WINSTON RESOURCES INC.

Condensed Interim Consolidated Financial Statements

For the Three and Six Months Ended January 31, 2018 and 2017

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

NOTICE OF NO AUDITOR REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Winston Resources Inc.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

		As at January 31, 2018		As at July 31, 2017
ASSETS				
Current assets				
Cash	**$**	**1,003,511**	$	1,445,761
Prepaid expenses (note 10)		**145,000**		72,500
Loan receivable (note 14)		**-**		371,408
GST recoverable		**43,318**		33,377
Total current assets		**1,191,829**		1,923,046
Non-current asset				
Investment (note 11)		**8,400,000**		125,000
Total non-current asset		**8,400,000**		125,000
Total assets	**$**	**9,591,829**	$	2,048,046
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Accounts payable and accrued liabilities (note 12)	**$**	**85,598**	$	84,330
Total current liabilities		**85,598**		84,330
Shareholders' equity				
Share capital (note 15)		**11,626,320**		11,626,320
Reserves (note 15)		**2,331,049**		2,331,049
Accumulated other comprehensive income (note 11)		**1,200,000**		-
Deficit		**(5,651,138)**		(11,993,653)
Total shareholders' equity		**9,506,231**		1,963,716
Total liabilities and shareholders' equity	**$**	**9,591,829**	$	2,048,046

Nature of operations (note 1)
Going concern (note 2)
Assignment of acquisition (note 16)
Approved on behalf of the Board of Directors:

"Quinn Field-Dyte" (signed)
Quinn Field-Dyte, Director

"Suzette Ramcharan" (signed)
Suzette Ramcharan, Director

Winston Resources Inc.

Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)
For the Three and Six Months Ended January 31, 2018 and 2017
(Expressed in Canadian Dollars)
(Unaudited)

	Three months ended January 31, 2018	Three months ended January 31, 2017	Six months ended January 31, 2018	Six months ended January 31, 2017
Operating Expenses				
Bank service expenses	**$ 109**	$ -	**$ 154**	$ -
Consulting expenses (note 13)	**82,251**	-	**219,775**	-
Management fees	**-**	35,005	**-**	35,005
Filing and listing fees	**5,689**	1,500	**7,339**	3,000
Office and rent expenses (recovery)	**28,387**	(20)	**58,766**	1,456
Professional fees	**-**	350,181	**3,250**	353,181
Shareholder information	**-**	-	**2,115**	-
Transfer agent fees (note 13)	**267**	21,221	**267**	21,931
Travel expenses	**11,870**	-	**12,377**	-
	(128,573)	(407,887)	**(304,043)**	(414,573)
Other items				
Foreign exchange gain	**-**	3,493	**-**	3,493
Realized gain on sale of agreement (note 16)	**6,646,558**	-	**6,646,558**	-
	6,646,558	3,493	**6,646,558**	3,493
Net income (loss) for the period	**$ 6,517,985**	$ (404,394)	**$ 6,342,515**	$ (411,080)
Other comprehensive income				
Unrealized gain on investment (note 11)	**1,200,000**	-	**1,200,000**	-
Comprehensive income (loss) for the period	**$ 7,717,985**	$ (404,394)	**$ 7,542,515**	$ (411,080)
Net income (loss) for the period attributed to:				
Common shareholders	**6,517,985**	(404,394)	**6,342,515**	(411,080)
	6,517,985	(404,394)	**6,342,515**	(411,080)
Basic and diluted earnings (loss) per share (note 15)	**$ 0.26**	$ (0.12)	**$ 0.25**	$ (0.13)
Weighted average number of common shares outstanding – basic and diluted	**25,133,840**	3,287,445	**25,133,840**	3,287,445

The notes to the condensed interim consolidated financial statements are an integral part of these statements.

Winston Resources Inc.

Condensed Interim Consolidated Statements of Cash Flows
For the Three and Six Months Ended January 31, 2018 and 2017
(Expressed in Canadian Dollars)
(Unaudited)

	Three months ended January 31, 2018	Three months ended January 31, 2017	Six months ended January 31, 2018	Six months ended January 31, 2017
Operating activities				
Net income (loss) for the period	**$ 6,517,985**	$ (404,394)	**$ 6,342,515**	$ (411,080)
Item not involving cash:				
Realized gain on sale of agreement	**(6,646,558)**	-	**(6,646,558)**	-
Net changes in non-cash working capital:				
GST recoverable	**(4,265)**	5,161	**(9,941)**	4,744
Prepaid expenses	**87,500**	-	**(72,500)**	-
Accounts payable and accrued liabilities	**7,295**	345,707	**(23,732)**	351,059
Due to related parties	**-**	(96,704)	**-**	(94,404)
Net cash used in operating activities	**(38,043)**	(150,230)	**(410,216)**	(149,681)
Investing activity				
Loan receivable	**(23,868)**	-	**(32,034)**	-
Net cash used in investing activity	**(23,868)**	-	**(32,034)**	-
Financing activity				
Proceeds from loan	**-**	150,000	**-**	150,000
Net cash provided by financing activity	**-**	150,000	**-**	150,000
Net change in cash	**(61,911)**	(230)	**(442,250)**	319
Cash, beginning of period	**1,065,422**	633	**1,445,761**	84
Cash, end of period	**$ 1,003,511**	$ 403	**$ 1,003,511**	$ 403

The notes to the condensed interim consolidated financial statements are an integral part of these statements.

Winston Resources Inc.
Statements of Condensed Interim Consolidated Changes in Equity (Deficiency)
For the Six Months Ended January 31, 2018 and 2017
(Expressed in Canadian Dollars)
(Unaudited)

	Common Share Capital	Preferred Share Capital	Subscription Receivable	Reserves: Options	Reserves: Warrants	Reserves: Contributed Surplus	Reserves: Total Reserves	Accumulated Other Comprehensive Income	Deficit	Total
	$	$	$	$	$	$	$	$	$	$
Balance, July 31, 2016	**9,603,437**	**671,844**	**-**	**11,306**	**37,000**	**499,694**	**548,000**	**-**	**(10,952,726)**	**(129,445)**
Cancellation of options	-	-	-	(11,306)	-	11,306	-	-	-	-
Net loss for the period	-	-	-	-	-	-	-	-	(411,080)	(411,080)
Balance, January 31, 2017	**9,603,437**	**671,844**	**-**	**-**	**37,000**	**511,000**	**548,000**	**-**	**(11,363,806)**	**(540,525)**
Balance, July 31, 2017	**10,984,476**	**671,844**	**(30,000)**	**-**	**1,820,049**	**511,000**	**2,331,049**	**-**	**(11,993,653)**	**1,963,716**
Other comprehensive income	-	-	-	-	-	-	-	1,200,000	-	1,200,000
Net income for the period	-	-	-	-	-	-	-	-	6,342,515	6,342,515
Balance, January 31, 2018	**10,984,476**	**671,844**	**(30,000)**	**-**	**1,820,049**	**511,000**	**2,331,049**	**1,200,000**	**(5,651,138)**	**9,506,231**

The notes to the condensed interim consolidated financial statements are an integral part of these statements.

1. Nature of Operations

Winston Resources Inc. ("Winston" or the "Company") is incorporated under the laws of the province of British Columbia. Winston was an exploration stage company engaged in the acquisition and exploration of mineral resource properties in Canada. Prior to January 29, 2016, the Company also invested in four other companies operating in the Canadian resource sector as well as a United States based company providing management services to Canadian based mineral exploration companies. On January 29, 2016, the Company distributed to its shareholders all its interest in CNRP Mining Inc. ("CNRP"), Zara Resources Inc. ("Zara"), Leo Resources Inc. ("Leo") and Hadley Mining Inc. ("Hadley") and no longer has any interest in these companies. As of January 31, 2018, the Company is changing its business from natural resources to the cannabis sector.

Effective May 31, 2017, the Company entered into a definitive agreement (the "Share Exchange Agreement") with GT Therapeutics Corporation ("GTT"), pursuant to which the Company will complete a reverse takeover and acquire from the shareholders of GTT, all of the issued and outstanding shares of GTT, causing GTT to become a wholly owned subsidiary of Winston. On completion of the transaction, the business of GTT will become the business of Winston. Effective on January 10, 2018, the Company entered into an assignment and novation agreement (the "Assignment Agreement") among the Company, certain shareholders of GTT and Abattis Bioceuticals Corp. ("Abattis"), pursuant to which, the Company has assigned all of its rights and interest (the "Assignment") with GTT. On January 29, 2018, the acquisition has been completed by the Company's assignee, Abattis (note 16).

On December 22, 2017, the Company entered into a non-binding letter of intent ("LOI") with Abattis which outlines the general terms and conditions of a proposed transaction that will result in Abattis acquiring all of the issued and outstanding common shares of Winston Resources at the time of closing in exchange for 25 million common shares of Abattis. As a result of the proposed transaction, Winston Resources shareholders will own approximately 10.2 per cent of Abattis's issued and outstanding common shares

Winston is a reporting issuer in the jurisdictions of British Columbia, Alberta and Ontario whose common shares are listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "WRW". The head office of the Company is located at 800 – 1199 West Hastings St., Vancouver, BC, V6E 3T5, Canada.

2. Going Concern Assumption

These condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern under International Financial Reporting Standards ("IFRS"). The use of these principles under IFRS assumes that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge its liabilities in the normal course of operations. The Company continues to incur operating losses, which casts significant doubt about the Company's ability to continue as a going concern.

Management's current strategy is to focus on the completion of the LOI with Abattis and, at the same time, to exercise careful cost control to sustain operations in the short term. Management recognizes the Company's need to expand its cash reserves in the coming year if it intends to adhere to its sales and marketing plans and has evaluated its potential sources of funds. Although Management intends to assess and act on these options throughout the course of the year, there can be no assurance that the steps Management take will be successful.

In the event that cash flow from operations, together with the proceeds from any future financings are insufficient to cover planned expenditures, Management will allocate available resources in such manner as deemed to be in the Company's best interest. This may result in a significant reduction in the scope of existing and planned operations.

As at January 31, 2018, the Company had yet to generate revenues from operations and had a deficit of $5,651,138 (July 31, 2017 - $11,993,653). The Company is actively seeking additional sources of financing. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of uncertainties related to events or conditions that may cast significant doubt upon the

3. Going Concern Assumption (continued)

entity's ability to continue as a going concern that these uncertainties are material and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. Accordingly, these financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore to realize its assets and discharge its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements. These adjustments could be material.

4. Statement of Compliance and Basis of Presentation

(a) Statement of compliance

These unaudited condensed interim consolidated financial statements are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB.

(b) Basis of presentation

These condensed interim consolidated financial statements have been prepared on a going concern basis, under the historical cost convention, except for certain financial instruments which may be carried at fair value in subsequent periods, and have been prepared using the accrual basis of accounting, except for cash flow information.

5. Significant Accounting Policies

These condensed interim consolidated financial statements have been prepared by management in accordance with IFRS and IFRIC. Outlined below are those policies considered particularly significant:

Basis of consolidation

These financial statements include the accounts of the Company and its former subsidiaries; 100% owned CNRP Dallas Inc. ("CNRP Dallas"), a Dallas, Texas based management services Company, and 84.9% owned CNRP, until the Company lost control of CNRP after it distributed all of its investment interest in CNRP to the Company's shareholders on January 29, 2016 (note 6). Control is achieved when the Company has the power over the investees; exposure to variable returns from an investee; and the ability to use power to affect the reporting entity's returns.

On consolidation, all intercompany transactions, balances, income and expenses are eliminated in full. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company losses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed during the year are included in the statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Use of estimates and judgments

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets, and contingent liabilities.

5. Significant Accounting Policies (continued)

Use of estimates and judgments (continued)

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty, and the classification of financial instruments.

Foreign currency translation

The functional currency of an entity is measured using the currency of the primary economic environment in which that entity operates. The financial statements are presented in Canadian dollars which is the Company's functional and presentation currency.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of comprehensive loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive loss to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to share-based payment reserves. The fair value of options is determined using the Black–Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Warrants

When the Company issues units that are comprised of a combination of shares and warrants, the value is assigned to shares and warrants based on their relative fair values. The fair value of the shares is determined by the closing price on the date of the transaction and the fair value of the warrants is determined based on a Black-Scholes Option Pricing Model.

Income (loss) per share

Basic income (loss) per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, basic income (loss) per share equals the dilutive income (loss) per share. Diluted income (loss) per share is calculated by using the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the

4. Significant Accounting Policies (continued)

Income (loss) per share (continued)

calculation of diluted income (loss) per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

Financial instruments

The Company classifies its financial instruments in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale and financial liabilities. The classification depends on the purpose for which the financial instruments were acquired.

Management determines the classification of its financial instruments at initial recognition.

Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortized cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments and are subsequently measured at fair value. Unrealized gains and losses are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary financial assets.

Non-derivative financial liabilities (excluding financial guarantees) are initially measured at fair value and subsequently measured at amortized cost.

On the Company's statement of financial position, cash, loan receivable, and investments are classified as loans and receivables; and accounts payable and due to related parties are classified as non-derivative financial liabilities.

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Company commits to purchase the asset. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. The Company does not have any derivative financial assets and liabilities.

4. Significant Accounting Policies (continued)

Impairment of assets

The carrying amounts of the Company's assets (which include equipment and exploration and evaluation assets) are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive loss.

The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous periods.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Income taxes

Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

Deferred income tax is provided using the asset and liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

4. Significant Accounting Policies (continued)

Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements. These changes are recorded directly to mining assets with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period. The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred.

The costs of restoration projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for resource property interest.

The Company has no restoration, rehabilitation and environmental obligations.

Future accounting policies

At the date of authorization of these financial statements, the IASB has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting period.

<u>Financial Instruments</u>

In November 2013, the IASB issued IFRS 9, Financial Instruments, (Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39). IFRS 9 (2009) establishes the measurement and classification of financial assets. Financial assets are measured either at fair value through earnings or at amortized cost if certain conditions are met. IFRS 9 (2010) includes guidance on the classification and measurement of financial liabilities.

The most recent amendment, IFRS 9 (2013) includes a new general hedge accounting model, which will align hedge accounting more closely with risk management. Additionally, the new standard removes the January 1, 2015 effective date. The new mandatory effective date of this standard is January 1, 2018. The Company is currently evaluating the impact of IFRS 9 on its financial statements and expects to apply the standard in accordance with its future mandatory effective date.

<u>Revenue from Contracts with Customers</u>

On May 28, 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers. The new standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. The new standard is effective for fiscal years beginning on or after January 1, 2018 and is available for early adoption. The Company is currently evaluating the impact of IFRS 15 on its financial

(Expressed in Canadian Dollars)

4. Significant Accounting Policies (continued)

Future accounting policies (continued)

statements and expects to apply the standard in accordance with its future mandatory effective date.

Other recent accounting pronouncements that have no material impact to the Company are not included above.

5. Distribution of Share Dividends

On January 29, 2016, the Company declared share dividends to distribute all of the Company's share interest in Zara, Leo, Hadley, and CNRP. Other than CNRP (note 6), all three investees were associates in which the investments were accounted for using the equity method of accounting. Subsequent to the distribution of share dividends, the Company holds no further interest in these companies.

	Zara	Leo	Hadley
Share interest held (%)	17.94%	16.76%	40.68%
Number of shares	895,902	879,402	10,169,022
Initial investment	$ 143,400	$ 115,541	$ 176,800
Cumulative equity loss on investments	$(651,500)	$(108,864)	$(368,686)
Carrying value of investment in associates	$ -	$ 6,677	$ -
Share price on dividend date	$ 0.10	$ 0.005	$ 0.01
Dividend distribution value	$ 89,590	$ 4,397	$ 101,690
Gain (loss) on dilution of ownership in associates	$ 89,590	$ (2,280)	$ 101,690

6. Dilution of CNRP

On January 29, 2016, the Company declared share dividend to distribute all of its share interest in CNRP to the Company's shareholders. After the distribution, the Company holds no further interest in CNRP. As a result of the distribution, all assets and liabilities of CNRP were de-consolidated and the net liabilities was reallocated to the statement of loss. The fair value of the dividend distribution of $59,675 for 3,978,339 shares of CNRP held by the Company is based on the market price of CNRP's shares at the date the dividend was declared.

The following summarizes the impact to the profit and loss for the year ended July 31, 2016 of the Company as a result of the transaction.

		Amount
Loss on dilution of CNRP		
Dividend - CNRP shares	$	59,675
Non-controlling interest in CNRP		(1,317,401)
Net liabilities of CNRP		816,686
Loss on dilution of CNRP	**$**	**(441,040)**

The amount of $161,063 due from Winston to CNRP which was previously eliminated upon consolidation has been forgiven on de-consolidation.

A total of 671,844 preferred shares with a value of $671,844 issued to CNRP which was previously eliminated upon consolidation is now included in the share capital of Winston on de-consolidation.

7. Financial Risk Management and Capital Management

Financial risk management objectives and policies

The Company is exposed to various financial risks resulting from both its operations and its investments activities. The Company's management, with the Board of Directors oversight, manages financial risks. Where material, these risks will be reviewed and monitored by the Board of Directors. The Company does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.

Financial risks

The Company's main financial risk exposure and its financial risk management policies are as follows:

Credit risk
Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The credit risk is limited to the carrying value amount carried on the statement of financial position. The Company's assets most susceptible to credit risk is its cash, which is held at a Canadian chartered bank in a non-interest bearing account and government GST recoverable, which is due from the Canadian government. As such, the risk of loss on these assets is minimal.

Market risk
Market risk is the risk of uncertainty arising primarily from possible commodity market price movements and their impact on the future economic viability of the Company's projects and ability of the Company to raise capital. These market risks are evaluated by monitoring changes in key economic indicators and market information on an on-going basis and adjusting operating and exploration budgets accordingly.

Fair value risk
Fair value risk is the potential for fair value fluctuations in the value of a financial instrument. The level of market risk to which the Company is exposed varies depending on market conditions, and expectations of future price and yield movements. The Company believes the carrying amounts of its financial assets and financial liabilities are a reasonable approximation of fair value.

Interest rate risk
Interest rate risk is the potential for fair value changes of a financial instrument resulting from changes in interest rates. The Company is not exposed to interest rate risk.

Liquidity risk
Liquidity risk is the risk the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business. As at January 31, 2018, the Company had, at its disposal, $1,003,511 in cash. The Company will require additional working capital to fund its operations. There is no guarantee that market conditions will be conducive to raising such additional equity capital.

Foreign currency risk
The Company is exposed to currency risks on its United States dollar denominated working capital balances due to changes in the US dollar/Canadian dollar exchange rate. As of January 31, 2018, the Company does not use derivative instruments to reduce its exposure to currency risk.

The carrying values of the Company's financial instruments carried at amortized cost approximate fair values due to their short duration.

The Company has designated its cash as fair value through profit or loss. The GST recoverable is categorized as loans and receivables whereby they are initially recognized at fair value and then subsequently carried at amortized

(Expressed in Canadian Dollars)

7. Financial Risk Management and Capital Management (continued)

Financial risks (continued)

cost. Accounts payables and accrued liabilities is classified as other financial liabilities whereby they are initially recognized at fair value and then measured at amortized cost.

The carrying values, which approximate fair values of the Company's financial instruments are as follows:

		As at January 31, 2018		As at July 31, 2017
Financial Assets				
Fair value through profit and loss				
Cash	**$**	**1,003,511**	$	1,445,761
Loans and receivables				
GST recoverable	**$**	**43,318**	$	33,377
Loan receivable	**$**	**-**	$	371,408
Financial Liabilities				
Other financial liabilities				
Accounts payable	**$**	**73,098**	$	40,623

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition of new business interests to ensure it continues as a going concern. 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 defines its capital as its shareholders' equity. As at January 31, 2018, the Company's capital resources amounted to $9,506,231 (July 31, 2017 - $1,963,716).

The Company's capital management objectives, policies and processes have remained unchanged during the six months ended January 31, 2018. The Company is not subject to any capital requirements imposed by a lending institution.

8. Investments in Associates

During the year ended July 31, 2016, investments in Zara, Leo and Hadley were accounted for using the equity method of accounting. On January 29, 2016, the Company distributed to its shareholders all its interest in Zara, Leo and Hadley and no longer has any interest in these companies (note 5).

During the year ended July 31, 2016, the Company recognized $3,013 in losses from the above companies.

(Expressed in Canadian Dollars)

9. Exploration and Evaluation Assets

		Pigeon River (Ontario property) (25% interest)
Balance, July 31, 2015	**$**	**-**
Acquisition		9,000
Balance, July 31, 2016		**9,000**
Write-off		(9,000)
Balance, July 31, 2017 and January 31, 2018	**$**	**-**

Pigeon River

On January 19, 2016, the Company purchased a 25% interest in the Pigeon River mining claim from Zara for the sum of $9,000. The Pigeon River mining claim is located in the Pigeon River area of Northwest Ontario. During the year ended July 31, 2017, the Company wrote off Pigeon River Property.

10. Prepaid Expenses

As at January 31, 2018, the Company had prepaid expenses of $145,000 (July 31, 2017 - $72,500) consisting of $125,000 (July 31, 2017 - $nil) in prepaid consulting and $20,000 (July 31, 2017 - $72,500) in prepaid rent.

11. Investment

	Number of shares		As at January 31, 2018	Number of shares		As at July 31, 2017
Balance, beginning	**-**	**$**	**125,000**	-	$	-
Investment on GTT (note 16)	**-**		**-**	-		125,000
Assignment of GTT acquisition (note 16)	**-**		**(125,000)**	-		-
Received shares (note 16)	**15,000,000**		**7,200,000**	-		-
Increase in fair value	**-**		**1,200,000**	-		-
Balance, ending	**15,000,000**	**$**	**8,400,000**	-	$	125,000

During the three months ended January 31, 2018, the Company received 15,000,000 shares (July 31, 2017 - nil) from Abattis in consideration of the assignment of GTT (note 16). The fair value of the shares has been determined by reference to the closing price of the shares on the TSX-V on January 31, 2018. At January 31, 2018, the closing price was $0.56 per share.

During the three months ended January 31, 2018, an unrealized gain of $1,200,000 was recorded in the statement of financial position as accumulated other comprehensive income.

12. Accounts Payable and Accrued Liabilities

		As at January 31, 2018		As at July 31, 2017
Accounts payable (note 13)	**$**	**73,098**	$	40,623
Accrued liabilities		**12,500**		43,707
	$	**85,598**	$	84,330

The accounts payable and accrued liabilities which arise from the Company's day to day operations have standard vendor terms and are normally settled between one and two months.

(Expressed in Canadian Dollars)

13. Related Party Transactions and Disclosures

During the three and six months ended January 31, 2018, the Company incurred transfer agent fees of $nil and $nil respectively (three and six months ended January 31, 2017 - $21,221 and $21,931, respectively) to Reliable Stock Transfer Inc., ("Reliable") a company owned by a former officer and director of the Company for the provision of share transfer services.

The following transaction occurred between related parties during the six months ended January 31, 2018 and 2017:

		2018		2017
Consulting fees paid to the current CEO and director	**$**	**15,000**	$	-
Consulting fees paid to a company controlled by a former director		**15,227**		-
Consulting fees paid to a former director		**8,000**		-
	$	**38,227**	$	-

As at January 31, 2018, $nil (July 31, 2017 - $1,000) was payable to the current CEO and director and is included in accounts payable (note 12).

14. Loan Receivable

As at January 31, 2018, the Company had a loan receivable of $nil (July 31, 2017 - $371,408) due from GTT. The loan has no set terms of repayment, is interest free, and is due on demand (notes 1 and 16).

15. Share Capital and Reserves

Share capital

The Company's authorized share capital consists of:

- an unlimited number of common shares without par value; and
- an unlimited number of preferred shares without special rights or restrictions attached. A total of 671,844 preferred shares with a value of $671,844 are issued and outstanding as of January 31, 2018.

On January 31, 2017, the Company consolidated its issued and outstanding share capital on the basis of one post-consolidation share for each three pre-consolidation common shares. The shares began trading on a consolidated basis on February 1, 2017. All references to share capital have been retroactively restated to reflect the share consolidation.

On February 2, 2017, the Company closed a private placement of 10,000,000 units at a price of $0.06 per unit. A total of $600,000 was raised. Each unit consists of one common share and one share purchase warrant. Each warrant has an exercise price of $0.06 per share, and is exercisable within two years after issuance. The fair value of warrants issued in connection with the private placement was estimated to be $296,103.

On March 22, 2017, the Company closed a private placement of 11,600,000 units at a price of $0.25 per unit for total proceeds of $2,900,000. Each unit consists of one common share and one share purchase warrant, exercisable within two years after issuance at an exercise price of $0.50. In connection with the private placement, the Company incurred share issuance costs of $402,894 including 245,440 finders' warrants valued at $59,482. The finder's warrants have the same exercise price and terms as the warrants forming part of the units. The fair value of warrants issued in connection with the private placement was estimated to be $1,427,464.

During the year ended July 31, 2017, the Company issued 50,000 common shares from exercise of warrants at $0.15 per share for a gross proceeds of $7,500.

(Expressed in Canadian Dollars)

15. Share Capital and Reserves (continued)

Share capital (continued)

	Number of Shares	Common Share Capital	Preferred Share Capital	Reserves	Total
Balance July 31, 2016 and 2015	**3,483,840**	**$ 9,603,437**	**$ 671,844**	**$ 548,000**	**$ 10,823,281**
Private placement – February 2, 2017	10,000,000	303,897	-	296,103	600,000
Private placement – March 22, 2017	11,600,000	1,472,536	-	1,427,464	2,900,000
Subscription receivable	-	(30,000)	-	-	(30,000)
Exercise of warrants	50,000	7,500	-	-	7,500
Share issuance cost	-	(402,894)	-	59,482	(343,412)
Balance July 31, 2017 and January 31, 2018	**25,133,840**	**$ 10,954,476**	**$ 671,844**	**$ 2,331,049**	**$ 13,957,369**

Basic and diluted earnings (loss) per share

The calculation of basic and diluted earnings (loss) per share for the three and six months ended January 31, 2018 was based on the income (loss) attributable to common shareholders of $6,517,985 and $6,342,515, respectively (three and six months ended January 31, 2017 - ($404,394) and ($411,080)) and the weighted average number of common shares outstanding of 25,133,840 (three and six months ended January 31, 2017 - 3,287,445). Diluted loss per share did not include the effect of nil options (2016 - nil) and 21,845,440 warrants (2017 - 1,159,447) as they are anti-dilutive.

Warrants

The issued and outstanding warrants balance at January 31, 2018 is comprised as follows:

	Number of warrants
Balance, July 31, 2016	**1,159,447**
Warrants issued on February 2, 2017	10,000,000
Warrants issued on March 22, 2017	11,845,440
Warrants exercised on April 25, 2017	(50,000)
Balance, July 31, 2017	**22,954,887**
Warrants expired	(1,109,447)
Balance, January 31, 2018	**21,845,440**

Issue date	Expiry date	Exercise price	Number of warrants
February 2, 2017	February 2, 2019	$0.06	10,000,000
March 22, 2017	March 22, 2019	$0.50	11,845,440
			21,845,440

During the year ended July 31, 2017, the fair value of the warrants issued was estimated using the Black- Scholes Option Pricing Model assuming a risk free rate of 0.74% to 0.77%, an expected life of 2 years, an expected volatility of 315.19% to 323.91%, and no expected dividends.

(Expressed in Canadian Dollars)

15. Share Capital and Reserves (continued)

Stock options

The Company has a stock option plan in place under which the Board of Directors may grant options to acquire common shares of the Company to qualified directors, officers, employees and other service providers. The stock options vest according to the provisions of the individual option agreements approved by the directors' resolutions and have a maximum life of ten years. The plan allows for the issuance of up to 10% of the number of issued and outstanding common shares of the Company at any time on a non-diluted basis

The following table summarizes the activity in stock options over the period.

	Fair value ($)	Number of stock options	Weighted average exercise price ($)
Balance, July 31, 2015	**15,831**	**676,667**	**0.15**
Dilution of CNRP	(4,525)	(466,667)	0.15
Balance, July 31, 2016	**11,306**	**210,000**	**0.15**
Expired/forfeited	(11,306)	(210,000)	0.15
Balance, July 31, 2017 and January 31, 2018	**-**	**-**	**-**

There were no stock options outstanding as at January 31, 2018.

Contributed surplus

Contributed surplus includes the accumulated fair value of share-based compensation and warrants transferred from share-based payment reserve and warrant reserve upon cancellation or expiry of the stock options and warrants. A summary of the changes in the Company's contributed surplus is set out below:

	Option Reserve	Warrant Reserve	Contributed Surplus
Balance, July 31, 2015	**$ 15,831**	**$ 37,000**	**$ 1,125,994**
Dilution of CNRP	(4,525)	-	(626,300)
Balance, July 31, 2016	**11,306**	**37,000**	**499,694**
Expired/forfeited	(11,306)	-	11,306
Warrants granted	-	1,783,049	-
Balance, July 31, 2017 and January 31, 2018	**$ -**	**$ 1,820,049**	**$ 511,000**

16. Definitive and Assignment Agreement with GTT

On May 31, 2017, the Company entered into a definitive agreement to acquire GTT through a reverse take-over. After the completion of this transaction, GTT will become the business of Winston. Pursuant to the agreement, the Company will issue an aggregate of 5,500,000 common shares to the existing shareholders of GTT, on a pro rata basis, at a price of $0.45 per share for total consideration of $2,475,000 plus $125,000 in cash (paid). The Company was required to complete a concurrent private placement. In connection with the same, on March 22, 2017, the Company closed a non-brokered private placement of 11,600,000 units (note 15). Completion of the transaction is subject to a number of conditions, including but not limited to satisfactory due diligence and acceptance of the Canadian Securities Exchange. The transaction cannot close until the required approvals are obtained and the other conditions to the transaction are satisfied.

Effective on January 10, 2018, the Company entered into an assignment and novation agreement (the "Assignment Agreement") among the Company, certain shareholders of GTT and Abattis Bioceuticals Corp. ("Abattis").

On January 29, 2018, the Company's assignee, Abattis, completed its acquisition of Green Tree.

(Expressed in Canadian Dollars)

16. Definitive and Assignment Agreement with GTT (continued)

Pursuant to the terms of an assignment and novation agreement, the Company assigned to Abattis all of its rights and interest under a share exchange agreement dated effective May 31, 2017, between the Company and Green Tree, pursuant to which the Company was granted the right to acquire Green Tree. In consideration of the assignment and upon closing of the acquisition, the Company received 15,000,000 shares from Abattis and recorded a realized gain on sale of agreement of $6,646,558.

The table below summarizes the computation of realized gain on sale of agreement:

		Amount
Consideration paid		
15,000,000 common shares at $0.48 per share	$	7,200,000
Less: Cash payment to GTT		125,000
Forgiveness of loan*		403,442
Transaction costs		25,000
		553,442
	$	**6,646,558**

*Funds loaned to GTT for operations.

17. Subsequent Events

There were no subsequent events.