EAGLE I CAPITAL CORPORATION

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

(Unaudited, prepared by Management)

November 30, 2010

EAGLE I CAPITAL CORPORATION
Consolidated Balance Sheets
(Expressed in Canadian dollars)
As at

	November 30, 2010	May 31, 2010
ASSETS		
Current		
Cash	$ 52,365	$ 6,761
Receivables	176,364	1,495
Inventories	88,683	-
Slotting	10,757	-
Prepaid expenses and deposits	6,633	-
Loan Receivable (Note 9)	122,111	-
Total current assets	456,913	8,256
Advances to Miguel's Products LLC (Note 3)	-	311,646
Goodwill (Note 3)	1,702,102	-
Intangible assets (Note 3)	485,890	-
	$ 2,644,905	$ 319,902
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 687,144	$ 193,783
Current portion of Promissory Notes (Note 7)	180,784	-
Total current liabilities	867,928	193,783
Promissory notes payable (Note 7)	782,913	-
Shareholders' equity		
Capital stock (Note 8)	1,756,127	659,782
Contributed surplus (Note 8)	108,300	90,000
Deficit	(870,363)	(623,663)
	994,064	126,119
	$ 2,644,905	$ 319,902

Nature of operations and ability to continue as a going concern – (Note 1)

Approved on behalf of the board of directors:

"*Barry Atkins*"	" *Bob Rosko* "
Barry Atkins	Bob Rosko

The accompanying notes are an integral part of these interim consolidated financial statements.

EAGLE I CAPITAL CORPORATION
Consolidated Statements of Loss, Comprehensive Loss and Deficit
(Expressed in Canadian dollars)
For the

	Three months ended November 30		Six months ended November 30	
	2010	2009	2010	2009
Sales	$ 715,363		$ 715,363	$ -
Costs of sales	595,672		595,672	
Gross margin	119,691	-	119,691	-
Selling, General and Administrative Expenses				
Accounting and audit fees	6,305	3,046	8,960	6,291
Advertising and promotion	18,286	-	18,286	-
Bank charges	180	38	195	263
Consulting fees	73,108	-	73,108	-
Corporate administrative and secretarial	1,324	2,015	3,250	7,535
General production expenses	20,550	-	20,550	-
Legal	23,022	149	24,259	1,984
Management fees	13,247	-	13,247	-
Meals and entertainment	959	161	2,397	2,063
Office and miscellaneous	4,862	7,929	7,019	9,447
Registration and filing fees	407	144	715	2,569
Telephone	1,526	-	2,226	-
Travel	11,955	3,126	21,467	17,024
Transaction costs (Note 2)	74,393	125,339	158,763	204,326
Transfer agent fees	9,697	4,807	12,663	17,270
	259,821	146,754	367,105	268,772
Loss before other items	(140,130)	(146,754)	(247,414)	(268,772)
Other income (expense)				
Foreign exchange gain (loss)	5,201	(22,470)	3,835	(22,470)
Interest income	-	5,382	-	10,609
Interest expenses	(3,121)	-	(3,121)	-
Loss and comprehensive loss for the period	(138,050)	(163,842)	(246,700)	(280,633)
Deficit, beginning of the period	(732,313)	(300,320)	(623,663)	(183,529)
Deficit, end of the period	$ (870,363)	$ (464,162)	$ (870,363)	$ (464,162)
Basic and diluted loss per common share (Note 4)	$ 0.03	$ 0.07	$ 0.06	$ 0.13
Weighted average number of common shares outstanding (Note 7)	4,750,940	2,200,000	3,468,500	2,200,000

The accompanying notes are an integral part of these interim consolidated financial statements.

EAGLE I CAPITAL CORPORATION
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)
For the

	Three months ended November 30		Six months ended November 30	
	2010	2009	2010	2009
Cash flows used in operating activities				
Loss for the period	$ (138,050)	$ (163,842)	$ (246,700)	$ (280,633)
Items not involving cash				
Unrealized foreign exchange loss	-	22,456	-	22,456
Changes in non-cash working capital items:				
Accounts payable and accrued liabilities	(367,400)	(25,747)	(269,771)	61,863
Due to related party	-	(1,135)	-	(1,135)
Inventories	14,603	-	14,603	-
Receivables	(6,235)	4,494	(8,690)	(478)
Prepaid expenses and deposits	(6,633)	(10,805)	(6,633)	(10,805)
Net cash used in operating activities	(503,715)	(174,579)	(517,191)	(208,732)
Cash flows from financing activities				
Proceeds from shares issued	728,113	-	714,645	-
Repayment of Promissory note	(61,859)	-	(61,859)	-
Net cash from (used) in financing activities	666,254	-	652,786	-
Cash flows used in investing activities				
(Repayment of) advances to Miguel's Products LLC	-	(5,379)	23,729	(187,818)
Cash acquired upon acquisition of Miguel's assets	8,391	-	8,391	-
Loans to related party	(122,111)	-	(122,111)	-
Net cash used in investing activities	(113,720)	(5,379)	(89,991)	(187,818)
Increase (decrease) in cash	48,819	(179,958)	45,604	(396,550)
Cash, beginning of the period	3,546	226,557	6,761	443,149
Cash, end of the period	$ 52,365	$ 46,599	$ 52,365	$ 46,599
Supplemental disclosure of cash flow information:				
Cash paid during the period for:				
Interest	$ -	$ -	$ -	$ -
Income taxes	$ -	$ -	$ -	$ -

Supplement disclosure with respect to cash flow (Note 10)

The accompanying notes are an integral part of these interim consolidated financial statements.

1. NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN

Eagle I Capital Corporation ("Eagle I") was incorporated on October 23, 2007 under Business Corporations Act of British Columbia. On June 5, 2009, Eagle I incorporated a wholly-owned subsidiary Eagle Acquisition, Inc. ("Eagle Subco") a Delaware corporation. Eagle I and its subsidiary are collectively referred to as the "Company".

In October 2008, the Company filed a prospectus with the British Columbia and Alberta Securities Commissions offering 1,500,000 common shares at $0.20 per share as an initial public offering (the "IPO"). In January 2009, the Company received conditional listing approval from the TSX Venture Exchange (the "Exchange") and closed IPO for gross proceeds of $300,000.

The Company began trading its shares on the Exchange on January 14, 2009 under the trading symbol "EIC.P". The symbol was changed to "EIC" on September 30, 2010 after completion of the qualifying transaction, as described below.

On September 30, 2010, Eagle I acquired through Eagle Subco certain operating assets formerly owned by Miguel's Product, LLC ("Miguel's"), consisting of trademarks, trade names, recipes, formula and related intellectual property ("Miguel's Operating Assets") from WWS Holdings, LLC (the "Vendor"), pursuant to the terms and conditions of a trademark and intellectual property licence agreement dated September 1, 2010 (the "Licence Agreement"). The acquisition of Miguel's Operating Assets constituted the Company's qualifying transaction under the policies of the Exchange. (Note 3)

These interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these interim consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

At November 30, 2010, the Company had negative working capital of $411,015. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain financing.

2. SIGNIFICANT ACCOUNTING POLICIES

The unaudited interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial information. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for annual financial statements. In the opinion of management, all adjustments (consisting of normal and recurring accruals) considered necessary for fair presentation have been included. Operating results for the six month period ending November 30, 2010 are not necessarily indicative of the results that may be expected for the year ended May 31, 2011.

Principles of Consolidation

These interim consolidated financial statements include the accounts of Eagle I and its wholly own subsidiary Eagle Subco (collectively the “Company”). All intercompany transactions and accounts have been eliminated upon consolidation. Except where indicated, all amounts are expressed in Canadian dollars.

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates.

Receivables

Receivables are recorded at face value less any provisions for uncollectible accounts considered necessary.

Inventories

Inventory consists of snack products and packaging supplies. Finished goods are stated at the lower of average cost and net realizable value. Other inventories are stated at the lower of cost and replacement cost which is not in excess of net realizable value. Cost is determined on the first-in, first-out basis.

Slotting

Slotting consists of fees charged by retailers in order to have the Company’s product placed on the retailers’ shelves. Slotting fees are amortized on a straight-line basis over the period for which slotting fees relate.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd …)

Intangible assets

Intangible assets are comprised of Miguel's Trademarks and Intellectual Property in connection with the production, promotion, marketing and the sale of Miguel's food products. Intangible assets with an indefinite service life are accounted for at cost and are not amortized. Intangible assets with an indefinite service life are tested for impairment annually or when indicated by events or changes in circumstances.

Goodwill

Goodwill represents the cost of acquired businesses in excess of the fair value of net identifiable assets acquired. Goodwill is tested for impairment annually or when indicated by events or changes in circumstances by comparing the fair value of a particular reporting unit to its carrying value. When the carrying value exceeds its fair value, the fair value of the reporting unit's goodwill is compared with its carrying value to measure any impairment loss.

Revenue recognition

The Company recognizes revenue from the sale of products when the products are delivered and collection is reasonably assured.

Future income taxes

The Company follows the liability method of accounting for income taxes in accordance with the recommendations of the Canadian Institute of Chartered Accountants. Under this method, future income taxes are recognized for the future income tax consequences attributable to differences between the financial statement carrying values and their respective income tax bases (temporary differences). Future income tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled. The effect on future income tax assets and liabilities of a change in tax rates is included in income in the period in which the change occurs. The amount of future income tax assets recognized is limited to the amount that is more likely than not to be realized.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial instruments

All financial instruments are classified into one of five categories: held-for-trading, held-to maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments and derivatives are measured in the balance sheet at fair value except for loans and receivables, held-to-maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification. Held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net income. Available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the instrument is derecognized or impaired. All derivative instruments, including embedded derivatives, are recorded in the balance sheet at fair value unless they qualify for the normal sale normal purchase exemption and changes in their fair value are recorded in income unless cash flow hedge accounting is used, in which case changes in fair value are recorded in other comprehensive income.

The Company has classified its cash as held-for trading. Receivables and loans receivables are classified as loans and receivables. Accounts payable, accrued liabilities and promissory notes payable are classified as other financial liabilities, which are measured at amortized cost. The Company has elected to measure all derivatives and embedded derivatives at fair value due to the short-term nature of these instruments and the Company maintained its policy not to use hedge accounting.

CICA Handbook Section 3862, Financial Instruments – Disclosures was amended to require disclosure about the inputs used in making fair value measurements, including their classification within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The relevant disclosure is provided in Note 6.

Loss per share

Basic loss per share is calculated by dividing net loss available to the shareholders by the weighted average number of common shares outstanding during the corresponding reporting period. Contingently issuable shares are not considered outstanding common shares and consequently not included in loss per share calculations. Diluted loss per share is calculated to reflect the dilutive effect of exercising outstanding stock options by application of the treasury stock method. Diluted amounts are not presented when the effect of the computations are anti-dilutive due to the losses incurred.

There is no diluted loss per share shown as all security issued are anti-dilutive.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Stock-based compensation

The Company uses the fair value based method for measuring compensation costs. Under this method the fair value of all share purchase options granted to employees and non-employees is charged against income over their vesting period with a corresponding increase to contributed surplus. Upon exercise of share purchase options, the consideration paid by the option holder, together with the amount previously recognised in contributed surplus, is recorded as an increase to capital stock.

The Company uses the Black-Scholes option valuation model to estimate the fair value of share purchase option at the date of grant. Option pricing models require the input of highly subjective assumptions, including the expected price volatility. Changes in these assumptions can materially affect the fair value estimate.

Translation of foreign currencies

Eagle's I subsidiary Eagle Subco maintains its accounts in United States of America dollars. Eagle Subco is considered to be integrated foreign operations therefore its accounts are translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities are translated at period-end exchange rates. Non-monetary assets and liabilities are translated using historical rates of exchange. Revenues and expenses are translated at exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses on translation are included in the results of operations.

The monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the balance sheet date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of operations.

Changes in Accounting Policy

The Company adopted the following new standards issued by the CICA Handbook

Goodwill and Intangible Assets (Section 3064)

Section 3064, "Goodwill and Intangible Assets", which replaces the Section 3062, "Goodwill and Other Intangible Assets", provides guidance on the recognition, measurement, presentation and disclosure of goodwill and intangible assets. Concurrent with the adoption of this standard, EIC-27, "Revenue and Expenditures in the Pre-operating Period", will be withdrawn. This section was adopted effective June 1, 2009. The adoption of the Section had no significant impact on the Company's consolidated financial statements.

2. **SIGNIFICANT ACCOUNTING POLICIES** (cont'd…)

Changes in Accounting Policy (**cont'd…**)

Section 1582 "Business Combinations" replaces Section 1581. Prospective application of the standard is effective January 1, 2011, with early adoption permitted. This standard effectively harmonizes the business combinations standard under Canadian GAAP with International Financial Reporting Standards ("IFRS"). It revises guidance on the determination of the carrying amount for the assets acquired and liabilities assumed, goodwill and accounting for non-controlling interests at the time of a business combination. The standard also states that acquisition-related costs will be expensed as incurred and that restructuring charges will be expensed in the periods after the acquisition date.

CICA Handbook Section 1601 establishes standards for the preparation of consolidated financial statements.

Business Combinations (Section 1582)

CICA Handbook Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in the preparation of consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS IAS 27, "Consolidated and Separate Financial Statements" (January 2008).

CICA Handbook Section 1601 and Section 1602 apply to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Earlier adoption of these sections is permitted as of the beginning of a fiscal year, but all three sections must be adopted concurrently.

The Company adopted all of these three sections for the period beginning June 1, 2009. The Company has expensed $158,763 in acquisition costs in the current reporting period.

In August 2009, the AcSB issued amendments to Section 3251 "Equity", as a result of issuing Section 1602. The amendments require non-controlling interests to be recognized as a separate component of equity. The amendments apply only to entities that have adopted Section 1602.

Future accounting pronouncements

Comprehensive Revaluation of assets and Liabilities (Section 1625)

Section 1625 has been amended as a result of issuing Section 1582 "Business combinations", Section 1601 "Consolidated financial statements", and Section 1602, "Non-controlling interests" in January 2009. The amendments apply prospectively to comprehensive revaluations of assets and liabilities occurring in fiscal years beginning on or after January 1, 2011. Earlier adoption is permitted as of the beginning of a fiscal year.

International financial reporting standards ("IFRS")

In February 2008, the Accounting Standards Board (AcSB) confirmed that IFRS will replace Canadian GAAP for publicly accountable enterprises for the financial periods beginning on or after January 1, 2011, including comparative figures for the prior year. The transition date of June 1, 2011 will require restatement for comparative purposes of amounts reported by the Company for the year ended May 31, 2011.

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Future accounting pronouncements (cont'd…)

Under IFRS, the primary audience is capital markets and as result, there is significantly more disclosure required, specifically for interim reporting. Further, while IFRS uses a conceptual framework similar to Canadian GAAP, there are significant differences in accounting policy which must be addressed. The Company has begun assessing the adoption of IFRS for 2011 and the following IFRS standards are expected to have the most significant impact:

- IFRS 1 – First-time adoption of IFRS
- IAS 34 – Interim Financial Reporting
- IFRS 2 – Share Based Payments

IAS 36 – Impairment of Assets

International financial reporting standards ("IFRS") (cont'd…)

The Company has been developing an IFRS plan. The plan will address the impact that IFRS has on:

- Accounting policies and implementation decisions;
- Financial statements presentation and disclosure options available upon initial changeover to IFRS;
- Internal control over financial reporting;
- Disclosure controls and procedures

Once the design and build phase is complete the Company will move to implementation and review phase which includes, preparation of an IFRS opening balance sheet, compilation of comparative data, preparation of quarterly financial statements and disclosures, preparation of annual financial statements and disclosures, monitoring how IFRS evolves, conducting post implementation review and communicating ongoing requirements.

3. ACQUISITION OF MIGUEL'S PRODUCTS, LLC

Effective September 30, 2010, the Company, through its wholly owned subsidiary, acquired certain operating assets formerly owned by Miguel's Products, LLC, consisting of trademarks, trade names, recipes, formula and related intellectual property (collectively, the "Miguel's Operating Assets") pursuant to the terms and conditions of a trademark and intellectual property license agreement as of September 1, 2010. Consideration for the acquisition is as follows:

	C$
Advances to Miguel's Products, LLC	$ 287,917
Promissory note payable ($US 472,013)	485,890
1,600,000 common shares of the Company	400,000
	$1,173,807

(Expressed in Canadian dollars)

3. ACQUISITION OF MIGUEL'S PRODUCTS, LLC (cont'd…)

The total consideration of $1,173,807 was allocated as follows:

Cash	$ 8,391
Accounts Receivable	166,179
Inventory	103,192
Slotting	10,851
Intangible Assets	485,890
Goodwill	1,702,102
Accounts Payable	(763,132)
Promissory Note Payable	(539,666)
	$1,173,807

The operations of Miguel's are included in the consolidated statement of loss from September 30, 2010, the effective date of the acquisition. The consolidated statement of operations for the period ended November 30, 2010, do not include the results of operations of Miguel's for the period June 1, 2010 to September 30, 2010.

4. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company does not have any externally or internally imposed capital requirements. The Company is currently dependent upon external financing to fund activities. In order to pay for administrative costs, the Company will need to raise additional funds.

Management regularly reviews its capital management approach and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended November 30, 2010. The Company is not subject to externally imposed capital requirements.

5. FINANCIAL INSTRUMENTS AND RISK EXPOSURE

The fair value of the Company's receivables, loan receivables, accounts payable, and accrued liabilities and promissory notes payable approximate carrying value, which is the amount recorded on the consolidated balance sheets. The Company's other financial instrument, cash, under the fair value hierarchy is based on level one quoted prices in active markets for identical assets or liabilities

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk arises primarily with respect to the loan receivable. Loan and interest are payable on demand. Interest is 3% per annum. As at November 30, 2010 outstanding balance of loan receivable is $122,111 (US$119,658)

5. FINANCIAL INSTRUMENTS AND RISK EXPOSURE (cont'd…)

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2010, the Company had cash balance of $52,365 to settle current liabilities of $867,928. The Company expects to fund these and future liabilities through use of the Company's cash balance and the issuance of capital stock over the coming period.

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.

a) Interest rate risk

The Company has cash balances and interest bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company issued two promissory notes with an outstanding balance of US$428,697 with annual interest rate of 4% on the unpaid principal balance. Both promissory notes are secured by the assets of Eagle Subco and property or assets produced by the use of the Miguel's Operating Assets (Note 3). As the interest rate is fixed, the Company does not believe it is subject to interest rate risk.

b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash, receivables, loans receivable, accounts payable and accrued liabilities and promissory notes payable that are denominated in US Dollars (US$).

c) Price risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

d) Sensitivity Analysis

The Company's subsidiary operates in the United States and is exposed to risk from changes in the U.S. dollar. A 10% fluctuation in the U.S. dollar against the Canadian dollar would affect net loss for the period by approximately $104,000.

(Expressed in Canadian dollars)

7. PROMISSORY NOTES PAYABALE

		November 30, 2010
Due to a vendor of the Company, non-interest bearing and is payable on a quarterly basis from net operating profits related to the Miguel's Operating Assets. Net operating profits are calculated in accordance with terms stipulated in the agreement.	$	337,326
Due to a vendor of the Company, non-interest bearing and is payable on a quarterly basis from net operating profits related to the Miguel's Operating Assets. Net operating profits is defined and are calculated in accordance with terms stipulated in the agreement.		197,673
Due to the Vendor of Miguel's Operating Assets, being interest at a rate of 4% per annum, maturing on October 1, 2012, payable in monthly installments of $US 25,000 until September 1, 2012, with a final payment on October 1, 2012 of $US 22,932 (including all accrued interest).		380,487
Due to the Vendor of Miguel's Operating Assets, being interest at a rate of 4% per annum, maturing on September 1, 2011, payable in monthly installments of $US 7,500 until August 1, 2011, with a final payment on September 1, 2011 of $US 12,447 (including all accrued interest).		48,211
		963,697
Less current portion		(180,784)
	$	867,928

(Expressed in Canadian dollars)

8. CAPITAL STOCK

	Number of Shares		Amount		Contributed surplus
Authorized Unlimited common shares, without par value					
As at May 31 2010	5,000,000	$	659,782	$	90,000
Issued on private placement	3,215,500		803,875		-
Issued on Miguel's acquisition	1,600,000		400,000		-
Issued as Agent's fee	150,000		37,500		-
Agent's warrants (fair value)			(18,300)		-
Share issue costs			(126,730)		18,300
As at November 30, 2010	9,965,500	$	1,756,127	$	108,300

In September 2010, the Company closed a private placement and issued 3,215,500 units with a price $0.25 per unit for gross proceeds of $803,875. Each unit consists of one common share of the Company and one-half common share purchase warrant exercisable at $0.35. Each full warrant entitles the holder to purchase one common share of the Company until March 29, 2012. All securities pursuant to the Private Placement are subject to a four month and one day hold period from the date of issuance.

The Company issued 150,000 units with a fair value of $37,500, as corporate finance fee and issued 194,600 warrants (the "Agent's Warrants") with fair value of $18,300. Each Agent's Warrant entitles the holder to acquire a common share at a price of $0.35 per common shares for an eighteen month period.

(Expressed in Canadian dollars)

8. CAPITAL STOCK (cont'd…)

The following assumptions for the Black-Scholes option-pricing model were used to calculate the fair value of the agent's warrants:

	November 30, 2010
Expected risk-free interest rate	1.4%
Expected life of options	1.5 years
Expected annualized volatility	100%
Dividend rate	0%

In addition Eagle I issued 1,600,000 common shares as a consideration for the acquisition of Miguel's Operating Assets (Note 3). Of these common shares, 160,000 were released from escrow on September 30, 2010 and the remaining balance of 1,440,000 common shares will be released to the escrow shareholders in in equal portions of 240,000 common shares on the following dates: March 30, 2011; September 30, 2011; March 30, 2012; September 30, 2012, March 30, 2013; September 30, 2013.

All escrow shares may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities. They are not considered to be outstanding shares for purposes of loss per share calculations and are not included in calculation of weighted average number of common shares outstanding for the periods ended November 30 and May 31, 2010.

Stock options

On April 16, 2008, the Company adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares and that the number of common shares reserved for issuance pursuant to options granted to all technical consultants will not exceed 2% of the issued and outstanding common shares. Such options will be exercisable for a period of up to 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

(Expressed in Canadian dollars)

8. CAPITAL STOCK (cont'd…)

Stock options (cont'd…)

Stock options transactions and the number of stock options outstanding are summarized as follows:

	Number of Options		Weighted Average Exercise Price
Balance, May 31, 2010 and November 30, 2010	500,000	$	0.20
Number of options currently exercisable	500,000	$	0.20

The Company recognizes compensation expense for all stock options granted using the fair value based method of accounting.

The remaining expected contractual life of the options as November 30, 2010 is 2.52 years.

Agent's options

	Stock Options Outstanding		Weighted Average Exercise Price	Expiry Date
Balance, May 31, 2010 and November 30, 2010	150,000	$	0.20	January 9, 2011
Number of Agent's Options currently exercisable	150,000	$	0.20	

(Expressed in Canadian dollars)

8. **CAPITAL STOCK** (cont'd…)

Agent's options (cont'd…)

The expected remaining contractual life of the options as at November 30, 2010 is 0.11 years.

Warrants

	Financing Warrants		Agent's Warrants	
	Warrants Outstanding	Weighted Average Exercise Price	Warrants Outstanding	Weighted Average Exercise Price
At May 31, 2010	-	-	-	-
Issued	1,682,750	$0.35	194,600	$0.35
Exercised	-	-	-	-
Expired	-	-	-	-
At November 30, 2010	1,682,750	$0.35	194,600	$0.35

As at November 30, 2010 the total number of stock purchase warrants outstanding and exercisable is 1,877,350. Each warrant is exercisable for an 18 month period and is subject to a four months hold period which expires on January 30, 2011.

9. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

a) Paid or accrued directors and officer fees of $61,721 (2009 - $nil) which are included in consulting and management fees on the statement of operations.

b) Included in accounts payable at November 30, 2010 is $66,199 (May 31, 2010 - $3,972) due to directors and officers of the Company. The amounts are non-interest bearing unsecured and have no fixed terms of repayment.

c) As at November 30, 2010, $122,111 was due from a company controlled by a director of the Company. The loan receivable bears interest at a rate of 3% per annum. The loan and interest is payable on demand.

9. RELATED PARTY TRANSACTIONS (cont'd…)

The amounts charged to the Company for the services provided have been determined by negotiation among the parties and, in certain cases, are covered by signed agreements. These transactions were in the normal course of operations and were measured at the exchange value, which represented the amount of consideration established and agreed to by the related parties. The amounts payable to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

10. SUPPLEMENT DISCLOSURE WITH RESPECT TO CASH FLOW

Significant non-cash transactions for the six months period ended November 30, 2010 consisted of:

a) The Company issued 1,600,000 common shares, valued at $400,000 and promissory notes in the amount of $485,890 for the acquisition of Miguel's Operating Assets (Note 3).

b) The Company issued 194,600 agent warrants with a fair value of $18,300.

c) The Company issued 150,000 units as a corporate finance fee, with a fair value of $37,500.

There were no significant non-cash transactions for the six month period ended November 30, 2009.

11. SEGMENT INFORMATION

The Company operates in the organic snack food industry. All of the Company's revenue's are earned in the United States.