectations, and such forward-looking statements may not be appropriate for any other purpose. You should not place undue reliance on forward-looking statements contained in this MD&A. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by applicable law.*

## GOING CONCERN

The consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.



Details of deficit and working capital (current assets less current liabilities) of the Company are as follows:

	September 30, 2024	December 31, 2023
Deficit	(43,064,278)	(47,164,403)
Working Capital	(5,979,766)	(10,079,657)

\$2,401,169 (the "**Settlement Amount**") was settled with certain creditors (the "**Settlement Creditors**") pursuant to debt settlement agreements (each a "**Settlement Agreement**") whereby the Settlement Creditors agreed to accept \$240,116.90 (the "**Settlement Amount**") being an amount equal to 10% of the Settlement Amount, as full and final satisfaction of all claims against the Company. According to the Debt Settlement Agreements. As such, the Company's ability to continue as a going concern has increased substantially, therefore, it may be able to realize its assets and discharge its liabilities in the normal course of business.

Management has forecasted the expected expenditure levels and contracted commitments will exceed the Company's net cash inflows and working capital during fiscal 2024 unless further financing is obtained. Additional sources of funding will be required during fiscal 2024 to carry on operations and/or to realize on investment opportunities. The Company's future operations are dependent upon its ability to secure additional funds and generate product sales. While the Company is striving to achieve these plans, there is no assurance that these and other strategies will be achieved, or such sources of funds will be available or obtained on favorable terms or obtained. Historically, the Company has obtained funding via the issuance of shares and warrants as well as debt financing. If the Company cannot secure additional financing on terms that would be acceptable to it or otherwise generate product sales, the Company will have to consider additional strategic alternatives which may include, cost curtailments and delays of product launch, as well as seeking to license and/or divest assets or a merger, sale or liquidation of the Company. These material uncertainties cast significant doubt about the Company's ability to continue as a going concern.

## COMPANY OVERVIEW

Maple Leaf Green World Inc. ("Maple Leaf" or the "Company") is incorporated in Alberta, Canada, with common shares listed on the Canadian Securities Exchange (the "CSE") under the ticker symbol MGW and on the OTC Pink under symbol: **MGWFF**. The corporate office is located at Suite 203, 1222 - 11th Ave SW, Calgary, Alberta, T3C 0M4.

## Management Strategy and Outlook

On September 23, 2024, the Company executed a Letter of Intent with The Palliser Economic Partnership (the "Partnership"). The Partnership consist of 16 towns and cities including City of Medicine Hat, Towns of Oyen and Hanna. The Company is seeking cooperation of the Partnership in accessing federal and provincial resources, grants, subsidies and investments in the economic development of Palliser Region that will help the Company harness full potential and enhance collaboration with the Partnership. The Partnership will provide one stop window for approval of permits, and application process to the Company in potential projects.

Previously the Company has signed a 4-year option agreement to lease and a leasing agreement for 60 acres of land owned by the town of Coronation, Alberta. These endeavors are part of the Company's new strategy to develop solar power project or renewable energy project in the rural area of Alberta, Canada.

## SUMMARY OF CORPORATE ACTIVITIES

The Company is exploring opportunities for growth, while maintaining its commitment to transparency and ethical business practices.

## FINANCIAL RESULTS

The following tables set forth selected operational results in accordance with IFRS:

	For the three months ended		For the Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Total Revenue	nil	nil	nil	nil
Net income/(loss) for the period	(103,999)	(220,307)	(154,947)	(995,158)
Net income/(loss) per share	(0.0027)	(0.009)	(0.0040)	(0.026)
Total comprehensive income/(loss)	(103,999)	(286,285)	(154,947)	(982,613)



Capital expenditures	nil	nil	nil	nil
			<b>September 30, 2024</b>	<b>December 31, 2023</b>
Total assets			<b>167,496</b>	<b>168,273</b>
Total long term financial liabilities			<b>5,980,280</b>	<b>10,323,173</b>
Working capital (deficit)			<b>(5,979,766)</b>	<b>(10,255,920)</b>

Quarter ended	30-Sep-24	30-Jun-24	31-Mar-24	31-Dec-23	30-Sep-23	30-Jun-23	31-Mar-23	31-Dec-22
Revenue	-	-	-	-	-	-	-	-
Operating expenses	<b>(103,999)</b>	<b>(12,797)</b>	(38,150)	(178,830)	<b>(325,614)</b>	(105,844)	(138,661)	(231,213)
Other items	-	-	-	(160,925)	<b>(64,986)</b>	(293,821)	(277,380)	(94,599)
Net loss	<b>(103,999)</b>	<b>(12,797)</b>	(38,150)	(339,755)	<b>(390,599)</b>	(399,665)	(416,041)	(325,812)
Loss per share	<b>(0.00)</b>	<b>(0.00)</b>	(0.00)	(0.010)	<b>(0.010)</b>	(0.01)	(0.01)	(0.01)

In management's view, the expenses incurred by the Company are typical of a development company that has not yet established its principal operation or reached operating capabilities. The Company's expenditures fluctuate from quarter to quarter mainly due to its activities related to establishing and developing its operations during the respective quarter.

## RESULTS OF OPERATIONS

**Net Loss-** For the three and nine months ended September 30, 2024, the Company reported net loss of \$103,999 and \$154,947 respectively as compared to \$179,452 and \$995,158 in the same periods of 2023.

**Revenue-** For the three- and nine-months September 30, 2024 and 2023, the Company reported no revenues.

## LIQUIDITY AND CAPITAL RESOURCES

**Working Capital.** As at September 30, 2024, the Company had a working capital deficit of \$ 5,979,766 (December 31, 2023 - \$10,079,657). As at September 30, 2024, cash decreased to \$514 from \$1,219, at the beginning of the year.

### Cash flow

**Operating activities** - In the three and nine months ended September 30, 2024, the Company used \$103,999 and \$154,947 respectively in operations as compared to \$179,452 and \$995,158 in the corresponding periods of 2023, mostly on general business expenses.

**Financing activities** - In the Nine months ended September 30, 2024, the Company had no financing cash outflows from related party loans, as compared to \$277,063 inflow in the same period of 2023 by related party loans repayments.

### Transactions with Related Parties

Related party transactions are in the normal course of operations and are measured at the fair value of consideration paid. 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 executive staff for their services provided, is as follows:

	<b>September 30, 2024</b>	December 31, 2023
Management remuneration	<b>10,000</b>	138,000
Interest Paid to Related Party Loans	-	21,542
Due to Related Parties	<b>505,051</b>	474,354
Total	<b>515,051</b>	<b>159,542</b>

## CRITICAL ACCOUNTING POLICIES AND ESTIMATES AND NEW ACCOUNTING STANDARDS

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported on the consolidated financial statements. These critical accounting estimates represent management estimates that are uncertain and any changes in these estimates could materially impact on the Company's consolidated financial statements. Management continuously reviews its estimates and assumptions using the most current information available. Please see Note 4 of the audited consolidated financial statements for the year ended December 31, 2023.



## FAIR VALUE MEASUREMENTS

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment, and therefore, cannot be determined with precision. Changes in assumptions could significantly affect estimates. Management assessed that the fair value of cash, accounts payable and accrued liabilities, and interest payable approximates their carrying amounts largely due to the short-term maturities of these instruments, and the fair value of the notes payable approximates its face value as any interest arising from the notes payable is required to be paid to the holder monthly

The following table provides the quantitative disclosures of fair value measurement hierarchy of the Company's financial assets and liabilities measured on recurring basis.

Assets and liabilities measured at fair value	September 30, 2024			September 30, 2023		
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (level 3)
Cash	514	-	-	13,612	-	-
Notes payable	-	2,409,211	-	-	2,358,231	-

## FINANCIAL INSTRUMENTS AND RELATED RISKS

The Company manages its exposure to key financial risk in accordance with the Company's financial risk management framework. The objective of the framework is to protect the Company's future financial security. The main risks that could adversely affect the Company's financial assets, liabilities or future cash flows are liquidity risk, credit risk and market risk, which comprising foreign exchange rate risk, interest rate risk, and metal price risk. 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. Currently, the Company does not apply any form of hedge accounting.

### a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk primarily associated to other receivables and cash and cash equivalents. The carrying value of the financial assets represents the maximum credit exposure. The Company undertakes credit evaluations on counterparties as necessary and has monitoring processes intended to mitigate credit risks. There are no accounts receivable as at September 30, 2024.

### 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. As at September 30, 2024, the Company has negative working capital of \$10.42 million (December 31, 2023 - \$9.5 million).

Based on the contractual obligations of the Company as at September 30, 2024, cash outflows of those obligations are estimated and summarized as follows:

Payment Due by Year	2024	2025	2026 and beyond	Total
Accounts payable and accrued liabilities	2,940,056	-	-	2,940,056
Notes payable	2,409,211	-	-	2,409,211
Canada Emergency Business Account	60,000	-	-	60,000
	5,409,267	-	-	5,409,267

### c) Market Risk. The significant market risks to which the Company is exposed are interest rate risk and currency risks.

- (i) *Interest rate risk.* Interest rate risk consists of two components:



(A) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.

(B) To the extent that changes in prevailing market rates differ from the interest rates in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

As the notes payable bear fixed coupon rates of 10-15% per annum, the Company does not have interest rate risk at period-end.

*(ii) Currency risk*

The Canadian Dollar is the reporting currency of the Company and the functional currency for its corporate office in Canada while USD is the functional currency of its subsidiaries in the United States. The Company is exposed to foreign currency risk when the Company undertakes transactions and holds assets and liabilities denominated in foreign currencies other than its functional currencies. The Company currently does not manage currency risk through hedging or other currency management tools. As at September 30, 2024, the Company's exposure to currency risk is summarized as follows:

Expressed in Canadian dollar equivalents	September 30, 2024	December 31, 2023
Accounts payable	5,018	5,018
Notes payable	1,378,776	1,378,776
	<b>1,383,794</b>	<b>1,383,794</b>

*(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.

**d) Legal claim contingency**

The Company is party to legal proceedings and other claims in the ordinary course of its operations. Litigation and other claims are subject to many uncertainties and the outcome of individual matters is not predictable. Where management can estimate that there is a loss probable, a provision has been recorded in its financial statements, where proceedings are at a premature stage or the ultimate outcome is not determinable, then no provision is recorded. It is possible that the final resolution of these matters require the Company to make expenditures over an extended period of time and in a range of amounts that cannot be reasonably estimated in particular for interest charged on overdue accounts payable balances and may differ significantly from any amounts recorded in these consolidated financial statements. Should the Company be unsuccessful in its defense or settlement of one or more of these legal actions, there could be a materially adverse effect on the Company's financial position, future expectations, and cash flows. In the normal course of its operations, the Company is subject to litigation and claims, including the following:

**SHARE CAPITAL**

The Authorized capital of Company consist of unlimited common shares without par value and unlimited preferred shares. As at September 30, 2024 the Company had 38,792,403 Common Shares outstanding.

**INTERNAL CONTROLS OVER FINANCIAL REPORTING**

Disclosure controls and procedures are designed to provide reasonable assurance that material information required to be publicly disclosed by a public company is gathered and reported to senior management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), on a timely basis so that appropriate decisions can be made regarding public disclosure. An evaluation of the effectiveness of the Company's disclosure controls and procedures was conducted as of December 31, 2022, based on the criteria set forth in the Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") by and under the supervision of the Company's management, including the CEO and the CFO. Based on this evaluation, the CEO and the CFO concluded that the Company's disclosure controls and procedures (as defined in National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings of the Canadian Securities Administrators) were effective in providing reasonable assurance that material information relating to the Company is made known to them and information required to be disclosed by the Company is recorded, processed, summarized and reported within the time periods specified in such legislation.

Under the supervision of the CEO and CFO, the Company designed internal controls over financial reporting (as defined in National Instrument 52-109) to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's management team used COSO to design the Company's internal controls over financial reporting. It is important to understand that there are inherent limitations of internal controls as stated





within COSO. Internal controls, no matter how well designed and operated, can only provide reasonable assurance to management and the Board of Directors regarding achievement of an entity's objectives. A system of controls, no matter how well designed, has inherent limitations, including the possibility of human error and the circumvention or overriding of the controls or procedures. As a result, there is no certainty that an organization's disclosure controls and procedures or internal control over financial reporting will prevent all errors or all fraud. Even disclosure controls and procedures and internal control over financial reporting determined to be effective can only provide reasonable assurance of achieving their control objectives. There have been no changes in the Company's internal controls over financial reporting during the period ended September 30, 2024, that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

### **Risk Factors**

There are a number of risk factors that could cause future results to differ materially from those described herein. The risks and uncertainties described herein are not the only ones the Company faces. Additional risks and uncertainties, including those that the Company does not know about now or that it currently considers immaterial, may also adversely affect the Company's business. If any of the following risks actually occur, the Company's business may be harmed, and its financial condition and results of operations may suffer significantly. This section discusses factors relating to the business of Company that should be considered by both existing and potential investors. The information in this section is intended to serve as an overview and should not be considered comprehensive and the Company may face risks and uncertainties not discussed in this section, or not currently known to us, or that we deem to be immaterial. All risks to the Company's business have the potential to influence its operations in a materially adverse manner.

#### ***Reliance on Key Inputs***

The Company's business is dependent on a number of key inputs both domestically and abroad and their related costs including raw materials and supplies related to its growing operations, as well as electricity, water, and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition, and operating results of the Company. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the business, financial condition, and operating results of the Company.

#### ***Client Acquisition and Retention***

The Company's success depends on its ability to attract and retain clients in Canada and the United States. There are many factors which could impact the Company's ability to attract and retain clients.,

#### ***Regulatory Risks***

Successful execution of the Company's business is contingent, in part, upon compliance with regulatory requirements enacted by governmental authorities and obtaining all regulatory approvals, where necessary, for the sale of its products. The Company will incur ongoing costs and obligations related to regulatory compliance. Failure to comply with regulations may result in additional costs for corrective measures, penalties, or in restrictions on the Company's operations. In addition, changes in regulations, more vigorous enforcement thereof, or other unanticipated events could require extensive changes to the Company's operations, increased compliance costs, or give rise to material liabilities, which could have a material adverse effect on the business, financial condition, and operating results of the Company.

#### ***Environmental Regulations and Risks***

The Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage, and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines, and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Government approvals and permits are currently and may in the future be required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from proceeding with the development of its operations. 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. The Company may be required to compensate those suffering loss or damage by reason of its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.



### ***Market Risk for Securities***

The market price for the Common Shares of the Company could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of peer companies, and competitors, as well as overall market movements, may have a significant impact on the market price of the Company. The stock market has from time-to-time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

### ***Volatile Market Price of Common Shares***

The market price of the Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control. This volatility may affect the ability of holders of Common Shares to sell their securities at an advantageous price. Market price fluctuations in the Common Shares may be due to the Company's operating results failing to meet expectations of securities analysts or investors in any period, downward revision in securities analysts' estimates, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Company or its competitors, along with a variety of additional factors. These broad market fluctuations may adversely affect the market price of the Common Shares. Financial markets historically at times experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted, and the trading price of the Common Shares may be materially adversely affected.

### ***Risks Related to Dilutions***

The Company may issue additional Common Shares in the future, which may dilute a shareholder's holdings in the Company. The Company's articles permit the issuance of an unlimited number of Common Shares, and shareholders will have no pre-emptive rights in connection with such further issuance. The directors of the Company have discretion to determine the price and the terms of issue of further issuances. Moreover, additional Common Shares will be issued by the Company on the exercise of options under the Company's stock option plan and upon the exercise of outstanding warrants.

### ***Reliance on Key Personnel***

The success of the Company is dependent upon the ability, expertise, judgment, discretion, and good faith of its Key Personnel. Maple Leaf's future success depends on its continuing ability to attract, develop, motivate, and retain the Key Personnel. Qualified individuals for Key Personnel positions are in high demand, and the Company may incur significant costs to attract and retain them. The loss of the services of Key Personnel, or an inability to attract other suitably qualified persons when needed, could have a material adverse effect on Maple Leaf's ability to execute on its business plan and strategy.

### ***Conflict of Interest***

Certain of the Company's directors and officers are also directors and officers in other companies. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors' and officers' conflict with or diverge from the Company interests. In accordance with the *Business Corporations Act* (Alberta), directors who have a material interest in any person who is a party to a material contract, or a proposed material contract are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract.

### ***Limited Operating History***

The Company has limited operating history and is therefore subject to many of the risks common to early-stage enterprises, including undercapitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.





### ***No Assurance of Profitability***

The Company has incurred operating losses in recent periods. The Company may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Company expects to continue to increase operating expenses as it implements initiatives to grow its business. If the Company's revenues do not increase to offset these expected increases in costs and operating expenses, the Company will not be profitable. 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 the early stage of operations.

### ***Management of Growth***

The Company may be subject to growth-related risks, including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train, and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations, and prospects.

### ***Reputational Damage to the Company***

Damage to the Company's reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish, and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views in regard to the Company and its activities, whether true or not. Although the Company believes that it operates in a manner that is respectful to all stakeholders and that it takes care in protecting its image and reputation, the Company does not ultimately have direct control over how it is perceived by others. Reputation loss may result in decreased investor confidence, increased challenges in developing and maintaining community relations, and an impediment to the Company's overall ability to advance its projects, thereby having a material adverse impact on financial performance, financial condition, cash flows, and growth prospects.

### ***Competition***

There is potential that the Company will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and manufacturing and marketing experience than the Company. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition, and results of operations of the Company.

### ***Insurance Coverage***

While the Company will obtain insurance coverage that will address all material risks to which it may be exposed and are adequate and customary in its future operations, such insurance may be subject to coverage limits and exclusions and may not be available for the risks and hazards to which Maple Leaf is exposed. In addition, no assurance can be given that such insurance will be adequate to cover the Company's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If the Company were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if the Company were to incur such liability at a time when it is not able to obtain liability insurance, there could be a material adverse effect on the Company's business, financial condition, and results of operation.

### ***Uninsured or Uninsurable Risk***

The Company may be subject to liability for risks against which it cannot insure or against which the Company may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for the Company's normal business activities. Payment of liabilities for which the Company does not carry insurance may have a material adverse effect on the Company's financial position and operations.

### ***Securing Adequate Financing to Fund Operations and Meet Expected Consumer Demand***

There is no guarantee that the Company will be able to achieve its business objectives. The continued development of Maple Leaf may require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of current business objectives or the Company ceasing to carry on business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable to the Company. In addition, from time to time, Maple Leaf may enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed wholly or partially with debt, which may increase the Company's debt levels above industry standards. Any debt financing



secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions. Debt financings may also contain provisions which, if breached, may entitle lenders or their agents to accelerate repayment of loans and/or realize upon security over the assets of the Company, and there is no assurance that the Company would be able to repay such loans in such an event or prevent the enforcement of security granted pursuant to such debt financing.

#### ***Identify and Execute Future Acquisitions or Dispositions, or to Successfully Manage the Impact of Such Transactions on its Operations***

Although there is no present intention to undertake any of the following transactions, material acquisitions, dispositions, and other strategic transactions involve a number of risks, including: (i) potential disruption of the Company's ongoing business; (ii) distraction of management; (iii) Maple Leaf may become more financially leveraged; (iv) the anticipated benefits and cost savings of those transactions may not be realized fully or at all or may take longer to realize than expected; (v) increasing the scope and complexity of the Company's operations, and (vi) loss or reduction of control over certain of the Company's assets.

The presence of one or more material liabilities of an acquired company that are unknown to the Company at the time of acquisition could have a material adverse effect on the results of operations, business prospects, and financial condition of the Company. A strategic transaction may result in a significant change in the nature of the Company's business, operations, and strategy. In addition, the Company may encounter unforeseen obstacles or costs in implementing a strategic transaction or integrating any acquired business into the Company's operations.

#### ***Regulatory or Agency Proceedings, Investigations, and Audits***

The Company's business requires compliance with many laws and regulations. Failure to comply with these laws and regulations could subject the Company to regulatory or agency proceedings or investigations and could also lead to damage awards, fines, and penalties. Maple Leaf may become involved in a number of government or agency proceedings, investigations, and audits. The outcome of any regulatory or agency proceedings, investigations, audits, and other contingencies could harm the Company's reputation, require the Company to take, or refrain from taking, actions that could harm its operations or require Maple Leaf to pay substantial amounts of money, harming its financial condition. There can be no assurance that any pending or future regulatory or agency proceedings, investigations and audits will not result in substantial costs or a diversion of management's attention and resources or have a material adverse impact on the Company's business, financial condition, and results of operation.

#### ***Litigation***

The Company may become party to litigation from time to time in the ordinary course of business, which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company, such a decision could adversely affect the Company's ability to continue operating and the value of the Common Shares and could use significant resources. Even if Maple Leaf is involved in litigation and wins, litigation can redirect significant Company resources, including the time and attention of management and available working capital. Litigation may also create a negative perception of the Company's brand.

#### ***Fraudulent or Illegal Activity by Employees, Contractors, and Consultants***

The Company is exposed to the risk that its employees, independent contractors, and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to the Company that violates: (i) government regulations; (ii) manufacturing standards; (iii) federal and provincial healthcare fraud and abuse laws and regulations; or (iv) laws that require the true, complete, and accurate reporting of financial information or data. It is not always possible for the Company to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Company to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against Maple Leaf, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on Maple Leaf's business, including the imposition of civil, criminal, and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits, and future earnings, and curtailment of the Company's operations, any of which could have a material adverse effect on the Company's business, financial condition, and results of operations.

#### ***Information Technology Systems and Cyber Attacks***

Maple Leaf plans to enter into agreements with third parties for hardware, software, telecommunications, and other IT services in connection with its operations. The Company's operations will depend, in part, on how well it and its suppliers protect networks, equipment, IT systems, and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, intentional damage and destruction, fire, power loss, hacking, computer viruses, vandalism, and



theft. The Company's operations will also depend on the timely maintenance, upgrades and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays, and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

There can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes, and practices designed to protect systems, computers, software, data, and networks from attack, damage, or unauthorized access is a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

#### ***Breaches of Security at Facilities, or in respect of Electronic Documents and Data Storage and Risks Related to Breaches of Applicable Privacy Laws***

Given the nature of the Company's product and its lack of legal availability outside of channels approved by the Government of Canada, as well as the concentration of inventory in its facilities, despite meeting or exceeding Health Canada's security requirements, there remains a risk of shrinkage as well as theft. A security breach at one of the Company's facilities could expose Maple Leaf to additional liability and to potentially costly litigation, increased expenses relating to the resolution and future prevention of these breaches and may deter potential patients from choosing the Company's products.

In addition, Maple Leaf will collect and store personal information about its clients and will be responsible for protecting that information from privacy breaches. A privacy breach may occur through procedural or process failure, information technology malfunction, or deliberate unauthorized intrusions. Theft of data for competitive purposes, particularly patient lists, and preferences, is an ongoing risk whether perpetrated via employee collusion or negligence or through deliberate cyber-attack. Any such theft or privacy breach would have a material adverse effect on the Company's business, financial condition, and results of operations.

In addition, there are a number of federal and provincial laws protecting the confidentiality of certain patient health information, including patient records, and restricting the use and disclosure of that protected information. In particular, the privacy rules under legislation protect medical records and other personal health information by limiting their use and disclosure of health information to the minimum level reasonably necessary to accomplish the intended purpose. If Maple Leaf was found to be in violation of the privacy or security rules under legislation or other laws protecting the confidentiality of patient health information, it could be subject to sanctions and civil or criminal penalties, which could increase its liabilities, harm its reputation, and have a material adverse effect on the business, results of operations, and financial condition of the Company.

#### ***Political and Economic Instability***

The Company may be affected by possible political or economic instability. The risks include, but are not limited to, terrorism, military repression, extreme fluctuations in currency exchange rates, and high rates of inflation. Changes in medicine and agriculture development or investment policies or shifts in political attitude in certain countries may adversely affect the Company's business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, distribution, price controls, export controls, income taxes, and expropriation of property, maintenance of assets, environmental legislation, land use, land claims of local people, and water use. The effect of these factors cannot be accurately predicted.

#### ***Global Economy Risk***

An economic downturn of global capital markets has been shown to make the raising of capital by equity or debt financing more difficult. The Company will be dependent upon the capital markets to raise additional financing in the future, while it establishes a user base for its products. As such, the Company is subject to liquidity risks in meeting its development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the Company's ability to raise equity or obtain loans and other credit facilities in the future and on terms favorable to the Company and its management. If uncertain market conditions persist, the Company's ability to raise capital could be jeopardized, which could have an adverse impact on the Company's operations and the trading price of the Company's shares.

#### ***Vulnerability to Rising Energy Costs***

Maple Leaf's proposed operations will consume considerable energy, making Maple Leaf vulnerable to rising energy costs. Rising or volatile energy costs may adversely impact the proposed business of Maple Leaf and its ability to operate profitably.



### **Risk Factors Related to the United States**

Violations of any U.S. federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the U.S. federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities or divestiture. This could have a material adverse effect on the Company, including its reputation and ability to conduct business, the listing of its securities on various stock exchanges, its financial position, operating results, profitability or liquidity or the market price of its publicly traded shares. In addition, it is difficult for the Company to estimate the time or resources that would be needed for the investigation of any such matters or its final resolution because, in part, the time and resources that may be needed are dependent on the nature and extent of any information requested by the applicable authorities involved, and such time or resources could be substantial.

#### ***The Company's Investments in the United States are Subject to Applicable to Anti-Money Laundering Laws and Regulations***

The Company is subject to a variety of laws and regulations domestically and in the United States that involve money laundering, financial recordkeeping, and proceeds of crime, including the *Currency and Foreign Transactions Reporting Act of 1970* (commonly known as the *Bank Secrecy Act*), as amended by Title III of the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001* (USA PATRIOT Act), the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)*, as amended and the rules and regulations thereunder, the *Criminal Code* (Canada) and any related or similar rules, regulations or guidelines, issued, administered, or enforced by governmental authorities in the United States and Canada.

In the event that any of the Company's investments, or any proceeds thereof, any dividends or distributions therefrom, or any profits or revenues accruing from such investments in the United States were found to be in violation of money laundering legislation or otherwise, such transactions may be viewed as proceeds of crime under one or more of the statutes noted above or any other applicable legislation. This could restrict or otherwise jeopardize the ability of the Company to declare or pay dividends, effect other distributions or subsequently repatriate such funds back to Canada. Furthermore, while the Company has no current intention to declare or pay dividends on its Common Shares in the foreseeable future, in the event that a determination was made that the investments in California (or any future investments in the United States) could reasonably be shown to constitute proceeds of crime, the Company may decide or be required to suspend declaring or paying dividends without advance notice and for an indefinite period of time. As of the date hereof, following discussions with its legal counsel, the Company is not aware of any violation of the above noted statutes as a result of its operations in California and has no reason to believe that such investments may be constituted as, whether directly or indirectly, money laundering or proceeds of crime. However, any future exposure to money laundering or proceeds of crime could subject the Company to financial losses, business disruption, and damage to the Company's reputation. In addition, there is a risk that the Company may be subject to investigation and sanctions by a regulator and/or to civil and criminal liability if the Company has failed to comply with the Company's legal obligations relating to the reporting of money laundering or other offences.

#### ***The Company's Investments in the United States may be Subject to Heightened Scrutiny***

For the reasons set forth above, the Company's existing investments in the United States, and any future investments, may become the subject of heightened scrutiny by regulators, stock exchanges, and other authorities in Canada. As a result, the Company may be subject to significant direct and indirect interaction with public officials. There can be no assurance that this heightened scrutiny will not in turn lead to the imposition of certain restrictions on the Company's ability to invest in the United States or any other jurisdiction.

**MAPLE LEAF GREEN WORLD INC.  
CORPORATE DATA**

**LISTING:**  
Canadian Stock Exchange.  
Symbol: **MGW**

and additional trading:  
OTCIQ Pink  
Symbol: **MGWFF**

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