PUF VENTURES INC.

Management's Discussion and Analysis

For the Nine Months Ended September 30, 2017

(Unaudited – prepared by management)

(Expressed in Canadian Dollars)

For the Nine Months Ended September 30, 2017

INTRODUCTION

This Management's Discussion and Analysis ("**MD&A**") of the operating results and financial condition of PUF Ventures Inc. ("**PUF**" or the "**Company**") for the nine months ended September 30, 2017 should be read in conjunction with the unaudited condensed consolidated financial statements and accompanying notes for the nine months ended September 30, 2017 and the audited consolidated financial statement and accompanying notes for the year ended December 31, 2016, which are prepared in accordance with International Financial Reporting Standards ("**IFRS**").

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures, and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, are complete and reliable. The Company's board of directors ("**Board**") follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Audit Committee meets with management quarterly to review the financial statements and the MD&A and to discuss other financial, operating, and internal control matters. The reader is encouraged to review the Company's statutory filing on www.sedar.com.

This MD&A is prepared as at November 29, 2017. All dollar figures stated herein are expressed in Canadian dollars unless otherwise indicated.

Readers should use the information contained in this report in conjunction with all other disclosure documents including those filed on SEDAR at www.sedar.com.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

This MD&A contains certain statements that constitute forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements may include statements regarding exploration results and budgets, mineral resource estimates, work programs, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not statements of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties, and other factors. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company's expectations include uncertainties involved in disputes and litigation, fluctuations in commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and economic return; the need for cooperation of government agencies and native groups in the exploration and development of properties and the issuance of required permits; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs or in construction projects and uncertainty in meeting anticipated program milestones; uncertainty regarding the potential acquisition of AAA Heidelberg Inc.; uncertainty regarding obtaining a Marihuana for Medical Purposes Regulations license from Health Canada; uncertainty regarding changes in laws, regulations, and guidelines issued by Health Canada and the State of Washington; uncertainty regarding the risks inherent in an agricultural business such as insects and plant diseases; product liability; fluctuations in prices; uncertainty of the sales of e-cigarettes; fluctuations in energy costs; and uncertainty as to timely availability of licenses, permits, and other government approvals and other risks and uncertainties disclosed in other information released by the Company from time to time and filed with the appropriate regulatory agencies.

It is the Company's policy that all forward-looking statements are based on the Company's beliefs and assumptions, which are based on information available at the time these assumptions are made. The forward looking statements contained herein are as of November 29, 2017 and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws. Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate. Forward-looking information or statements in this MD&A include, but are not limited to, information or statements concerning our expectations for satisfactory drill results and satisfactory resolution of the Company's contingent liability and the Company's investment in AAA Heidelberg Inc. ("**AAA Heidelberg**"), Weed Points Loyalty Inc. (formerly VapeTronix Holdings Inc.) ("**Weed Points**") and Natures Hemp Corp. ("**Natures Hemp**").

Actual results or events could differ materially from the plans, intentions, and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties, and other factors such as those described above and in "Risks and Uncertainties" below. The Company has no policy for updating forward looking information beyond the procedures required under applicable securities laws.

DESCRIPTION OF THE BUSINESS

The Company was incorporated on June 24, 2004 under the laws of the Province of British Columbia under incorporation number BC0698428. On July 20, 2004, the Company changed its name from 0698428 BC Ltd. to High Ridge Resources Inc. On January 1, 2010, the Company changed its name from High Ridge Resources Inc. to New High Ridge Resources Inc. On February 7, 2011, the Company changed its name from New High Ridge Resources Inc. to Newton Gold Corp. On November 7, 2013, the Company changed its name from Newton Gold Corp. to Chlormet Technologies, Inc. On November 13, 2015, the Company changed its name from Chlormet Technologies, Inc. to PUF Ventures Inc. The Company's head office and registered and records office is located at Suite 804 - 750 West Pender Street, Vancouver, British Columbia, V6C 2T7.

On March 1, 2006, the Company was listed and commenced trading on the TSX Venture Exchange under the symbol "CMT" until June 18, 2014. Effective June 19, 2014, the Company delisted from the TSX Venture Exchange and listed and commenced trading on the Canadian Stock Exchange (the "**CSE**") under the symbol "PUF".

On July 16, 2015, the Company qualified to trade on the OTC Pink Sheets ("**OTCPK**") under the symbol "CHLMF" and has been made eligible for book-entry delivery and depository services of the Depository Trust Company to facilitate electronic settlement of transfers of its common shares in the United States. This electronic method of clearing securities speeds up the receipt of stock and cash and therefore accelerates the settlement process for investors. On February 24, 2016, the Company changed its symbol on the OTCPK to "PUFXF". The Company also trades on the Frankfurt Stock Exchange under the symbol "PU3".

On June 30, 2016, the Company completed a 4 for 1 share consolidation. All references to number of shares and per share amounts in this MD&A have been retroactively restated to reflect this consolidation.

Until recently, the Company was classified as an exploration stage company with respect to its exploration and evaluation of assets. Based on the information available to date, the Company has not yet determined whether its exploration and evaluation assets contain economically recoverable reserves. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the confirmation of economically recoverable reserves, the ability of the Company and their joint venture partners to obtain the necessary financing to successfully complete their development, and upon future profitable production or disposition thereof. Although the Company has taken steps to verify title to exploration and evaluation assets in which it has an interest, in accordance with industry norms for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property may be subject to unregistered prior agreements and non-compliance with regulatory requirements. The Company is now classified under the industry classification: consumer products – biotechnology/pharmaceuticals.

On March 26, 2014, the Company acquired a 16.5% interest in AAA Heidelberg, a private company located in Ontario, for cash of $120,000. The Company signed a letter of intent ("**LOI**") with the principals of AAA Heidelberg whereby the Company was granted the exclusive option to acquire the balance of the 83.5% interest subject to certain conditions including the grant of an ACMPR (Access to Cannabis for Medical Purposes Regulations) (formerly MMPR) license and by issuing up to 18,350,000 PUF Shares subject to the escrow policies of the CSE. A share exchange agreement was finalized effective January 26, 2015 (the "**Share Exchange Agreement**"). On February 24, 2015, the Company issued the first tranche of 4,350,000 common shares of the Company to the shareholders of AAA Heidelberg representing an additional 19.79% interest. On October 30, 2015, the Company issued the second tranche of 2,000,000 common shares of the Company representing an additional 9.1% interest, which represented the Company's 45.39% ownership interest in AAA Heidelberg. On May 8, 2017, the Company issued a third tranche of 500,003 common shares of the Company at a deemed price of $0.40 per common share representing an additional 9.1% interest for a total of 54.49% majority interest. The transfer resulted in the Company currently owning a total of 54.49% of AAA Heidelberg. AAA Heidelberg is in Stage 5 of 7 in its application for an ACMPR license from Health Canada. The Company has an option to acquire the balance of shares to own 100% of AAA Heidelberg upon receipt of the ACMPR license.

On November 3, 2014, the Company provided AAA Heidelberg with a $160,000 loan. On February 20, 2015, the Company guaranteed a first mortgage to a third party in the amount of $400,000 on behalf of AAA Heidelberg that was due on July 7, 2015. On August 6, 2015, the Company agreed to pay the third party $4,000 in interest plus a bonus of $1,600 for a two month extension of the mortgage on behalf of AAA Heidelberg. The third party had the option to extend the mortgage for another year. Upon doing so, the Company paid the third party $100,000 to reduce the principal balance of the mortgage by $64,000 and pre-pay the interest on the mortgage for a one year period along with a bonus of $60,000. This loan is secured by all the assets of AAA Heidelberg and subordinate only to a first mortgage to the third party in the amount of $400,000. At March 31, 2016, the total amount of the loan is $332,710 (December 31, 2015: $332,710). The loan will be repaid upon the final closing of the transaction as outlined in the Share Exchange Agreement by a cancellation of shares of the Company otherwise issuable with a fair value of $332,710 (Note 7). During the year ended December 31, 2016, the Company issued a total of 1,890,880 units of the Company with a fair value of $0.05 per unit representing a full year of interest totaling $94,544 as well as 405,180 units as a finder's fee for securing another mortgagor. During the year ended December 31, 2016, the Company also advanced $30,000 in cash to cover certain expenditures of AAA Heidelberg. At December 31, 2016, the total amount of the loan receivable from AAA Heidelberg is $477,514 (2015: $332,710). The loan will be repaid upon the final closing of the transaction as outlined in the Share Exchange Agreement by a cancellation of shares of the Company otherwise issuable with a fair value of $477,514. During the period ended September 30, 2016, the Company issued a total of 1,890,880 common shares of the Company at a deemed value of $0.05 per common share representing a full year of interest-only payments totaling $94,544 and 405,180 common shares as finder's fees valued at $26,337, pursuant to the securing of a new private mortgage group that replaced the Company's existing lender. The loan will be repaid upon the final closing of the transaction as outlined in the Share Exchange Agreement by a cancellation of shares of the Company otherwise issuable with a fair value of $453,591.

The Company has not finalized the transaction with AAA Heidelberg. The Company does not know, nor can it predict the timeframe for AAA Heidelberg to complete the application process and receive a response from Health Canada; accordingly, there is no certainty that AAA Heidelberg will be granted a license under ACMPR, or that a transaction will be completed.

On May 12, 2015, the Company announced the closing of the acquisition of 100% of VapeTronix Inc., now Weed Points. Weed Points was incorporated pursuant to the Canada Business Corporations Act on November 4, 2014 as Vapetronix Inc. under corporation number 907833-9. On June 23, 2017, Vapetronix Inc. continued from the federal jurisdiction to the jurisdiction of British Columbia and changed its name to Vapetronix Holdings Inc. On September 11, 2017, Vapetronix Holdings Inc. changed its name to Weed Points Loyalty Inc. and on September 14, 2017, was registered to do business as TechOneSixty. Weed Points is currently a private company in which the Company has a minority interest, with its registered and records office located at Suite 804 - 750 West Pender Street, Vancouver, British Columbia, V6C 2T7. For further details, see "Weed Points Loyalty Inc." below.

On July 16, 2015, the Company's US subsidiary, PacCan Industries LLC converted its name and status to PacCan Real Estate Holdings Corporation. In April 2016, the Company sold the property at an amount equal to the outstanding mortgage.

On June 1, 2017, the Company announced that through an exclusive joint venture agreement with industry leader Canopy Growth (TSX: WEED), it will join CraftGrow, a collection of high quality cannabis grown by a select and diverse set of producers made available through the Tweed Main Street website at www.Tweedmainstreet.com, which provides the Company with many benefits including a direct sales channel to the marketplace. The Company has an option to acquire the balance of shares to own 100% of AAA Heidelberg upon receipt of the ACMPR license. While it cannot guarantee nor estimate the timing of the issuance of a license to AAA Heidelberg, it is the Company's goal to become a leading supplier of medical marijuana in Canada. As was recently outlined in a Health Canada update, several improvements aimed at streamlining and expediting the application process under the ACMPR program have been implemented.

For the Nine Months Ended September 30, 2017

In the previous Health Canada framework, the Company successfully completed and exited Stage 4, the "Security Clearance" stage, and the most difficult milestone, in October 2015. The Company has been steadily progressing through Stage 5, the "Review" stage and has taken the necessary steps to enter Stage 6, the "Pre-Inspection" stage. With several recently announced corporate developments, the Company is updating its business plan to reflect its repositioning as a pure play cannabis producer. It is also taking steps to update its ACMPR application with Health Canada to include Canopy Growth Corp. as the Company's sole client.

Effective May 25, 2017, Health Canada abridged and amended the application process for prospective licensed producers. Under this new framework, the Company will submit a proof of readiness for the grow facility in London, Ontario, to Health Canada and await the "Issuance of License to Produce" (Stage 3). The Company is currently working with its ACMPR consultants on the finalization of remaining items and facility upgrades in advance of any potential request for inspection by Health Canada. Specific focus will be directed towards completing the following items:

- Installation of an air purification unit
- Renovation of office space and employee break areas
- Installation of final security systems
- Sanitization and purification of the facility
- Installation of perimeter security fencing
- Improving the building façade

On June 5, 2017, the Company sold its Lac Saint Simon Property to Volt Energy Corp. ("**Volt**") (TSXV: VOLT) pursuant to a mineral property acquisition agreement dated June 1, 2017 with Volt. In consideration for the sale of 100% of the asset, the Company was granted 2.5 million common shares of Volt.

On June 27, 2017, the Company received and subsequently provided responses to a status update request letter from Health Canada with respect to the readiness for licensing of its majority-owned AAA Heidelberg facility in London, Ontario.

On July 11, 2017, the Company announced the launch of its nutraceutical cannabidiol ("**CBD**") product line. Manufactured in the United States under stringent quality control adherence and derived from high quality industrial hemp, the Company aims to initially focus the distribution of the products in Canada and in Europe with a specific emphasis on Germany and Croatia. The Company will introduce the new CBD line to physicians and naturopathic practitioners in Europe. Initial product-testing phase in the German marketplace is expected to commence in the near future at which time the Company will unveil its CBD brand.

On July 12, 2017, the Company announced that it had executed a binding purchase and sale agreement whereby the Company will acquire the property immediately adjacent to its current AAA Heidelberg facility in London, Ontario, so as to increase its potential cultivation space by approximately 300%. The adjacent property has an equal footprint of half an acre and the Company estimates that this extra space will allow for a potential facility expansion to 35,000 square feet from its current 8,800 square feet. At this time, the Company will not be seeking an immediate amendment to its currently contemplated ACMPR application. Rather, if and when a license is granted, the option to substantially increase the facility scale will afford the Company a greater opportunity to grow additional specialty strains in conjunction with its recently consummated joint venture agreement with Canopy Growth as a member of its exclusive CraftGrow program.

On September 7, 2017, the Company entered into an arrangement agreement, as amended on October 11, 2017, and plan of arrangement (the "**Arrangement**") with Weed Points Pursuant to the Arrangement, the Company intends to spin out its WeedBeacon proprietary technology, current app developments, databases, graphics, brochures and other marketing materials (the "**Assets**") into Weed Points, subject to approval of the Supreme Court of British Columbia and the Company's shareholder, and announced the date of its annual general and special meeting. Pursuant to the Arrangement, the Company will distribute 100% of the Weed Points shares it receives to the shareholders of the Company on a *pro rata* basis. The Company's shareholders will be entitled to receive one common share of Weed Points in exchange for every seven (7) common shares of the Company held as at October, 4, 2017 (the "**Record Date**"). There will be no change in shareholders' holdings in the Company as a result of the Arrangement. No outstanding warrants or options of the Company will be transferred over to Weed Points.

Following completion of the Arrangement, (i) Weed Points will hold the Assets transferred to it by the Company, (ii) Weed Points will become a reporting issuer in the Provinces of British Columbia, Alberta and Ontario (provided that at least one of the parties to the Arrangement has been a "reporting issuer", as that term is defined in the *Securities Act* (Ontario) for at least 12 months prior to the effective date), and intends to apply for and meet the listing requirements on a Canadian stock exchange, (iii) each shareholder of the Company will continue to be a shareholder of the Company, (iv) all shareholders of the Company as at the Record Date will have become shareholders of Weed Points, and (v) the Company will retain its working capital for its Assets, and remain listed on the CSE and continue to trade under the trading symbol, PUF, as a consumer products – biotechnology/ pharmaceuticals company. There can be no guarantee that the Weed Points Shares will be listed on any stock exchange.

On September 12, 2017, the Company announced the name change of Vapetronix Holdings Inc. to Weed Points Loyalty Inc. and the Weed Points loyalty program targeting the emerging cannabis market.

On September 14, 2017, the Company announced an update on the AAA Heidelberg state-of-the-art production facility in London, Ontario. Derek Ivany, CEO of the Company, stated that he would be conducting a final on-site inspection with PUF's engineers on September 15, 2017 to ensure that all final measures and requirements outlined by Health Canada have been fulfilled.

On September 27, 2017, the Company announced that it had agreed to a strategic partnership with the Richmond Valley Council, the local government in the Northern Rivers region of northeastern New South Wales, Australia, to construct a 1 million square-foot greenhouse operation, with large scale manufacturing, processing and office facilities for the cultivation, production and manufacture of medical cannabis and associated products in Australia. The agreement is between the Richmond Valley Council and PUF Ventures Australia, which shall be led by Mr. Michael Horsfall of Sydney, New South Wales, Australia as President and CEO.

Weed Points Loyalty Inc.

Weed Points is a Canadian vaporizer ("**Vape**") and electronic cigarette ("**E-Cig**") company registered under the province of Ontario, which is in the process of developing WeedBeacon. Weed Points owns the exclusive rights to the "1313" E-Cig brand, a medicinal marijuana mobile application technology and several research and development projects within the Vape and E-Cig space. Although Weed Points was formed to capitalize on opportunities and technology related to the rapidly growing Vape and E-Cig sectors, PUF will retain and expand the "1313" brand and trademark of E-Cigs, marijuana Vape delivery devices and associated products.

Highlights

- 1313's flavoured E-Cigs are currently being sold in Ontario with Canada-wide expansion planned
- 1313's nicotine E-Cigs are ready for a planned roll-out into the US markets
- additional products in queue to enhance revenue opportunities for PUF
- Weed Points principals will remain engaged by PUF and will assist with product branding and sales roll-out
- Weed Points will leverage marketing and development opportunities alongside PUF in regards to creating synergies between the medicinal marijuana mobile application and vaporizer technology with the anticipated ACMPR license to be issued to AAA Heidelberg

1313 (www.1313cigs.com) is an emerging player in the burgeoning E-Cig market. 1313 E-Cigs are disposable electronic cigarettes that contain between 500 and 650 "puffs" and are packaged for convenience. A single 1313 E-cig is the equivalent of two and a half packs of traditional cigarettes. Weed Points has assembled a strong portfolio of unique flavours that have been tested and approved for commercial production. Initial commercial roll-out of 1313 E-Cigs has begun in Ontario. Select convenience stores and nightclub establishments in the Greater Toronto Area are already selling the nicotine-free 1313 E-Cig products with watermelon, vanilla, peach, and green apple flavours. Weed Points plans to continue sales expansion of 1313 E-Cigs to major urban centres across Canada in 2015 and beyond. A unique line of "e-shisa" flavours that are aimed at appealing to the North American and Middle Eastern hobbyist hookah smoker are also in a test phase. 1313 has begun test trials in US markets for its nicotine products and plans to further pursue this market opportunity.

In addition to the 1313 E-Cig brand, Weed Points has incubated a development stage medicinal marijuana mobile application tracking technology that synchronizes a vaporizer device to a smart phone and will be aimed at the Canadian medical marijuana user. The medical marijuana mobile application will track a variety of metrics for patients and physicians alike such as cannabis usage data, the efficacy of certain strains, side effects as well as several other features. PUF will work in conjunction with AAA Heidelberg to implement additional features in the technology, prior to releasing a commercial version to the public.

Weed Points has a history of net losses, may incur significant net losses in the future, and may not achieve or maintain profitability.

During the year ended December 31, 2016, Weed Points commenced the development on new vaporizer technology. The Company incurred and expensed development costs of $210,000 during the year. The Company incurred an additional $● of expenses during the nine months ended September 30, 2017.

On September 29, 2017, the Company announced an update to the Arrangement. Weed Points proposes to create the first loyalty program that targets the emerging cannabis market. It has established **weedpoints.com** as its beachhead domain name where a proprietary platform will allow producers, patients, and consumers to interact creating an awareness and loyalty hub for the cannabis marketplace. It is also closing in on several other domain assets for other brands being created under the Weed Points loyalty umbrella.

The WeedBeacon marijuana tracking prototype schematics and associated technologies are being updated to be integrated within the Weed Points platform. Other cannabis loyalty brand business drivers such as data mining and life sciences technologies are also under development.

Weed Points has entered a lease agreement for office space in Toronto, reflective of the tech culture the company is creating, with a tentative occupancy date within 30 days. A corporate communications manager and programming/project manager have been hired, and management is in discussions to hire additional staff from the life sciences, pharma and tech sectors to complement the current team.

By establishing a loyalty and technological presence between producers and consumers, Weed Points will become the loyalty program of choice that provides accurate and up-to-date information on an array of cannabis products. Consumer reviews of specific strains, availability of product, and real-time delivery tracking will be some of the information included within loyalty platform as it evolves to suit the needs of the marketplace.

PUF Ventures Australia Pty Ltd.

On September 27, 2017, the Company announced that it has agreed to a strategic partnership with the Richmond Valley Council, the local government in the Northern Rivers region of northeastern New South Wales, Australia, to construct a 1 million square-foot greenhouse operation, with large scale manufacturing, processing and office facilities for the cultivation, production and manufacture of medical cannabis and associated products in Australia. The agreement is between the Richmond Valley Council and PUF Ventures Australia Pty Ltd. ("**PVA**"), which shall be led by Mr. Michael Horsfall of Sydney, New South Wales, Australia as President and CEO. The construction of the facility is expected be completed in stages at an estimated total cost of CAD$50 million. The first phase of the project is to cover approximately 300,000 square-feet. The first crop, based on current construction timelines, permitting and various Australian approvals, is expected to be planted in the fourth quarter of 2018. The Company will seek financing to cover the costs of the project from both local and international partners. The Company's own internal calculations and analysis suggest these prices will hold or likely increase due to the higher margin high quality medical grade cannabis grown. Total operating costs are estimated to be between 20-25% of revenue.

PVA has agreed to a purchase option agreement with the Richmond Valley Council for a 27-hectare parcel of land near the town of Casino in northern New South Wales, Australia. This is a landmark agreement whereby the council will provide the land for five years at no cost, with an option for PVA to purchase the parcel on favorable terms after year five. The cost of the parcel at year five will be based on the current value of the land (2017) and not the re-assessed value at a future date. In addition, PVA will be entitled to credits for money spent on land infrastructure. The Richmond Valley Council has been extremely supportive of PVA's growth strategy and vision and is committed to improving local economic and employment opportunities. The purchase agreement and associated partnership with the Richmond Valley Council will allow PVA to enter the cannabis market on a solid footing with the full support of the local political and governing bodies.

Coinciding with the formation of PVA, the Company has appointed Mr. Michael Horsfall as President and CEO of PVA. Mr. Horsfall has worked extensively as a strategic business consultant with various Australian and internationally listed companies and brings over 20 years' experience to the role. He has been responsible for successfully leading pursuit and capture teams across government and whole-of-government (WOG) IT outsourcing projects, at both the federal and state level. Mr. Horsfall has won numerous awards for excellence for his work with the Kosovo Safehavens & Immigration Detention Centres. He has worked with companies on M&A activities and large scale program recovery, and as a qualified Programme Director he has managed and advised on some of the largest programs within the Australian government. Mr. Horsfall has founded and been involved in numerous companies in the information technology, consulting, finance, hospitality and real estate sectors. He brings with him an extensive network and relationships combined with an in-depth understanding of government, which he will leverage to full advantage.

The strategic partnership between PVA and the Richmond Valley Council accelerates PUF's aggressive global expansion strategy. The cannabis cultivation application protocols in Australia are similar to the Health Canada ACMPR process where requirements are broad and restrictive, and substantial funding is required. It includes an extensive police check, plus strict regulations on the type and amount that security cultivation facilities will require. PVA will file its formal application with the Office of Drug Control in the coming weeks and is working diligently toward becoming a licensed producer in Australia.

Natures Hemp Corp.

Natures Hemp is a private federal company based in Vancouver, B.C. and is currently in the process of applying for a license to cultivate hemp in Canada and one other international jurisdiction. It is also working with a major Canadian university, with the goal to develop proprietary methods cannabidiol (CBD) extraction from seeds and other parts of the plants, to create high quality oils and flours. In turn, Natures Hemp will use these products to create high quality and healthy hemp based food and medicinal products.

While hemp is traditionally known for its use in textiles due its long and strong fibers, it is the hemp seeds that are critical creating healthy food and medicinal products. Seeds are typically pressed to produce oil and the remaining byproduct is processed into a flour from which products like pasta, baked goods and other healthy foods can be created. Hemp seeds are being recognized as a superfood, like flax and chia seeds, because they are high in protein, contains 20 amino acids, and are also high in the fatty acids omega-3 and omega-6.

CBD is a natural compound found throughout the seeds, stalk and flowers of hemp plants. It is a cannabinoid that occurs naturally in significant quantities in hemp and, because it has shown to be non-psychoactive, is an appealing option for food and medicinal products. Scientific and clinical research is ongoing but early indications show that CBD is a potential treatment for patients looking for relief from inflammation, pain, anxiety, psychosis, seizures, spasms, and other conditions. Potential health benefits from hemp food products include weight suppressant (high in fiber), immune-system booster, and an ability to lower blood pressure and cholesterol.

Hemp and hemp derived CBD products are among the fastest growing segments in the cannabis industry. A recent article published in The Hemp Business Journal indicated an expected CBD consumer market of $2.1 billion by 2020, which represents a 700% growth rate in CBD sales from current levels.
Source: http://www.cannatech.news/2017/07/20/cbd-consumer-market-expected-reach-2-1-billion-2020/

EXPLORATION AND EVALUATION PROPERTIES

Lac Saint Simon Property, Quebec

On August 2, 2016, the Company announced that it had acquired a 100% interest in certain mineral claims located in west central Quebec, Canada, and is situated approximately 2 km from the boundary of Nemaska Lithium's Whabouchi Project, known as the Lac Saint Simon Lithium (the "**Lac Saint Simon Property**") through the issuance of 2,000,000 PUF Shares valued at $0.065 per PUF Share for total value of $130,000.

On January 12, 2017, the Company announced that it had entered into a confidentiality agreement with a publicly traded natural resource company regarding the potential sale of the Lac Saint Simon Property, as the potential strategic disposition of this property will repatriate value for the PUF Shareholders and will also streamline operational focus, positioning the Company as a pure-play bio medical cannabis company.

On April 12, 2017, the Company announced that it was in the process of finalizing negotiations for the sale of the Lac Saint Simon Property. A National Instrument 43-101 compliant technical report was currently being authorized and completed, which encompasses the preliminary reconnaissance exploration program that was conducted along with the recently completed airborne geophysical survey. According to Nemaska, the Whabouchi Project is one of the most important spodumene lithium hard rock deposits in the world both in volume and grade. A mineral reserve estimate prepared by Met-Chem using the updated Mineral Resource block model suggests that Whabouchi hosts an estimated 20 million tonnes of Proven and Probable Reserves with a grade of 1.53% Li2O Open Pit and 7.3 million tonnes of Proven and Probable Reserves with a grade of 1.28% Li2O Underground. The mineralization hosted on the Whabouchi property is not necessarily indicative of the mineralization hosted on the Company's Lac Saint Simon Property.

On June 5, 2017, the Company announced that it had sold its Lac Saint Simon Property to Volt pursuant to a mineral property acquisition agreement dated June 1, 2017 with Volt. In consideration for the sale of 100% of the asset, the Company was granted 2.5 million common shares of Volt.

Chuchi Property, British Columbia

The Company owns a 100% interest in certain mineral claims located in the Omineca Mining Division of British Columbia, referred to as the Chuchi Property.

In December 2008, the Company wrote down the recorded cost of the Chuchi Property to nil. On March 17, 2014, the Company announced that it received the decision in the arbitration hearings between the Company and the vendors of the Chuchi Property. The arbitration stemmed from the Company allowing a number of claims to lapse in 2007 and subsequently acquiring certain claims covering a portion of the area of the lapsed claims at a later date from a third party. The arbitrator in the case ruled in favour of the Company's claim that the 3% net smelter royalty ("**NSR**") that was attached to the original claims (that were dropped) does not apply to the disputed ground. As such, the vendors of the Chuchi Property own a 3% NSR on only the five core claims to the Chuchi Property, which cover only 1,695.94 hectares of the total 5,365.24 hectares that constitute the Chuchi Property. In addition, the vendors' claim for damages for breach of contract by reason of the forfeiture of mineral claims acquired under the agreement was dismissed, and the vendors must immediately remove the notice to third party that they had previously filed with the Mining Recorder's Office on the records of the mineral claims. The Company must pay the vendors a total of $40,351 (representing the 2012 and 2013 advance royalty payments plus prejudgment interest) which was paid on June 27, 2014, and the Company is also required to continue to pay to the vendors an advance royalty payment in the amount of $20,000 per year on or before October 25 in each subsequent year that the Company holds any interest in the five core mineral claims.

On November 19, 2014, the Company announced that it received confirmation from Kiska Metals Corporation ("**Kiska**") (formerly listed on the TSX Venture Exchange and now delisted) of their intent to enter into a definitive agreement for an option of the Company's Chuchi Property. The definitive agreement was finalized on January 15, 2015. To earn a 100% interest in the Chuchi Property, Kiska will be required to deliver to the Company 1,000,000 common shares (or the equivalent cash value at Kiska's election) as follows:

- 200,000 common shares on signing the option agreement (received);
- 200,000 common shares on the first anniversary of the option agreement;
- 250,000 common shares on the fourth anniversary of the option agreement; and
- 350,000 common shares on the seventh anniversary of the option agreement.

Until such time as the earn-in is completed, the Company will remain as the underlying owner of the Chuchi Property; however, Kiska will incur all ongoing costs of the exploration and annual maintenance of the Chuchi Property, including payment of the advance royalty payment of $20,000 per year paid on or before October 25 of each year. Kiska paid the advance royalty payment due October 25, 2014.

The option agreement will provide that the Company is to receive a percentage of any payments received by Kiska pursuant to any option or earn-in agreements entered into by Kiska in respect of the Chuchi Property (but not including any Kiska operator fees) during the time the option is exercised and on or before the third anniversary date of the exercise of the option as follows:

- 30% of the payments received by Kiska in year 1 of any future agreement;
- 20% of the payments received by Kiska in year 2 of any future agreement; and
- 10% of the payments received by Kiska in year 3 of any future agreement.

During the year ended December 31, 2016, Kiska accelerated the option agreement and issued the Company 800,000 common shares of Kiska to receive a 100% interest in the Chuchi Property. As a result, the Company has recorded an impairment of $194,454 during the year ended December 31, 2015.

On January 15, 2015, the Company finalized an agreement with Kiska for the option of the Company's Chuchi Property. During the six months ended June 30, 2016, the Company received an additional 800,000 shares of Kiska. During the year ended December, 2016, the Company sold 1,000,000 shares of Kiska for gross proceeds of $50,000.

Risk Factors Relating to AAA Heidelberg

Should AAA Heidelberg be granted a license, the Company intends to complete the transaction by issuing the remaining shares of the Company to the shareholders of AAA Heidelberg. The completion of the transaction will be considered a Change of Business and at that time the Company will make a filing with the CSE, create a disclosure statement, and convene a special meeting to seek shareholder approval.

The following risk factors should be carefully considered in evaluating the Company, its potential acquisition of AAA Heidelberg and the resulting Company post transaction. The risks presented below may not be all of the risks that the Company post transaction and AAA Heidelberg may face. It is believed that these are the factors that could cause actual results to be different from expected and historical results. The market in which AAA Heidelberg currently competes is very competitive and changes rapidly. Sometimes new risks emerge and management may not be able to predict all of them, or be able to predict how they may cause actual results to be different from those contained in any forward-looking statements.

Reliance on license

Investors should be aware that companies cannot legally conduct a medical marijuana business without a licence from Health Canada, and that there is likely significant time and cost required to obtain such a licence. Entering this sector requires a commitment of significant resources, and there are a number of risks, cost implications and time required before a company can begin licensed operations. There is no assurance that the Company will be successful in obtaining a licence, having access to requisite funds or in creating shareholder value.

Regulatory risks

The activities of AAA Heidelberg are subject to regulation by governmental authorities, particularly Health Canada. Achievement of AAA Heidelberg's business objectives are contingent, in part, upon compliance with regulatory requirements enacted by these governmental authorities and obtaining all Regulatory Approvals, where necessary, for the sale of its products. AAA Heidelberg cannot predict the time required to secure all appropriate Regulatory Approvals for its products, the extent of testing and documentation that may be required by governmental authorities, or the effect of the process by the actions of its shareholders. Any delays in obtaining, or failure to obtain Regulatory Approvals would significantly delay the development of markets and products and could have a material adverse effect on the business, results of operations and financial condition of AAA Heidelberg and the Company upon completion of the Arrangement.

Change in laws, regulations, and guidelines

AAA Heidelberg's operations are subject to a variety of laws, regulations and guidelines relating to the manufacture, management, transportation, storage, and disposal of medical marijuana but also including laws and regulations relating to health and safety, the conduct of operations, and the protection of the environment. On March 21, 2014, the Federal Court of Canada issued an order affecting the repeal of the ACMPR and the application of certain portions of the ACMPR which are inconsistent with the MMAR in response to a motion brought by four individuals. On August 24, 2016, the ACMPR was repealed under the Controlled Drugs and Substances Act and replaced by the ACMPR. See *Glossary of Terms*. While to the knowledge of AAA Heidelberg's management, AAA Heidelberg is currently in compliance with all such laws, however, further changes to such laws, regulations, and guidelines due to matters beyond the control of AAA Heidelberg may cause adverse effects to AAA Heidelberg's business, financial condition and results of operations and for the Company upon completion of the Arrangement.

While the impact of such changes are uncertain and are highly dependent on which specific laws, regulations, or guidelines are changed and on the outcome of any such court actions, it is not expected that any such changes would have an effect on AAA Heidelberg's operations that is materially different than the effect on similar-sized companies in the same business as AAA Heidelberg.

Limited operating history

AAA Heidelberg, while incorporated in 2010, began carrying on business in 2013 and has yet to generate revenue from the sale of products. AAA Heidelberg is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that AAA Heidelberg will be successful in achieving a return on shareholders' investment and likelihood of success must be considered in light of the early stage of operations.

Reliance on a single facility

To date, AAA Heidelberg's activities and resources have been primarily focused on its facility in London, Ontario and AAA Heidelberg will continue to be focused on this facility for the foreseeable future. Adverse changes or developments affecting the facility could have a material and adverse effect on AAA Heidelberg's business, financial condition, and prospects.

Reliance on management

The success of AAA Heidelberg is dependent upon the ability, expertise, judgment, discretion, and good faith of its management. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on AAA Heidelberg's business, operating results, or financial condition.

Factors which may prevent realization of growth targets

AAA Heidelberg is currently in the early development stage. AAA Heidelberg's growth strategy contemplates outfitting the facility with additional production resources. There is a risk that these additional resources will not be achieved on time, on budget, or at all, as they are can be adversely affected by a variety of factors, including the following:

- delays in obtaining, or conditions imposed by Regulatory Approvals;
- plant design errors;
- environmental pollution;
- non-performance by third party contractors;
- increases in materials or labour costs;
- construction performance falling below expected levels of output or efficiency;
- breakdown, aging or failure of equipment or processes;
- contractor or operator errors;
- labour disputes, disruptions or declines in productivity; inability to attract sufficient numbers of qualified workers; disruption in the supply of energy and utilities; and
- major incidents and/or catastrophic events such as fires, explosions, earthquakes or storms.

As a result, there is a risk that AAA Heidelberg may not have product or sufficient product available for shipment to meet the anticipated demand or to meet future demand when it arises.

AAA Heidelberg has a history of net losses, may incur significant net losses in the future, and may not achieve or maintain profitability.

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

Additional financing

The building and operation of AAA Heidelberg's facilities and business are capital intensive. In order to execute the anticipated growth strategy, AAA Heidelberg will require some additional equity and/or debt financing to support on-going operations, to undertake capital expenditures, and/or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to AAA Heidelberg or the Company when needed or on terms which are acceptable. AAA Heidelberg's inability to raise financing to support on-going operations or to fund capital expenditures or acquisitions could limit AAA Heidelberg's growth and may have a material adverse effect upon future profitability. AAA Heidelberg and the Company may require additional financing to fund its operations to the point where it is generating positive cash flows.

Competition

Upon completion of the Arrangement, there is potential that AAA Heidelberg and 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 AAA Heidelberg. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition, and results of operations of AAA Heidelberg and the Company.

Because of the early stage of the industry in which AAA Heidelberg operates, AAA Heidelberg expects to face additional competition from new entrants. If the number of users of medical marijuana in Canada increases, the demand for products will increase and AAA Heidelberg expects that competition will become more intense, as current and future competitors begin to offer an increasing number of diversified products. To remain competitive, AAA Heidelberg will require a continued high level of investment in research and development, marketing, sales, and client support. Upon completion of the plan of arrangement, AAA Heidelberg and the Company may not have sufficient resources to maintain research and development, marketing, sales, and client support efforts on a competitive basis which could materially and adversely affect the business, financial condition, and results of operations of AAA Heidelberg and the Company.

Risks inherent in an agricultural business

AAA Heidelberg's business involves the growing of medical marijuana, an agricultural product. As such, the business is subject to the risks inherent in the agricultural business such as insects, plant diseases, and similar agricultural risks. Although AAA Heidelberg will grow its products indoors under climate controlled conditions and will carefully monitor the growing conditions with trained personnel, there can be no assurance that natural elements will not have a material adverse effect on the production of its products.

Vulnerability to rising energy costs

AAA Heidelberg's medical marijuana growing operations consume considerable energy, making AAA Heidelberg and the Company, upon completion of the Arrangement, vulnerable to rising energy costs. Rising or volatile energy costs may adversely impact the business of AAA Heidelberg and its ability to operate profitably.

Transportation disruptions

Due to the perishable and premium nature of AAA Heidelberg's products, AAA Heidelberg will depend on fast and efficient courier services to distribute its product. Any prolonged disruption of this courier service could have an adverse effect on the financial condition and results of operations of AAA Heidelberg and the Company upon completion of the Arrangement. Rising costs associated with the courier services used by AAA Heidelberg to ship its products may also adversely impact the business of AAA Heidelberg and its ability to operate profitably.

Unfavourable publicity or consumer perception

AAA Heidelberg believes the medical marijuana industry is highly dependent upon consumer perception regarding the safety, efficacy, and quality of the medical marijuana produced. Consumer perception of AAA Heidelberg's products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention, and other publicity regarding the consumption of medical marijuana products. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention, or other research findings or publicity will be favourable to the medical marijuana market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for AAA Heidelberg's products and the business, results of operations, financial condition and cash flows of AAA Heidelberg and the Company upon completion of the Arrangement. AAA Heidelberg's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on AAA Heidelberg and the Company, the demand for AAA Heidelberg's products, and the business, results of operations, financial condition and cash flows of AAA Heidelberg and the Company post transaction. Further, adverse publicity reports or other media attention regarding the safety, the efficacy, and quality of medical marijuana in general, or AAA Heidelberg's products specifically, or associating the consumption of medical marijuana with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed.

Product liability

As a manufacturer and distributor of products designed to be ingested by humans, AAA Heidelberg faces an inherent risk of exposure to product liability claims, regulatory action, and litigation if its products are alleged to have caused significant loss or injury. In addition, the manufacture and sale of AAA Heidelberg's products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of AAA Heidelberg's products or in combination with other medications or substances could occur. AAA Heidelberg and the Company may be subject to various product liability claims, including, among others, that AAA Heidelberg's products caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning possible side effects or interactions with other substances. A product liability claim or regulatory action against AAA Heidelberg could result in increased costs, could adversely affect AAA Heidelberg's reputation with its clients and consumers generally, and could have a material adverse effect on our results of operations and financial condition of AAA Heidelberg and the Company post transaction. There can be no assurances that AAA Heidelberg will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of AAA Heidelberg's potential products.

Product recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If any of AAA Heidelberg's products are recalled due to an alleged product defect or for any other reason, AAA Heidelberg could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. AAA Heidelberg may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although AAA Heidelberg has detailed procedures in place for testing finished products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of AAA Heidelberg's significant brands were subject to recall, the image of that brand and AAA Heidelberg could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for AAA Heidelberg's products and could have a material adverse effect on the results of operations and financial condition of AAA Heidelberg and the Company post transaction. Additionally, product recalls may lead to increased scrutiny of AAA Heidelberg's operations by Health Canada or other regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Reliance on key inputs

AAA Heidelberg's business is dependent on a number of key inputs 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 AAA Heidelberg and the Company post transaction. Some of these inputs may only be available from a single supplier or a limited group of suppliers. If a sole source supplier was to go out of business, AAA Heidelberg might be unable to find a replacement for such source in a timely manner or at all. If a sole source supplier were to be acquired by a competitor, that competitor may elect not to sell to AAA Heidelberg in the future. 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 AAA Heidelberg and the Company post transaction.

Dependence on suppliers and skilled labour

The ability of AAA Heidelberg to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that AAA Heidelberg will be successful in maintaining its required supply of skilled labour, equipment, parts and components. It is also possible that the final costs of the major equipment contemplated by AAA Heidelberg's capital expenditure program may be significantly greater than anticipated by AAA Heidelberg's management, and may be greater than funds available to AAA Heidelberg, in which circumstance AAA Heidelberg may curtail, or extend the timeframes for completing, its capital expenditure plans. This could have an adverse effect on the financial results of AAA Heidelberg.

Forecast Uncertainties

AAA Heidelberg must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the medical marijuana industry in Canada. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations, and financial condition of AAA Heidelberg and the Company post transaction.

Operating risk and insurance coverage

AAA Heidelberg has insurance to protect its assets, operations, and employees. While AAA Heidelberg believes its insurance coverage addresses all material risks to which it is exposed and is adequate and customary in its current state of operations, such insurance is subject to coverage limits and exclusions and may not be available for the risks and hazards to which AAA Heidelberg is exposed. In addition, no assurance can be given that such insurance will be adequate to cover AAA Heidelberg's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If AAA Heidelberg were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if AAA Heidelberg were to incur such liability at a time when it is not able to obtain liability insurance, its business, results of operations, and financial condition could be materially adversely affected.

Exchange restrictions on business

As part of its conditional approval, the Exchange requires that as a condition to listing the Company deliver an undertaking confirming that, while listed on the Exchange, the Company post transaction will only conduct the business of production, acquisition, sale and distribution of medical marijuana in Canada as permitted under the Health Canada License. This undertaking could have an adverse effect on the Company post transaction's ability to export marijuana from Canada and on its ability to expand its business into other areas including the provision of non-medical marijuana in the event that the laws were to change to permit such sales and the Company post transaction is still listed on the Exchange and still subject to such undertaking at the time. This undertaking may prevent the Company post transaction from expanding into new areas of business when the Company post transaction's competitors have no such restrictions. All such restrictions could materially and adversely affect the growth, business, financial condition, and results of operations of the Company post transaction.

Management of growth

AAA Heidelberg may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of AAA Heidelberg 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 AAA Heidelberg to deal with this growth may have a material adverse effect on AAA Heidelberg's business, financial condition, results of operations and prospects.

Conflicts of interest

Certain of the directors and officers of AAA Heidelberg and the Company are also directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of AAA Heidelberg and the Company and as officers and directors of such other companies.

Litigation

AAA Heidelberg 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 AAA Heidelberg becomes involved be determined against AAA Heidelberg such a decision could adversely affect its ability to continue operating and the market price for the Company post transaction common shares and could use significant Company resources. Even if AAA Heidelberg is involved in litigation and wins, litigation can redirect significant company resources.

The market price of the Company's post transaction's common shares may be subject to wide price fluctuations.

The market price of the Company post transaction's common shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Company post transaction and its subsidiaries, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Company post transaction and its subsidiaries, general economic conditions, legislative changes, and other events and factors outside of the Company's post transaction control In addition, stock markets have from time to time experienced extreme price and volume fluctuations, as well as general economic and political conditions which could adversely affect the market price of the Company's post transaction common shares.

Dividends

The Company pre or post transaction has no earnings or dividend record, and does not anticipate paying any dividends on the common shares in the foreseeable future. Dividends paid by the Company would be subject to tax and, potentially, withholdings.

Environmental and employee health and safety regulations

AAA Heidelberg's operations are subject to environmental and safety laws and regulations concerning, among other things, emissions and discharges to water, air and land, the handling and disposal of hazardous and non-hazardous materials and wastes, and employee health and safety. AAA Heidelberg will incur ongoing costs and obligations related to compliance with environmental and employee health and safety matters. Failure to comply with environmental and safety laws and regulations may result in additional costs for corrective measures, penalties or in restrictions on our manufacturing operations. In addition, changes in environmental, employee health and safety or other laws, more vigorous enforcement thereof or other unanticipated events could require extensive changes to AAA Heidelberg's operations or give rise to material liabilities, which could have a material adverse effect on the business, results of operations, and financial condition of AAA Heidelberg and the Company post transaction.

Risk Factors Relating to Weed Points

The following risk factors should be carefully considered in evaluating Weed Points upon completion of the Arrangement. There are a number of factors that could negatively affect Weed Points' business and the value of the Weed Points Shares. These risk factors are not a definitive list of all risk factors associated with Weed Points and other factors may arise in the future that are currently not foreseen by management of Weed Points that may present additional risks in the future. The following risk factors are associated with Weed Points pertaining to the outlook and conditions currently known to Weed Points that could have a material impact on the financial condition, operations and business of Weed Points:

No Assurance that the Proposed Arrangement will be Completed as Contemplated or at all

Completion of the proposed Arrangement is subject to a number of conditions, including the approvals of the Court, PUF Shareholders and the Weed Points Shareholders. Should the Arrangement fail to receive approval of the PUF Shareholders at the Meeting, Weed Points will remain a private company. There is no assurance that any or all of these conditions will be satisfied or waived. In the event that the Arrangement is completed, Weed Points will become a reporting issuer in the provinces of British Columbia, Alberta and Ontario (provided that at least one of the parties to the Arrangement has been a "reporting issuer", as that term is defined in the *Securities Act* (Ontario) for at least 12 months prior to the Effective Date), and intends to apply for and meet the listing requirements on a Canadian stock exchange.

Requirements for Further Financing

Weed Points presently does not have sufficient financial resources to undertake all of its currently planned activities beyond completion of the Arrangement. In the event that the Arrangement is completed and Weed Points proceeds to apply for and meet the listing requirements on a Canadian stock exchange, Weed Points will need to obtain further financing, whether through debt financing, equity financing or other means. There can be no guarantee that the Weed Points Shares will be listed on any stock exchange. There can be no assurance that Weed Points will be able to raise the balance of the financing required or that such financing can be obtained without substantial dilution to shareholders. Failure to obtain additional financing on a timely basis could cause Weed Points to reduce or terminate its operations.

The Weed Points Shares may not be Qualified Investments under the Tax Act for a Registered Plan

An application for listing of Weed Points on any stock exchange will not be made on the Effective Date. There is no assurance that the Weed Points Shares will be issued if the Arrangement is not completed. As a result, there is no assurance when, or if, the Weed Points Shares will be listed on any stock exchange. If the Weed Points Shares are not listed on a designated stock exchange in Canada before the due date for Weed Points' first income tax return or if Weed Points does not otherwise satisfy the conditions in the Tax Act to be a "public corporation", the Weed Points Shares will not be considered to be a qualified investment for a Registered Plan from their date of issue. Where a Registered Plan acquires a Weed Points Share in circumstances where the Weed Points Shares are not a qualified investment under the Tax Act for the Registered Plan, adverse tax consequences may arise for the Registered Plan and the annuitant, beneficiary or holder under the Registered Plan, including that the Registered Plan may become subject to penalty taxes, the annuitant of such Registered Plan may be deemed to have received income therefrom or be subject to a penalty tax or, in the case of a registered education savings plan, such plan may have its tax exempt status revoked.

Limited Operating History

Weed Points has a very limited history of operations and must be considered a start-up. As such, Weed Points is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that Weed Points will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

(Expressed in Canadian Dollars)

Weed Points has limited financial resources, has not earned any revenue since commencing operations, has no source of operating cash flow and there is no assurance that additional funding will be available to it for further advancement of Weed Points' business. There can be no assurance that Weed Points will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of development of Weed Points' business.

Negative Cash Flow

Weed Points has no history of earnings or cash flow from operations. Weed Points does not expect to generate material revenue or to achieve self-sustaining operations for several years, if at all.

No Market for Securities

There is currently no market through which any of Weed Points' Shares may be sold and there is no assurance that the Weed Points Shares will be listed for trading on a Canadian stock exchange, or if listed, will provide a liquid market for such securities. Until the Weed Points Shares are listed on a Canadian stock exchange, holders of the Weed Points Shares may not be able to sell their Weed Points Shares. Even if a listing is obtained, there can be no assurance that an active public market for the Weed Points Shares will develop or be sustained after completion of the Arrangement. The holding of Weed Points Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. The Weed Points Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Dividend Policy

Weed Points does not presently intend to pay cash dividends in the foreseeable future, as any earnings are expected to be retained for use in developing and expanding its business. However, the actual amount of dividends received from Weed Points will remain subject to the discretion of its board of directors and will depend on results of operations, cash requirements and future prospects of Weed Points and other factors.

Conflicts of Interest

The directors of Weed Points may be directors, officers or shareholders of other companies that are engaged in similar businesses to Weed Points. Such associations may give rise to conflicts of interest from time to time. The directors of Weed Points are required by law to act honestly and in good faith with a view to the best interests of Weed Points and to disclose any interest which they may have in any project or opportunity of Weed Points. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not Weed Points will participate in any project or opportunity, the directors will primarily consider the degree of risk to which Weed Points may be exposed and its financial position at the time.

SUMMARY OF QUARTERLY RESULTS

Quarter Ended	**Revenue**	**Loss for the period**	**Loss per Share (Basic & Diluted)**
March 31, 2015	$ -	$ (98,016)	$ (0.00)
June 30, 2015	$ -	$ (532,814)	$ (0.04)
September 30, 2015	$ -	$ (236,320)	$ (0.04)
December 31, 2015	$ -	$ (579,250)	$ (0.04)
March 31, 2016	$ 138,850	$ (80,257)	$(0.00)

(Expressed in Canadian Dollars)

June 30, 2016	$ -	$ (69,431)	$ (0.01)
September 30, 2016	$ -	$ (541,830)	$ (0.02)
December 31, 2016	$ -	$ (1,349,808)	$ (0.04)
March 31, 2017	$ -	$ (469,295)	$ (0.01)
June 30, 2017	$ -	$ (241,982)	$ (0.01)
September 30, 2017	$ -	$ (387,191)	$ (0.01)

RESULTS OF OPERATIONS

The Company's loss for the nine months ended September 30, 2017 was $1,098,468 compared to a loss of $725,107 for the nine months ended September 30, 2016. The significant changes in the current period was share-based compensation of $215,332 compared to $327,384, this was a non-cash expense and was the result of stock options granted during the period. Development costs of $50,000 were incurred on the development of a new vaporizer technology. Another increase in expenses during the current period was an increase in consulting and management fees from $357,739 during the period ended September 30, 2016 to $531,423 for the nine months ended Septemebr 30, 2017. The increase in consulting and management fees was a result of the Company hiring various consultants to assist the planning of the expansion of the marijuana business, the exploration business as well as assisting with other business and financing needs of the Company.

LIQUIDITY

The Company's cash on hand increased to $2,033,529 at September 30, 2017 from $496,746 at December 31, 2016.

The Company had working capital of $1,907,788 at September 30, 2017 compared to working capital of $295,970 at December 31, 2016.As of the date of this MD&A, the Company has sufficient working capital to meet its ongoing financial obligations for the coming year.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements to which the Company is committed.

COMMITMENTS

The Company had no commitments at September 30, 2017 or the date of this report.

CONTINGENT LIABILITY

On May 18, 2011, the Company received an order granted by a court in Lima, Peru indicating that the Company is responsible for a debt of US$209,403 incurred by a former subsidiary of the Company. The Company did not receive notice of the Peruvian legal proceedings and is seeking advice concerning an application to set aside the order. The Company retained Peruvian legal counsel who advised that the Company is not responsible for this obligation.

The most recent contact from Peru indicates that the order has been dropped but the Company has not received formal notice of such release. No amounts have been recorded in the Company's books and records regarding this issue.

RELATED PARTY TRANSACTIONS

The Company has identified the directors and senior officers as key management personnel. The following table lists the compensation costs paid directly or to companies controlled by key management personnel for the nine months ended September 30, 2017 and the year ended December 31, 2016:

Nine months ended September 30, 2017

(Expressed in Canadian Dollars)

	Consulting
Cherry Consulting Ltd	$ 8,450
Elben Capital Inc.	36,000
Jerry Habuda	7,500
Joseph Perino	7,500
	$ 59,450

Year ended December 31, 2016

	Accounting	Consulting	Rent	Share-based Compensation
Christopher Hornung	$ -	$ -	$ -	$ 15,900
Paradigm Shift	-	17,675	-	-
Cherry Consulting Ltd	-	22,849	-	15,900
Elben Capital Inc.	-	83,000		
Derek Ivany	-	25,000	-	63,598
Foremost Management Services Inc.	-	-	5,500	-
Jerry Habuda	-	7,500	-	15,900
Joseph Perino	-	7,500	-	15,900
	$ -	163,524	$ 5,500	$ 127,196

Amounts due to and due from related parties are unsecured, non-interest bearing and due on demand.

CONFLICTS OF INTEREST

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

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value of financial instruments

The carrying values of cash, amounts receivable, advances to related parties, loans receivable, accounts payable and accrued liabilities, and advances from related parties approximate their carrying values due to the immediate or short-term nature of these instruments.

IFRS 7, Financial Instruments: Disclosures, establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial risk management

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

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist primarily of cash. The Company limits its exposure to credit risk by placing its cash with a high credit quality financial institution in Canada.

The loans receivable expose the Company to credit risk and the Company has limited this exposure by securing one of the loans with collateral; and the other loan is unsecured.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments and with property exploration and development. The Company manages liquidity risk by maintaining adequate cash balances.

The Company's expected source of cash flow in the upcoming year will be through equity financing. Cash on hand at Setpember 30, 2017 and expected cash flows for the next 12 months are not sufficient to fund the Company's ongoing operational needs. The Company will need funding through equity or debt financing, entering into joint venture agreements, or a combination thereof.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

Interest rate risk consists of two components: 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; and to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

Current financial assets and current financial liabilities are generally not exposed to interest rate risk because of their short-term nature and maturity. At March 31, 2017, the Company was not affected by interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in foreign currency.

The Company is exposed to foreign currency risk with respect to its US subsidiary operations.

The Company has not entered into any foreign currency contracts to mitigate foreign currency risk. The Company's sensitivity analysis suggests that a 5% change in the absolute rate of exchange for US dollars would significantly affect its cash position at this time.

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through a suitable debt and equity balance appropriate for an entity of the Company's size and status. The Company's overall strategy remains unchanged from last year.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, warrants, reserves, and deficit. The availability of new capital will depend on many factors including a positive mineral exploration environment, positive stock market conditions, AAA Heidelberg Inc. receiving a ACMPR license from Health

Canada, the sale of the Company's e-cigarettes, the Company's track record, and the experience of management. The Company is not subject to any external covenants on its capital.

OTHER RISKS AND UNCERTAINTIES

The Company is an exploration stage company with respect to its mineral interests. Based on the information available to date, the Company has not yet determined whether its mineral interests contain economically recoverable reserves. The recoverability of the amounts shown for mineral interests is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete their development, and upon future profitable production.

In conducting its business, the Company is subject to a number of other risks and uncertainties that could have a material adverse effect on the Company's business prospects or financial condition that could result in a delay or indefinite postponement in the development of the Company's mineral interests.

Risks associated with exploration stage companies

Exploring for mineral resources involves a variety of operational, financial, and regulatory risks that are typical in the natural resource industry. The Company has not commenced commercial operations and has no proven history of performance, earnings, or success. There is no guarantee that the Company will ever be able to achieve profitable results or successfully execute its business plan. The Company's Common Shares must be considered speculative primarily due to the nature of the Company's business and early stage of development. The Company has no revenue or income from operations. The Company has limited capital resources and has to rely upon the sale of equity and/or debt securities for cash required for exploration and development purposes, for acquisitions, and to fund the administration of the Company. Since the Company does not expect to generate any revenues from operations in the near future, it must continue to rely upon the sale of its equity or debt securities to raise capital. There can be no assurance that financing, whether equity or debt, will be available to the Company in the amount required by the Company at any particular time or for any period, and that such financing can be obtained on terms satisfactory to the Company.

Exploration and development

At this time, the Company's primary mineral property is in the exploration stage and the Company does not have an operating history with respect to its exploration activities. Exploration and development of mineral resources involves a high degree of risk and few properties which are explored are ultimately developed into producing properties. The amounts attributed to the Company's interest in its properties as reflected in its financial statements represent acquisition and exploration expenses and should not be taken to represent realizable value. There is no assurance that the Company's exploration and development activities will result in any discoveries of commercial bodies of ore. The long term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs which may be affected by a number of factors such as unusual or unexpected geological formations, and other conditions.

Property title

Although the Company believes it has exercised commercially reasonable due diligence with respect to determining title to properties it owns, controls, or has the right to acquire by option, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral interests may be subject to prior unrecorded agreements or transfers or native land claims, and title may be affected by undetected defects. There may be valid challenges to the title of the Company's mineral interests which, if successful, could impair development and operations. This situation may be exacerbated due to the large number of title transfers historically involved with some properties.

Licenses and permits

The Company will require licenses and permits from various governmental authorities regarding the Company's mineral interests. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development, and mining operations for its mineral interests. Failure to obtain and maintain such licenses and permits may adversely affect the Company's business as the Company would be unable to legally conduct its intended exploration and development work which may result in its losing its interest in the subject property.

Competition

The mining industry is intensely competitive and the Company must compete in all aspects of its operations with a substantial number of other corporations which have greater technical and financial resources. The Company may be unable to acquire additional attractive mining properties on terms it considers acceptable.

Operating hazards and risks

Fires, power outages, labour disputes, flooding explosions, cave-ins, landslides, and the inability to obtain suitable or adequate machinery, equipment, or labour are some of the risks involved in exploration programs. Unknowns with respect to geological structures and other conditions are involved. Existing and future environmental laws may cause additional expense and delays in the activities of the Company, and may render the Company's properties uneconomic. The Company has no liability insurance and the Company may become subject to liability for pollution, cave-ins, or hazards against which it cannot insure, or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect of the Company's financial position.

Profitability of operations

The Company does not have profitable operations at this time and it should be anticipated that it will operate at a loss until such time as production is achieved from its properties, if production is in fact ever achieved. Investors also cannot expect to receive any dividends on their investment in the foreseeable future.

Foreign currency risk

The Company's mineral properties are located in Canada; accordingly, future changes in exchange rates do not affect the viability of exploring and development these mineral properties at this time.

Market risks

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect the marketability of any mineral products discovered. Mineral prices have fluctuated widely in recent years.

The marketability and price of minerals which may be produced or acquired by the Company will be affected by numerous factors beyond the control of the Company. These factors include delivery uncertainties related to the proximity of its reserves to processing facilities, and extensive government regulation relating to price, taxes, royalties, allowable production land tenure, the import and export of minerals, and many other aspects of the mining business. Declines in mineral prices may have a negative effect of the Company.

Future financings to further exploration programs

If the Company's exploration programs are successful, additional funds will be required for further exploration and development to place a property into commercial production. The Company's available sources of funds are: existing cash; the further sale of equity capital; and the offering by the Company of an interest in its properties to be earned by another party or parties carrying out further exploration or development thereof. There is no assurance such sources will continue to be available on favourable terms or at all. If available, future equity financings may result in dilution to current shareholders.

Going concern

The Company's financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to obtain the necessary financing to meet its on-going commitments and further its mineral exploration programs.

ADDITIONAL SHARE INFORMATION

As at June 30, 2017, the Company had 43,530,958 common shares outstanding. The Company also had 17,161,570 warrants with an exercise price of $0. 10 - $0.30 and expiry date to March 10, 2019; 2,012,500 stock options with exercise prices ranging from $0.05 to $0.875 and expiring at various dates to September 22, 2022.

SUBSEQUENT EVENTS

On October 3, 2017, the Company received $1,197,225 in cash and issued an aggregate of 3,818,000 common shares pursuant to option and warrant exercise requests.

On October 4, 2017, the Company announced a further update on the AAA Heidelberg growing facility in London, Ontario. While the bulk of the items have been finished, there was a need to update the overall security plan. Since late June, the Company has completed the following items and facility upgrades:

- Installation of an air purification unit
- Renovation of office space and employee break areas
- Sanitization and purification of the facility
- Installation of perimeter security fencing

The final step is the security system installation.

The PUF management team is committed to installing the most up-to-date growing and security technologies in its Canadian and international facilities. To meet this objective, the team recently traveled to Smith Falls, Ontario to visit Canopy Growth's Tweed operation which is housed in the famous former Hershey Chocolate factory at 1 Hershey Drive. The overall operation comprises 40 acres of land with over 500,000 sq. ft. of available space. Tweed occupies 168,000 sq. ft. of licensed production space, plus office space where Canopy's head office is located. As the leader in cannabis production, Tweed's operation is lean, automated and data-driven, with an R&D facility, oil extraction infrastructure, and in-house lab. Precise climate controlled rooms for each stage of cannabis production, from clone to cured bud, allows for the highest quality and widest variety of product in the sector.

On October 11, 2017, the Company received $26,250 in cash and issued an aggregate of 87,500 common shares pursuant to warrant exercise requests.

Additionally on October 11, 2017, the Company announced the acquisition of a hemp-based food and medicinal product line and entered into an agreement to purchase Natures Hemp, a private company developing proprietary hemp base food and medicinal products with a major Canadian university. The Company believes that Natures Hemp, with their hemp-based food and medicinal products and plans for cultivation, is a natural fit with the overall strategy for the Company. The market for hemp-based products is growing at a phenomenal rate. Natures Hemp is currently working closely with senior levels of provincial and federal governments for its application for hemp cultivation and to secure development grants and loans for a new facility in Ontario. The facility will allow for greater product development, and processing and packaging new lines of food and other hemp-based products expected to be launched by the summer of 2018.

On October 12, 2017, the Company announced that it had completed the acquisition of Natures Hemp. Pursuant to the share purchase agreement, the Company purchased 100% of the issued and outstanding common shares of Natures Hemp in consideration of the issuance of a total of 1,200,000 common shares of the Company (equivalent to a value of CAD$600,000) which was distributed on a *pro rata* basis to the shareholders of Natures Hemp at a deemed price of $0.50 per share

On October 18, 2017, the Company announced that it had entered into a strategic partnership with MYM Nutraceuticals Inc. (CSE:MYM) ("**MYM**") for the construction of a one million square foot greenhouse facility in northern New South Wales, Australia called the Northern Rivers Project. The Northern Rivers Project is a partnership with the Richmond Valley Council, the local government in New South Wales, Australia, and PVA, a recently formed majority-owned subsidiary of

PUF, to construct a one million square foot greenhouse operation, with large-scale manufacturing, processing and office facilities for the cultivation, production and manufacture of medical cannabis and associated products. PUF will own 35% of the Northern Rivers Project, which, at full scale, will have the capacity to produce 100,000 kilograms of high quality cannabis per year, worth between C$800 million and C$1.1 billion (based on current pricing metrics in the Australian cannabis marketplace).

The Northern Rivers Project includes a land purchase option agreement with the Richmond Valley Council for a 27-hectare parcel of land near the town of Casino in northern New South Wales, Australia. This is a landmark agreement whereby the council will provide the land for five years at no cost, with an option for Northern Rivers Project to purchase the parcel on favourable terms after the fifth year. The Richmond Valley Council has been extremely supportive of Northern Rivers Project's growth strategy and vision and is committed to improving local economic and employment opportunities. The purchase agreement and associated partnership with the Richmond Valley Council will allow the Northern Rivers Project to enter the cannabis market on a solid footing with the full support of the local political and governing bodies.

On November 10, 2017, the Company received $67,500 in cash and issued an aggregate of 225,000 common shares pursuant to warrant exercise requests.

On November 14, 2017, the Company announced a corporate update on PVA. PVA has filed three applications with the Australian Office of Drug Control for the cultivation, production and manufacture of medical cannabis at the Northern Rivers project, a proposed 1.2-million-square-foot greenhouse and extraction facility in Richmond Valley Shire, New South Wales, Australia. The applications, if successful, will allow PVA to take cannabis from seed to finished product.

Additionally on November 14, 2017, the Company announced a corporate update on AAA Heidelberg. AAA Heidelberg, has been closing in on their proof of readiness submission to Health Canada. After a rigorous screening process and several onsite audits, PUF has now formally engaged and contracted Veridin Systems Canada to finalize installation of the necessary security enhancements and protocols as advised David Hyde, of David Hyde and Associates. Veridin Systems Canada has been providing security services to the controlled substance sector since 1991 and as a result, has a deep understanding of Health Canada's regulations and requirements for securing ACMPR facilities. Veridin works with other medical marijuana and pharmaceutical clients across Canada to secure their facilities utilizing integrated security solutions consisting of intrusion detection, access control, video surveillance and remote monitoring services.

On November 15, 2017, the Company received $15,000 in cash and issued an aggregate of 50,000 common shares pursuant to warrant exercise requests.

On November 16, 2017, the Company announced that PVA has retained Mr. Casey Houwelings and Mr. Peter Cummings as greenhouse consultants for the medical cannabis Northern River Project, a 1,200,000-square foot greenhouse being constructed in north eastern New South Wales. Houwelings and Cummings will contribute to the design and construction of the most technically advanced and environmentally sustainable greenhouse to grow medical cannabis.

On November 17, 2017, the Company received $250,650 in cash and issued an aggregate of 860,500 common shares pursuant to warrant exercise requests.

On November 21, 2017, the Company received $142,375 in cash and issued an aggregate of 441,250 common shares pursuant to warrant exercise requests.

Additionally on November 21, 2017, the Company announced that PVA has engaged renowned Dutch greenhouse builder KUBO, for engineering and the tendering process for the construction of the 1,200,000-square foot, fully automated greenhouse to be built in New South Wales Australia. PVA has chosen KUBO to engineer and tender the first Ultra-Clima Greenhouse in Australia specifically for cannabis. With the Ultra-Clima, KUBO Group has made advancements towards the greenhouse of the future. The Ultra-Clima greenhouse meets all the requirements of modern growers; higher yields, maximum food safety, minimum energy and water consumption, minimum CO2 emissions and improved returns.

On November 22, 2017, the Company received a total of $52,500 in cash and issued a total of 175,000 common shares pursuant to warrant exercise requests.

ADDITIONAL INFORMATION

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