Listing Statement

MORGAN RESOURCES CORP.

(“MRC” or the “Company”)

B2 – 125 The Queensway, Suite 217, Toronto, ON M8Y 1H6

Dated as of January 17, 2018

The Canadian Stock Exchange (the “CSE”) nor any securities regulatory authority has reviewed the adequacy or the accuracy of the contents of this document

1. Table of Contents

CAUTIONARY NOTE REGARDING FORWARD- LOOKING STATEMENTS

This Listing Statement includes statements that express our opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results, and therefore are, or may be deemed to be, “forward-looking statements.” These forward-looking statements can generally be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “seeks”, “projects”, “intends”, “plans”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Listing Statement and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which we operate. These statements reflect management’s current beliefs with respect to future events and are based on information currently available to management. Forward-looking statements involve significant known and unknown risks, uncertainties and assumptions. Many factors could cause MRC’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, without limitation, those detailed in this Listing Statement. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements contained in this Listing Statement. Such risks include, but are not limited to: a decrease in the value of the Common Shares; the ability of the Corporation to continue as a going concern; dependence on key personnel; the Corporation’s early stage of development; unstable and potentially negative economic conditions; fluctuations in interest rates; maintenance of client relationships; obtaining and maintaining a listing on the CSE; risks related to potential dilution in the event of future financings; volatility of the market price for the Common Shares; and risks related to whether MRC will ever be in a position to declare and pay dividends. See “Risk Factors” for a complete list of risks relating to an investment in MRC. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Those factors should not be construed as exhaustive and should be read with the other cautionary statements in this Listing Statement.

These factors should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements. Although we base our forward-looking statements on assumptions that we believe were reasonable when made, which assumptions include, but are not limited to MRC's future growth potential, results of operations, future prospects and opportunities, execution of MRC's business strategy, a stable workforce, no material variations in the current tax and regulatory environments, future levels of indebtedness and the current economic conditions remaining unchanged, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this Listing Statement. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this Listing Statement, those results or developments may not be indicative of results or developments in subsequent periods.

Any forward-looking statements which we make in this Listing Statement speak only as of the date of such statement, and we do not undertake, and specifically decline, except as required by applicable law, any obligation to update such statements or to publicly announce the results of any revisions to any such statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data. All of the forward-looking statements made in this Listing Statement are qualified by these cautionary statements.

All monetary amounts in this Listing Statement are expressed in Canadian dollars, unless otherwise indicated.

2. Corporate Structure

2.1 The full corporate name of the Issuer is "Morgan Resources Corp." The Issuer's head office and registered office is located at B2 – 125 The Queensway, Suite 217, Toronto, ON M8Y 1H6.

2.2 The Issuer was incorporated under the Business Corporations Act (Ontario) on June 15, 2011 under the name Gideon Capital Corp. On December 31, 2013, the Articles of Incorporation were amended to change its name to Morgan Resources Corp. The Company plans to change its name to Jekyll & Hyde Cannabis Group Inc.

2.3 The Issuer owns a 100% of the common shares of its subsidiaries Bathurst Resources Corp. incorporated under the Business Corporations Act (Ontario) and

Jekyll & Hyde Brand Builders Inc. incorporate under the Business Corporations Act (Ontario).

3. General Development of the Business

3.1 The Company was incorporated pursuant to the provisions of the Business Corporations Act (Ontario) on June 15, 2011 and was classified as a capital pool company as defined in Policy 2.4 of TSX Venture Exchange Inc. ("TSX-V").

On December 31, 2013, the Company, 2396933 Ontario Inc., a wholly-owned subsidiary of the Company ("2396933 OntCo") and Bathurst Resources Corp. ("Bathurst") completed a three-cornered amalgamation whereby Bathurst amalgamated with 2396933 OntCo and the Company issued one common share for each common share of Bathurst outstanding ("Amalgamation"). The Amalgamation constituted the Company's Qualifying Transaction for the purposes of Policy 2.4 of the TSX Venture Exchange Corporate Finance Manual. Upon completion of the Amalgamation, the Company changed its name from Gideon Capital Corp. to Morgan Resources Corp.

From 2013 to 2016, the Company was a mining exploration company with an option on certain volcanic-hosted massive sulphides properties in the Province of New Brunswick. Bathurst's principal project is the Gloucester Project.

In 2013, the Company entered into four option agreements (the L'Or Bai and Chamberlain Option Agreement, the Vienneau Option Agreement and the South Chamberlain Option Agreement) with arm's length parties in respect of various claim units located in Gloucester County, Northern New Brunskwick, Canada. Collectively, the option agreements granted the Company the option of acquiring a 100% interest in the four properties that make up the Gloucester Project in Gloucester County: (i) the L'Or Bai Property, (ii) the Chamberlain Property, (iii) the Vienneau Property and (iv) the South Chamberlain Property. In 2015, the Company did not complete the required option payments for the Vinneau Property and the South Chamberlain Property. The Company has not been notified that the option agreements have been terminated but the Company wrote down the asset value of these properties. The Company has also written down the asset value of the L'Or Bai Property and the Chamberlain Property. Given the unfavourable market conditions for raising capital in 2015, the Company was not be able to raise funds to complete the financial requirements under the L'Or Bai and Chamberlain option agreements.

On December 22, 2017, the Company, 2603995 Ontario Inc., a wholly-owned subsidiary of the Company ("260 OntCo") and Jekyll & Hyde Brand Builders Inc. ("J&H Brand Builders") completed a three-cornered amalgamation whereby 260 OntCo amalgamated with J&H Brand Builders and the Company issued one common share for each common share of J&H Brand Builders outstanding ("J&H

Amalgamation”). On December 22, 2017, the Company also approved a change of business to an engagement/marketing service agency focused on the cannabis sector.

J&H Brand Builders, incorporated in Ontario on August 30, 2017, is located in Toronto, Ontario and converges the talents, expertise and commercial networks of two successful strategy/marketing/branding firms on the North American business sector. J&H Brand Builders is led by Kerry Harris, Chief Executive Officer, Jayne Beckwith, Chief Operating Officer and Luvlina Sanghera, Chief Creative Officer. Ms. Harris is a seasoned senior brand, marketing/communications and strategy executive who was the former President of the Canadian business unit of major global PR agency Weber Shandwick. Ms. Beckwith is a seasoned senior brand strategist with deep roots in research and data collection and has extensive experience in design and branding. Ms. Sanghera is a dynamic and experienced marketing and design executive who was the founder and creative head of Brand Deviance.

As of the date of the Agreement, J&H Brand Builders had 9,500,000 common shares outstanding. In November 2017, J&H Brand Builders issued 2,666,667 common shares for gross proceeds of $400,000 (the “J&H Financing”). Under the terms of the Agreement, J&H Brand Builders needed to complete a financing of a minimum of $300,000 prior to the completion of the Transaction.

Under the terms of the Agreement, the Transaction will be structured such that MOR will issue one common share for each common share of J&H Brand Builders. The total common shares outstanding upon closing of the Transaction, including the J&H Financing, will be 49,593,603 common shares or 24.5% owned by the shareholders of J&H Brand Builders and 75.5% owned by the shareholders of MOR.

3.2 Significant Acquisitions and Dispositions

On December 22, 2017, the Company, 260 OntCo and J&H Brand Builders completed a three-cornered amalgamation whereby 260 OntCo amalgamated with J&H Brand Builders and the Company issued one common share for each common share of J&H Brand Builders outstanding (“J&H Amalgamation”). On December 22, 2017, the Company also approved a change of business to an engagement/marketing service agency focused on the cannabis sector.

Under the J&H Amalgamation, the Company issued 12,166,667 common shares to the shareholders of J&H Brand Builders.

J&H Brand Builders is a newly formed entity with no material assets or liabilities. The J&H Amalgamation was an arm’s length transaction.

3.3 Trend, Commitments, Events or Uncertainties

Risks arising from financial instruments and risk management:

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange and interest rate risks), credit risk and liquidity risk. The Company identifies, evaluates and, where appropriate, mitigates financial risks. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The audit committee of the board is responsible to review the Company's risk management policies.

(i) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings or financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Foreign exchange risk

The Company operates primarily within Canada although a portion of its expenses are incurred in other countries primarily the United States dollars ("US dollar"). Foreign exchange risk arises because the cost of transactions denominated in foreign currencies may vary due to changes in exchange rates. The Company has not entered into foreign exchange derivative contracts. A significant change in the currency exchange rates between the Canadian dollar relative to the US dollar would not have a significant effect on the Company's results of operations, financial position or cash flows.

Interest rate risk

The Company is subject to interest rate risk on its cash and cash equivalents and long term debt. The Company believes that interest rate risk is low as the Company does not hold any term deposits and interest earned on cash equivalents is variable.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's accounts receivable. The carrying amount of financial assets represents the maximum credit exposure. The Company believes there is insignificant credit risk associated with its accounts receivable based on the nature of the counterparties.

Financial instruments that potentially expose the Company to significant concentrations of credit risk consist principally of cash. The Company has investment policies to mitigate against the deterioration of principal and to enhance the Company's ability to meet its liquidity needs.

(iii) Liquidity and Funding Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and to fund future operations. The Company manages its liquidity risk by forecasting its cash needs on a regular basis and seeking additional financing based on those forecasts.

Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions. The Company manages its funding risk by forecasting its cash needs on a regular basis and continuously monitoring the stock price and other market conditions.

(c) Capital management

The Company's objectives when managing capital are:

- To safeguard the Company's ability to continue as a going concern in order to pursue the development of its products and to maintain a flexible capital structure which optimizes the cost of capital at an acceptable level; and

- To provide an adequate return to shareholders commensurate with the level of risk associated with a development stage biotechnology company.

The capital structure of the Company consists of cash, long term debt and equity comprising, issued capital, contributed surplus, warrants, and stock options.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues, granting of stock options, the issuance of debt or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements. In order to maximize ongoing research and development of its products, the Company does not pay out dividends.

Other Risks and Uncertainty

The Company operates in a highly competitive environment that involves significant risks and uncertainties, some of which are outside of the Company's control, which could have a material adverse effect upon the Company, its business and future prospects. Investors should carefully consider the risks and uncertainties described below. The risks and uncertainties described below are not exhaustive. There may be risks and uncertainties not presently known to the Company or that the Company believes to be immaterial which could adversely affect the Company and its business in the future.

Risks Related to the Company’s Financial Condition

- The Company has mainly relied on equity and debt financing and grant funding to support operations and will continue to need significant amounts of additional capital. The Company intends to raise additional financing, as required, through research, partnering and licensing arrangements, the exercise of warrants and options, and through equity and/or debt financing. However, there can be no assurance that these financing efforts will be successful or that the Company will continue to be able to meet ongoing cash requirements. It is possible that financing will not be available or, if available, may not be on favourable terms. The Company may fail to obtain additional financing and be unable to fund operations and commercialize its product candidates. The availability of financing will be affected by the results of scientific and clinical research, the Company’s ability to attain regulatory approvals, the market acceptance of the Company's products, the state of the capital markets generally (with particular reference to pharmaceutical, biotechnology and medical companies), the status of strategic alliance agreements, and other relevant commercial considerations. Any future equity financing could result in significant dilution to existing shareholders.

Risks Related to the Company’s Business and Operations

Regulatory

Changes to government policies and the current regulatory framework is outside of the Company’s control, and hence the Company is subject to any changes in the framework that may cause the Company to adjust its operations or cut into the Company’s profit margins.

Limited Operating History

The Company commenced operations on December •, 2017, and as such is an early stage business and subject to the risks any early stage business faces. The Company has incurred operating losses since commencing operations. The success, among other things, is dependent on profitability of operations, ability to raise funds when necessary in a timely manner, and senior management's ability to execute on strategy. The Company may incur losses in the future and may not achieve profitability.

Reliance on Management

The Company is reliant on senior management's ability to execute on strategy. This exposes the Company to management's ability to perform, and as well the risk of management leaving the Company. To mitigate this risk, the Company has implemented incentive plans for all members of the senior management team. In addition, all senior members currently hold significant equity in the Company, another deterrent from having them leave.

Risks Relating to the Company's Common Shares

The Company has not paid any cash dividends on its common shares and, for the foreseeable future, the Company does not intend to pay any cash dividends on its common shares and therefore its shareholders may not be able to receive a return on their shares unless they sell them. The policy of the Board of Directors of the Company is to retain all available funds in operations. The Board of Directors may reassess this policy from time to time. Any decision to pay dividends on the common shares of MRC will be made by the Board of Directors based on the assessment of, among other factors, earnings, capital requirements and the operating and financial condition of the Company.

The market price and trading volume of the Company's common shares have been volatile, and may continue to be volatile in the future. Variations in earnings estimates by securities analysts and the market prices of the securities of competitors may also lead to fluctuations in the trading price of the common shares. In addition, the financial markets may experience significant price and volume fluctuations that affect the market price of the Company's common shares that are not related to the Company's operating performance. Broad market fluctuation and economic conditions generally, and in the medical device sector specifically, may adversely affect the market price of the Company's common shares.

The significant costs that the Company will incur as a result of being a public company in Canada could adversely affect its business.

4 Narrative Description of the Business

4.1 1. General

The Company is focused on the cannabis sector and will encompass the following:

- A full service North American consumer engagement/marketing services agency;
- A supporting cannabis media platform;
- A proprietary portfolio of cannabis brands that will leverage the agency's unique capabilities and the reach and scale of the media platform.

For all operations of the Company, significant events necessary for the business to thrive would the hiring of key personnel, making major capital acquisitions, obtaining necessary regulatory approvals, implementing marketing plans and strategies and commencing production and sales.

The Company, through its subsidiary J&H Brand Builders, commenced operations on December 22, 2017. J&H Brand Builders commenced operations on August 30, 2017.

J&H Brand Builders

J&H Brand Builders brings together a wealth of business acumen and a built-in pipeline & intellectual capital in cannabis, including: marketing, design, digital, strategy, branding, M&A, customer engagement, R&D, data and business development.

Unlike other traditional agencies J&H Brand Builders is not simply creating a "division" for the cannabis sector. The Company is a Cannabis "2.0" integrated agency. The Company not only understand this burgeoning industry but it knows how to optimize the culture and opportunities this sector has to offer.

(1.a) state the business objectives that the Issuer expects to accomplish in the forthcoming 12-month period:

Agency Services

- Strategic services: brand, marketing and operational strategy.
- Strategic implementation including: branding, digital, content development, mobile engagement and social media counsel and management.
- Underpinned by technology including proprietary modular mobile engagement platforms, digital services, data collection and analysis, AI and "bot" technology.

Media Services

The Company will either acquire or build a comprehensive digital platform designed to become the "voice" of the cannabis sector for consumers, brands, growers, SME's and regulators

Brands Services

During 2018, the Company plans to acquire a small portfolio of cannabis brands that can be leveraged by the agency expertise and also the digital platform creating a 360 degree business opportunity unlike any other public company currently in the sector.

(1.b) describe each significant event or milestone that must occur for the business objectives in (a) to be accomplished and state the specific time period in which each event is expected to occur and the costs related to each event;

Agency Services

Launch Plans for The Agency (November 2017 to December 2017):

- o Press launch (media relations to key trade and business media)
- o Launch event (critical trade show)
- o Trade show strategy
- o Speakers bureau opportunities (taking the message on the road)
- o Social media

Ongoing Marketing (January 2018 – October 2018)

- o You Tube Channel and Daily Industry Recap
- o On going Media Relations
- o Trade Shows
- o Speakers Bureau/Speaking Opportunities
- o Advertising

In order to be successful and attract clients, the agency toolbox must be built, the agency launched at a major cannabis trade show and an on-going comprehensive PR campaign mounted. Significant new business efforts must be undertaken to attract and build out the agency client roster. The Company's principals are well versed in this activity.

Budget allocation for agency opening, marketing activities, staffing and other launch activities are between $250,000 and $300,000 for year one.

In the next 12 months J&H Brand Builders expects to have a roster of 6 – 8 clients.

Media Services

There are a number of strategic insights that come together to create this business opportunity:

- o Opportunity to tie the industry together from a "platform" point of view and provide end-to-end business tools/ management tools.
- o Opportunity to create a common social platform for community and business needs—a space for engagement, e-commerce and data collection.
- o Opportunity to become the "voice" of the category—a central meeting place for cannabis users, business owners and subject matter experts (SME's)

The Company plans to acquire a revenue positive media platform within the next six months or to build a standalone tailored platform which would require an investment year one of approximately $1MM and would be expected to launch in the second half of 2018.

In the next 12 months, the Company expects to have a digital platform up and running with an expected 100,000 unique visitors a month.

Brands Services

Strategically, this division will enhance the agency's capabilities, provide credibility to the group and also provide significant revenue streams for the public company

- o The Company has access to significant deal flow in the cannabis products space.
- o The majority of cannabis brands are not professionally branded and marketed.
- o Significant value can be added to these brands by applying the Company's capabilities.
- o Selective proprietary approach provides substantial upside to shareholders.

(1.c) disclose the total funds available to the Issuer and the following breakdown of those funds:

(i) the estimated consolidated working capital as of the most recent month end prior to filing the Listing Statement, and (ii) the total other funds, and the sources of such funds, available to be used to achieve the objectives and milestones set out in paragraphs (a) and (b)

As at August 31, 2017, the Company had cash of $15,239 and a working capital deficiency of $202,989. On November 30, 2017, the Company closed a financing for $400,000. As at November 30, 2017, the Company had cash of approximately $400,000 and working capital of approximately $200,000.

(d) describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the funds available described under the preceding paragraph will be used by the Issuer.

The Company plans to allocate approximately $100,000 for working capital and the listing of the Company's common shares on the Canadian Securities Exchange. Approximately $300,000 will be used for the J&H Brand Builders operations.

2. Services

a) the methods of their distribution and their principal markets;

See point 1(a) & 1(b) above. Services commenced in September 2017.

c) if not fully developed, the stage of development of the principal products or services and, if the products are not at the commercial production stage,

(i) the timing and stage of research and development programs,

See point 1(a) and 1(b) above.

(ii) the major components of the proposed programs, including an estimate of anticipated costs,

See point 1(a) and 1(b) above.

(3) Concerning production and sales, disclose:

a) the actual or proposed method of production of products and if the Issuer provides services, the actual or proposed method of providing services;

Agency Services

- o Strategic services: brand, marketing and operational strategy.
- o Strategic implementation including: branding, digital, content development, mobile engagement and social media counsel and management.

- o Underpinned by technology including proprietary modular mobile engagement platforms, digital services, data collection and analysis, AI and "bot" technology.

c) specialized skill and knowledge requirements and the extent that the skill and knowledge are available to the Issuer;

J&H Brand Builders is led by Kerry Harris, Chief Executive Officer, Jayne Beckwith, Chief Operating Officer and Luvlina Sanghera, Chief Creative Officer. Ms. Harris is a seasoned senior brand, marketing/communications and strategy executive who was the former President of the Canadian business unit of major global PR agency Weber Shandwick. Ms. Beckwith is a seasoned senior brand strategist with deep roots in research and data collection and has extensive experience in design and branding. Ms. Sanghera is a dynamic and experienced marketing and design executive who was the founder and creative head of Brand Deviance.

e) the importance, duration and effect on the segment of identifiable intangible properties such as brand names, circulation lists, copyrights, franchises, licences, patents, software, subscription lists and trademarks;

No trademarks on the company's name.

f) the extent to which the business of the segment is cyclical or seasonal;

Not cyclical or seasonal.

g) a description of any aspect of the Issuer's business that may be affected in the 12 months following the date of the Listing Statement by renegotiation or termination of contracts or sub-contracts and the likely effect;

None

h) the financial and operational effects of environmental protection requirements on the capital expenditures, earnings and competitive position of the Issuer in the current financial year and the expected effect, on future years;

None

i) the number of employees, as at the most recent financial year end or as an average over that year, whichever is more relevant;

The company has four employees.

j) any risks associated with foreign operations of the Issuer and any dependence of the segments upon the foreign operations;

None

5.0 Selected Consolidated Financial Information

Annual Information

DESCRIPTION	Year ended August 31, 2017	Year ended August 31, 2016	Year ended August 31, 2015
	AMOUNT $	AMOUNT $	AMOUNT $
Revenues	-	-	-
Net (loss) for the year	(58,984)	(51,998)	(1,474,843)
Basic & diluted loss per share	(0.00)	(0.00)	(0.04)
Total Assets	24,096	47,204	152,430
Total long-term financial liabilities	-	-	-
Dividends	-	-	-

Quarterly information:

For the three months ended	$ 31 Aug 17	$ 31 May 17	$ 28 Feb 17	$ 30 Nov 16
Revenues	-	-	-	-
Net loss for the period	(14,797)	(10,650)	(13,099)	(20,438)
Basic & diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)

For the three months ended	$ 31 Aug 16	$ 31 May 16	$ 29 Feb 16	$ 30 Nov 15
Revenues	-	-	-	-
Net loss for the period	(17,105)	(9,236)	(21,902)	(3,755)
Basic & diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)

6. Management's Discussion and Analysis

See attached Appendix A for the MRC Management Discussion and Analysis for the year ended August 31, 2017.

7. Market for Securities

MRC's common shares were previously listed on the NEX Board of the TSX Venture Exchange under the symbol MOR.H. The Company delisted its common shares on January 11, 2018.

8. Consolidated Capitalization

Common shares issued and outstanding	
As at August 31, 2017	37,426,936
Issue on acquisition of J&H Brand Builders	12,166,667
As at January 17, 2018	49,593,603
Options outstanding	
As at August 31, 2017 and January 17, 2018	1,950,000

9. Options to Purchase Securities

MRC has no options outstanding as of the date of this Listing Statement.

10. Description of the Securities

10.1 General

The following is a summary of the material provisions which attach to the classes of shares of MRC's capital stock and is qualified by reference to the full text of the rights, privileges, restrictions and conditions of such shares.

The authorized capital of MRC consists of an unlimited number of Common Shares. As of the date of this Listing Agreement, there are 49,593,603 Common Shares.

There are no indentures or agreements existing or proposed limiting the payment of dividends, and there are no special liquidation rights or pre-emptive rights. The presently outstanding share capital is not subject to any call or assessment, all having been issued as fully paid and non-assessable.

10.2 Debt Securities

The company has no debt securities.

10.7 Prior Sales

Through the Company's subisidiary, J&H Brand Builders, the following shares were issued:

August 30, 2017 – 9,500,000 common shares at $0.005 for $47,500
November 1, 2017 – 1,000,000 common shares at $0.15 for $150,000
November 22, 2017 - 1,000,000 common shares at $0.15 for $150,000
November 30, 2017 – 666,667 common shares at $0.15 for $100,000

10.8 Stock Exchange Price:

Date	High	Low	Volume
Q1 - 2018	0.01	0.01	34,000
Q4 - 2017	0.02	0.01	411,700
Q3 - 2017	0.07	0.005	1,458,700
Q2 - 2017	0.0.15	0.005	131,200
Q1 - 2017	0.005	0.005	57,500
Q4 - 2016	0.01	0.005	45,000
Q3 - 2016	0.015	0.005	1,291,250
Q2 – 2016	0.01	0.005	991,200
Q1 – 2016	0.02	0.01	91,500

11. Escrowed Securities

It is anticipated that an aggregate of 2,500,000 Common Shares will held in escrow as with Computershare as escrow agent under the provisions of the an escrow agreement required by the CSE in connection with the Transaction.

Escrow Agreement

The following table lists the names of beneficial owners of the securities that will be subject to the Escrow Agreement and the number of securities held by each.

Name of Shareholder	Designation of Class	Number of Securities Held in Escrow and Percentage of Class
Kerry Harris	Common	2,500,000 (5.0%)

It is anticipated that the escrow agreement will provide for a three year escrow release mechanism with 10% of the escrowed securities releasable at the time of the listing of the subordinate voting shares on the CSE, and 15% on each of the dates which are 6, 12, 18, 24, 30 and 36 months after the listing on the CSE.

Transfer of Escrow Shares

Where escrowed shares are to be held by a company, such company will be required to agree not to carry out, while its escrowed shares are in escrow, any transaction that would result in the change of control of the company. Any such company will be required to further undertake to the Exchange that, to the extent reasonably possible, it will not permit or authorize any issuance of securities or transfer of securities which could reasonably result in a change of control of the company.

All holders of escrowed shares must obtain CSE consent to transfer subordinate voting shares then subject to escrow, other than in specified circumstances set out in the applicable escrow agreement..

12. Principal Shareholders

Common shares

Name of Shareholder	Number of Common Shares	Ownership	Percentage
Raniero Corsini, Director	2,583,333	direct	5.2%
Rick Rodgers, Director	2,583,334	direct	5.2%
Phil Kelly, Director	3,000,000	direct	6.0%
Kerry Harris, CEO	2,500,000	direct	5.0%
Chris Carmichael, CFO	283,333	direct	0.6%

Percentage ownership on a fully diluted basis, Raniero Corsini – 6.5%, Rick Rogers – 5.4%, Phil Kelly – 6.3%, Kerry Harris – 4.9%, Chris Carmichael – 1.5%.

13. Directors and Officers

Name and Residence	Principal Occupation For Last Five Years	Period during which served as a director	Shares Held or Beneficially Owned(1)
Raniero Corsini – Director (i) Toronto, ON	President of Carlisle Bancorp since 2012	December 31, 2013	2,583,333
Rick Rogers – Director(i) Huntsville, ON	President of a private consulting firm operating as SR Consulting a division of Epic Asset Management Ltd.	December 31, 2013	2,583,334
Phil Kelly - Director (i) Burlington, ON	Executive Vice President of Triple M Metal LP since 2008.	December 31, 2013	3,000,000
Kerry Harris, CEO Toronto, ON	CEO of J&H Brand Builders	December 22, 2017	2,500,000
Chris Carmichael, CFO & Corporate Secretary Toronto, ON	President of CRIS Inc. since 2010	December 31, 2013	283,333

(i) member of the audit committee

Notes:

Kerry Harris (56 years old) has been CEO of the company since December 22, 2017. She will spend 100% of her time on Jekyll and Hyde Group were she will lead strategy, new business development and new market development for the company. Over the course of her career, she has served as President, CMO and the senior lead for a number of prominent Canadian and NA based companies.

Chris Carmichael (43 years old), CFO & Corporate Secretary, is the president of CRIS Inc. and is a CPA (CGA). CRIS Inc. provides financial reporting, bookkeeping and other services for the Company. Through CRIS Inc., Mr. Carmichael will devote 15% of his time to the business of the Company. For the past 20 years, Mr. Carmichael has been the CEO, CFO and/or corporate secretary for a number of TSXV/CSE issuers.

The term of office of each director expires at the next annual meeting of shareholders of the Company.

As at the date of this Circular, after giving effect to the Transaction, to the best of the

Company's knowledge, the directors and executive officers of the Company will own, as a group, or exercise control or direction over, directly or indirectly, approximately 21.8% of the issued and outstanding Common Shares of MRC.

During the last five years, the directors and executive officers of MRC have been engaged in their current principal occupations or in other capacities with the companies or firms indicated opposite their names or with related or affiliated companies.

Cease Trade Orders and Bankruptcies

To the knowledge of the Corporation, no proposed director of the Corporation (i) is, or has been within the last ten years before the date of this Circular, a director, chief executive officer or chief financial officer of any company that, while that person was acting in that capacity, (a) was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation (collectively, an "**Order**"), that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; (ii) is, or has been within the last ten years before the date of this Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (iii) has, within the last ten years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets.

Penalties or Sanctions

No proposed director of the Corporation has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Conflicts of interest

Conflicts of interest may arise which could influence these individuals in generally acting on behalf of MRC. Pursuant to the CBCA, directors will be required to act honestly and in good faith with a view to the best interests of MRC. As required under the CBCA: (a) a director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer of MRC, must promptly disclose the nature and extent of that conflict; and (b) a director who holds a disclosable interest (as that term is used in the CBCA) in a contract or transaction into which MRC has entered or proposes to enter may generally not vote on any directors' resolution to approve the contract or transaction.

14. Capitalization

14.1 Issued Capital:

Issued Capital

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	%of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total outstanding (A)	49,593,603	51,543,603	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	17,950,000	19,550,000	36.2%	37.9%
Total Public Float (A-B)	31,643,603	31,993,603	63.8%	62.1%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	12,166,667	12,166,667	24.5%	23.6%

Total Tradeable Float (A-C)	37,426,936	39,376,936	75.5%	76.4%

Public Securityholders (Registered)

Instruction: For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

Class of Security

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	19	23,212,654
	19	23,212,654

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

Class of Security

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	0	0
100 – 499 securities	2	700
500 – 999 securities	3	1,900
1,000 – 1,999 securities	4	4,000
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	2	6,000
4,000 – 4,999 securities	0	0
5,000 or more securities	167	8,418,349
	178	8,430,949

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, "non-public securityholders" are persons enumerated in section (B) of the issued capital chart.

Class of Security

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	8	17,950,000
	8	17,950,000

15. Executive Compensation

Kerry Harris has a consulting contract at a rate of $120,000 per annum.

Chris Carmichael, has a consulting contract through his company, CRIS Inc. with a fee of $30,000 per year.

16. Indebtedness of Directors and Executive Officers

As of the date of this Listing Statement, the directors and officers have not been indebted to MRC.

17. Risk Factors

RISK FACTORS

The following risk factors should be given special consideration, in addition to other information contained in this Circular, when evaluating an investment of MRC's securities. In addition, please refer to the risk factors listed above under the heading "Management's Discussion and Analysis- the Corporation, *Risks and Uncertainties*". An investment in the securities qualified hereunder is speculative and involves a significant degree of risk. Investors should carefully review and consider the following factors together with the other information contained in this Summary.

Risks arising from financial instruments and risk management:

> The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange and interest rate risks), credit risk and liquidity risk. The Company identifies, evaluates and, where appropriate, mitigates financial risks. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The audit committee of the board is responsible to review the Company's risk management policies.
>
> (i) Market Risk
>
> Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings or financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.
>
> Foreign exchange risk
>
> The Company operates primarily within Canada although a portion of its expenses are incurred in other countries primarily the United States dollars ("US dollar"). Foreign exchange risk arises because the cost of transactions denominated in foreign currencies may vary due to changes in exchange rates. The Company has not entered into foreign exchange derivative contracts. A significant change in the currency exchange rates between the Canadian dollar relative to the US dollar would not have a significant effect on the Company's results of operations, financial position or cash flows.
>
> Interest rate risk
>
> The Company is subject to interest rate risk on its cash and cash equivalents and long term debt. The Company believes that interest rate risk is low as the

Company does not hold any term deposits and interest earned on cash equivalents is variable.

(ii) Credit Risk
Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's accounts receivable. The carrying amount of financial assets represents the maximum credit exposure. The Company believes there is insignificant credit risk associated with its accounts receivable based on the nature of the counterparties.

Financial instruments that potentially expose the Company to significant concentrations of credit risk consist principally of cash. The Company has investment policies to mitigate against the deterioration of principal and to enhance the Company's ability to meet its liquidity needs.

(iii) Liquidity and Funding Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and to fund future operations. The Company manages its liquidity risk by forecasting its cash needs on a regular basis and seeking additional financing based on those forecasts.

Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions. The Company manages its funding risk by forecasting its cash needs on a regular basis and continuously monitoring the stock price and other market conditions.

(c) Capital management

The Company's objectives when managing capital are:

- To safeguard the Company's ability to continue as a going concern in order to pursue the development of its products and to maintain a flexible capital structure which optimizes the cost of capital at an acceptable level; and

- To provide an adequate return to shareholders commensurate with the level of risk associated with a development stage biotechnology company.

The capital structure of the Company consists of cash, long term debt and equity comprising, issued capital, contributed surplus, warrants, and stock options.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues, granting of stock options, the issuance of debt or by undertaking other activities as deemed appropriate under the specific circumstances.
The Company is not subject to externally imposed capital requirements. In order to maximize ongoing research and development of its products, the Company does not pay out dividends.

Other Risks and Uncertainty

The Company operates in a highly competitive environment that involves significant risks and uncertainties, some of which are outside of the Company's control, which could have a material adverse effect upon the Company, its business and future prospects. Investors should carefully consider the risks and uncertainties described below. The risks and uncertainties described below are not exhaustive. There may be risks and uncertainties not presently known to the Company or that the Company believes to be immaterial which could adversely affect the Company and its business in the future.

Risks Related to the Company’s Financial Condition

- The Company has mainly relied on equity and debt financing and grant funding to support operations and will continue to need significant amounts of additional capital. The Company intends to raise additional financing, as required, through research, partnering and licensing arrangements, the exercise of warrants and options, and through equity and/or debt financing. However, there can be no assurance that these financing efforts will be successful or that the Company will continue to be able to meet ongoing cash requirements. It is possible that financing will not be available or, if available, may not be on favourable terms. The Company may fail to obtain additional financing and be unable to fund operations and commercialize its product candidates. The availability of financing will be affected by the results of scientific and clinical research, the Company’s ability to attain regulatory approvals, the market acceptance of the Company's products, the state of the capital markets generally (with particular reference to pharmaceutical, biotechnology and medical companies), the status of strategic alliance agreements, and other relevant commercial considerations. Any future equity financing could result in significant dilution to existing shareholders.

- The Company must meet its debt repayment obligations and/or renegotiate the terms and/or obtain an additional extension to the maturity date of the secured debt and failure to do so could cause the lender to demand on its security on the Company's long term debt. There can be no assurance that the Company will continue to meet its debt repayment obligations and/or renegotiate the terms and/or obtain an additional extension to the maturity date of the secured debt.

Risks Related to the Company's Business and Operations

- Changes to government policies and the current regulatory framework is outside of the Company's control, and hence the Company is subject to any changes in the framework that may cause the Company to adjust its operations or cut into the Company's profit margins.

- The Company commenced operations on December •, 2017, and as such is an early stage business and subject to the risks any early stage business faces. The Company has incurred operating losses since commencing operations. The success, among other things, is dependent on profitability of operations, ability to raise funds when necessary in a timely manner, and senior management's ability to execute on strategy. The Company may incur losses in the future and may not achieve profitability.

- The Company is reliant on senior management's ability to execute on strategy. This exposes the Company to management's ability to perform, and as well the risk of management leaving the Company. To mitigate this risk, the Company has implemented incentive plans for all members of the senior management team. In addition, all senior members currently hold significant equity in the Company, another deterrent from having them leave.

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Risks Relating to the Company's Common Shares

- The Company has not paid any cash dividends on its common shares and, for the foreseeable future, the Company does not intend to pay any cash dividends on its common shares and therefore its shareholders may not be able to receive a return on their shares unless they sell them. The policy of the Board of Directors of the Company is to retain all available funds in operations. The Board of Directors may reassess this policy from time to time. Any decision to pay dividends on the common shares of MRC will be made by the Board of Directors based on the assessment of, among other factors, earnings, capital requirements and the operating and financial condition of the Company.

- The market price and trading volume of the Company's common shares have been volatile, and may continue to be volatile in the future. Variations in earnings estimates by securities analysts and the market prices of the securities of competitors may also lead to fluctuations in the trading price of the common shares. In addition, the financial markets may experience significant price and volume fluctuations that affect the market price of the Company's common shares that are not related to the Company's operating performance. Broad market fluctuation and economic conditions generally, and in the medical device sector specifically, may adversely affect the market price of the Company's common shares.

- The significant costs that the Company will incur as a result of being a public company in Canada could adversely affect its business.

Risks Relating to the Cannabis Industry

Change in Law, Regulations and Guidelines - Operations in Cannabis are subject to a variety of laws, regulations and guidelines relating to marketing, acquisition, manufacture, management, transportation, storage, sale and disposal of medical marijuana but also laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. Changes to such laws, regulations and guidelines may cause adverse effects to the Company's operations. On February 24, 2016, the Federal Court released its decision in the case of Allard et al v. Canada, declaring that the MMPR, as it was drafted, was unconstitutional in violation of the plaintiffs' rights under section 7 of the Charter of Rights and Freedoms. On August 24, 2016, the ACMPR came into force, replacing the MMPR as the regulations governing Canada's medical cannabis regime which permits patients to produce a limited amount of cannabis for their own medical purposes or to designate a person to produce a limited amount of cannabis. The ACMPR could potentially decrease the size of the market for the Company's business, and potentially materially and adversely affect the Company's business, its results of operations and financial condition.

Regulatory Risk - Achievement of the Company's business objectives are contingent, in part, upon compliance with the regulatory requirements, including those imposed by Health Canada, enacted by these government authorities and obtaining all regulatory approvals, where necessary, for the sale of its products. The Company cannot predict the time required to secure all appropriate regulatory approvals for its products, or the extent of testing and documentation that may be required by government authorities. 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 Company's business, results of operation and financial condition.

Unfavourable Publicity or Consumer Perception - The success of the medical marijuana industry may be significantly influenced by the public's perception of marijuana's medicinal applications. Medical marijuana is a controversial topic, and there is no guarantee that future scientific research, publicity, regulations, medical opinion and public opinion relating to medical marijuana will be favourable. The medical marijuana industry is an early-stage business that is constantly evolving with no guarantee of viability. The market for medical marijuana is uncertain, and any adverse or negative publicity, scientific research, limiting regulations, medical opinion and public opinion relating to the consumption of medical marijuana may have a material adverse effect on our operational results, consumer base and financial results.

Competition - The market for the medical marijuana products does appear to be sizeable and Health Canada has only issued a limited number of licenses under the ACMPR to produce and sell medical marijuana. As a result, the Company expects significant competition from other companies due to the recent nature of the ACMPR regime. A large number of companies appear to be applying for production licenses, some of which may have significantly greater financial, technical, marketing and other resources, may be able to devote greater resources to the development, promotion, sale and support of their products and services, and may have more extensive customer bases and broader customer relationships. Should the size of the medical marijuana market increase as projected the demand for products will increase as well, and in order for the Company to be competitive it will need to invest significantly in research and development, marketing, production expansion, new client identification, and client support. If the is not successful in achieving sufficient resources to invest in these areas, the Company's ability to compete in the market may be adversely affected, which could materially and adversely affect the Company's business, its financial conditions and operations.

18. Promoters

MRC does not have a promoter.

19. Legal Proceedings

MRC does not have any legal proceedings.

20. Interest of Management and Others in Material Transactions

Other then previously disclosed, MRC's Management does not have any interest in Material Transactions.

21. Auditors, Transfer Agents and Registrars

The auditors of MRC are MNP LLP., 900 - 50 Burnhamthorpe Road West, Sussex Centre Mississauga, Ontario, L5B 3C2, since their appointment in February 2017.

Computershare, at its principal offices located at 3rd Floor, 510 Burrard Street, Vancouver, BC V6C 3B9 are the transfer agent and registrar of the Common Shares.

22. Material Contracts

The only material contracts entered into, or to be entered into, by MRC since the date of its incorporation, other than those entered into in the ordinary course of business, are the following:

1. Three cornered amalgamation agreement with J&H Brand Builders.

Copies of the above-mentioned agreements may be consulted at the registered office of MRC and at the offices of MRC, B2 – 125 The Queensway, Suite 217, Toronto, ON M8Y 1H6, during normal business hours.

23 Interest of Experts

None

24. Other Material Facts

None

25. Financial Statements

See attached Appendix C for the MRC audited financial statements as at August 31, 2016. See attached Appendix D for the MRC Technologies Inc.'s unaudited financial statements as at May 31, 2017.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, (full legal name of the Issuer), hereby applies for the listing of the above mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to (full legal name of the Issuer). It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto, Ontario

this 17th day of January, 2018.

Chief Executive Officer	Chief Financial Officer
Kerry Harris	Chris Carmichael
Director	Director
Raniero Corsini	Rick Rogers

APPENDIX A

Management Discussion and Analysis

MORGAN RESOURCES CORP.
MANAGEMENT DISCUSSION & ANALYSIS
PERIOD ENDED AUGUST 31, 2017

Reference is made in this Management Discussion & Analysis (the "MD&A") to Morgan Resources Corp's (the "Company") financial statement disclosure for the relevant period which is attached the MD&A. All amounts discussed herein are denominated in Canadian dollars.

FORWARD LOOKING STATEMENTS

Certain information regarding the Company contained herein may constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. The Company cautions that actual performance will be affected by a number of factors, many of which are beyond the Company's control, and that future events and results may vary substantially from what the Company currently foresees. The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

DATE OF MD&A

This MD&A was prepared on December 13, 2017.

OVERVIEW

The Company was incorporated pursuant to the provisions of the Business Corporations Act (Ontario) on June 15, 2011 and was classified as a capital pool company as defined in Policy 2.4 of TSX Venture Exchange Inc. ("TSX-V").

On December 31, 2013, Gideon, 2396933 Ontario Inc., a wholly-owned subsidiary of Gideon ("2396933 OntCo") and Bathurst Resources Corp. ("Bathurst") completed a three-cornered amalgamation whereby Bathurst amalgamated with 2396933 OntCo and Gideon issued one common share for each common share of Bathurst outstanding ("Amalgamation"). The Amalgamation constituted Gideon's Qualifying Transaction for the purposes of Policy 2.4 of the TSX Venture Exchange Corporate Finance Manual. Upon completion of the Amalgamation, Gideon changed its name to Morgan Resources Corp. (the "Company").

The Amalgamation is considered to be a reverse takeover of Gideon by Bathurst. A reverse takeover transaction involving a non-public operating entity and a non-operating public company is in substance a share-based payment transaction, rather than a business combination. The transaction is equivalent to the issuance of shares by the non-public operating entity, Bathurst, for the net assets and the listing status of the non-operating public company, Gideon. The fair value of the shares issued was determined based on the fair value of the common shares issued by Gideon.

The Company is a mining exploration company with an option on certain volcanic-hosted massive sulphides properties in the Province of New Brunswick. Bathurst's principal project is the Gloucester Project.

BUSINESS STRATEGY

The primary business objective of the Company was to explore for volcanic-hosted massive sulphides. On October 12, 2017, the Company executed an agreement for a business combination with Jekyll & Hyde Brand Builders Inc. ("J&H Brand Builders"), a private Ontario corporation. The transaction is expected to take the form of three cornered amalgamation of J&H Brand Builders, the Company and a wholly owned subsidiary of the Company. J&H Brand Builders is located in Toronto, Ontario and converges the talents, expertise and commercial networks of two successful strategy/marketing/branding firms on the North American business sector.

OVERALL PERFORMANCE

Overview of Operations

History

The Company was a junior mining exploration and development company with an option on certain volcanic-hosted massive sulphides properties in the Province of New Brunswick, Canada.

The Company had entered into four option agreements (the L'Or Bai and Chamberlain Option Agreement, the Vienneau Option Agreement and the South Chamberlain Option Agreement) with arm's length parties in respect of various claim units located in Gloucester County, Northern New Brunskwick, Canada. Collectively, the option agreements granted the Company the option of acquiring a 100% interest in the four properties that make up the Gloucester Project in Gloucester County: (i) the L'Or Bai Property, (ii) the Chamberlain Property, (iii) the Vienneau Property and (iv) the South Chamberlain Property. In 2015, the Company did not complete the required option payments for the Vinneau Property and the South Chamberlain Property. The Company has not been notified that the option agreements have been terminated but the Company wrote down the asset value of these properties. The Company has also written down the asset value of the L'Or Bai Property and the Chamberlain Property. Given the unfavourable market conditions for raising capital, the Company will not be able to raise funds to complete the financial requirements under the L'Or Bai and Chamberlain option agreements.

Significant Acquisitions and Dispositions

On April 7, 2013, The Company entered into the L'Or Bai and Chamberlain Option Agreement with the L'Or Bai and Chamberlain Vendors. Pursuant to the L'Or Bai and Chamberlain Option Agreement, the Company was granted the option to acquire a 100% interest (subject to a 2% net smelter return royalty on each of the L'Or Bai and Chamberlain Properties in favour of the L'Or Bai and Chamberlain Vendors) in various claim units located on the Gloucester Project in Gloucester County, Northern New Brunswick, Canada. Due to the current market conditions for raising funds in junior exploration companies in Canada, the Company decided to not to make any further exploration or option payments on the L'Or Bai and Chamberlain properties.

On April 29, 2013, the Company purchased an option to earn a one hundred percent (100%) interest in certain mining claims in Bathurst, New Brunswick (the "Vienneau Property"). Due to current market conditions, the Company decided not to make the $25,000 option payment due on April 29, 2015, resulting in the Company being in default of the option agreement.

On April 14, 2014, the Company purchased an option to earn a one hundred percent (100%) interest in certain mining claims in Bathurst, New Brunswick (the "South Chamberlain Property"). Due to current market conditions, the Company decided not to make the $40,000 option payment due on April 10, 2015, resulting in the Company being in default of the option agreement.

On October 7, 2014, the Company purchased an option to earn a fifty-one percent (51%) interest in the Lucky Irish base and precious metals property located 35 kilometers southwest of Kirkland Lake, Ontario (the "Lucky Irish Property"). Due to current market conditions, the Company decided not to make the $50,000 option payment due on April 16, 2015, resulting in the Company being in default of the option agreement.

The Company wrote down the value of its exploration properties during the year ended August 31, 2015 which included $470,790 in acquisition costs and $709,231 in exploration expenditures.

On October 12, 2017, the Company executed an agreement for a business combination with J&HBrand Builders, a private Ontario corporation. The transaction is expected to take the form of three cornered amalgamation of J&H Brand Builders, the Company and a wholly owned subsidiary of the Company. J&H Brand Builders is located in Toronto, Ontario and converges the talents, expertise and commercial networks of two successful strategy/marketing/branding firms on the North American business sector.

RESULTS OF OPERATIONS

Summary of Annual Financial Information

DESCRIPTION	Year ended August 31, 2017	Year ended August 31, 2016	Year ended August 31, 2015
	AMOUNT $	AMOUNT $	AMOUNT $
Revenues	-	-	-
Expenses	58,984	51,998	321,338
Net (loss) for the year	(58,984)	(51,998)	(1,474,843)
Basic & diluted loss per share	(0.00)	(0.00)	(0.04)
Cash flow from operating activities	(30,091)	18,537	(178,907)
Cash	15,239	45,330	26,793
Assets	24,096	47,204	152,430
Liabilities	227,085	191,209	244,437
Dividends	-	-	-

For the year ended August 31, 2017

Expenditures during the year ended August 31, 2017 totaled $58,984 (Aug 2016 – $51,998). These expenditures included:

• Professional fees $15,000 (Aug 2016 – $14,000). Given the potential acquisition of J&H Brand Builders, the company anticipates higher professional fees in 2018.

• Consulting fees of $30,000 (Aug 2016 - $26,666) paid to the Company's CFO. Given the potential acquisition of J&H Brand Builders, the company anticipates higher professional fees in 2018.

• Office and general expenses of $13,984 (Aug 2016 - $11,332). Given the potential acquisition of J&H Brand Builders, the company anticipates higher professional fees in 2018.

Summary of Quarterly Financial Information

For the three months ended	$ 31 Aug 17	$ 31 May 17	$ 28 Feb 17	$ 30 Nov 16
Revenues	-	-	-	-
Expenses	14,797	10,650	13,099	20,438
Net loss for the period	(14,797)	(10,650)	(13,099)	(40,438)
Basic & diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)

For the three months ended	$ 31 Aug 16	$ 31 May 16	$ 28 Feb 16	$ 30 Nov 15
Revenues	-	-	-	-
Expenses	17,105	9,236	21,902	3,755
Net (loss) for the period	(17,105)	(9,236)	(21,902)	(3,755)
Basic & diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)

For the quarter ended August 31, 2017

Expenditures during the period totaled $14,797 (Aug 2016 – $17,105). These expenditures included:

• Professional fees $7,500 (Aug 2016 – $9,000). Given the potential acquisition of J&H Brand Builders, the company anticipates higher professional fees in 2018.

• Consulting fees of $5,000 (Aug 2016 - $5,000) paid to the Company's CEO and CFO. Given the potential acquisition of J&H Brand Builders, the company anticipates higher professional fees in 2018.

• Office and general expenses of $2,296 (Aug 2016 – $3,105). Given the potential acquisition of J&H Brand Builders, the company anticipates higher professional fees in 2018.

TRENDS AND OTHER INFORMATION

The Company has limited financial resources and there are no assurances that additional funding will be available for working capital or further exploration unless the Company is successful in its efforts to complete its financing objectives. Exploration of the properties in which the Company has an interest is at an exploratory stage. There is no assurance that commercial quantities of mineral reserves will be discovered. There is also no assurance that even if commercial quantities of reserves are discovered, the mineral property will be brought into commercial production.

LIQUIDITY AND CAPITAL RESOURCES

The Company had a working capital deficit of approximately $202,989 as at August 31, 2017. The Company has no sources of revenue other than interest earned on its cash, which is insignificant.

OFF BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

Other than disclosed above, there are no proposed transactions of a material nature being considered at this time.

CRITICAL ACCOUNTING ESTIMATES

Capitalized Mineral Properties

The Company capitalizes all costs related to investments in mineral property interests on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be impairment in their value. Management reviews the carrying values of its properties each year. Management uses consultants and industry yardsticks to ascertain these values.

FINANCIAL AND OTHER INSTRUMENTS

The Company's financial instruments include cash and short-term deposits, accounts receivables, accounts payable and accrued liabilities, accrued interest payable and convertible loans. Cash and short-term deposits are classified as fair value through profit or loss. The carrying value of these instruments approximates their fair values due to their short-term nature. Accounts receivables are classified as loans and receivables, accounts payable and accrued liabilities and the convertible loan are classified as other financial liabilities, all of which are measured at amortized cost. The ability of the Company to develop its properties and the future profitability of the Company is directly related to the market price of certain minerals. If the Company locates a mineral deposit, it will be subject to commodity price risk. It is the opinion of Management that the Company is not exposed to significant interest, currency or credit risks arising from its financial instruments.

DISCLOSURE OF OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares. On August 31, 2017 and December 13, 2017, the Company had 37,426,936 common shares outstanding and 1,600,000 options exercisable at $0.15 until August 1, 2019 and 350,000 options exercisable at $0.10 until January 27, 2022.

RELATED PARTY TRANSACTIONS

Compensation of key management personnel

The remuneration expense of directors and other members of key management personnel during the year ended August 31, 2017 was "Salaries, consulting, and benefits" of $30,000 (2016 - $26,666).

RISKS AND UNCERTAINTIES

Risk Factors

The current business of the Company is to explore for volcanic-hosted massive sulphides. Due to the nature of that business, the legal and economic climate in which the Company operates and the present stage of development of its business, the Company may be subject to significant risks. An investment in the Company's Shares should be considered highly speculative. The Company's future development and actual operating results may be very different from those expected as at the date of this MD&A. There can be no certainty that the Company will be able to implement successfully the strategy set out herein. No representation is or can be made as to the future performance of the Company and there can be no assurance that the Company will achieve its objectives. In addition to the other information in this MD&A, an investor should carefully consider each of, and the cumulative effect of, the following factors.

The following is a description of the principal risk factors that affect the Company:

Exploration and Development Risks

Mineral exploration and development involves a high degree of risk. Few properties which are explored are ultimately developed into producing mines. Success in increasing mineral resources and reserves is the result of a number of factors, including the level of geological and technical expertise, the quality of land available for exploration and other factors. Once mineralization is discovered, it may take several years of drilling and development until production is possible during which time the economic feasibility of production may change. The economics of developing mineral properties are affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in the price of gold and other minerals, fluctuations in exchange rates or other minerals produced, costs of development, infrastructure and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material.

The Company will continue to rely upon consultants and others for exploration and development expertise. Substantial expenditures are required to establish reserves through drilling, to develop mineral processes to extract the product from the resource and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that the minerals will be discovered in sufficient quantities and/or quality to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations in the grade of the resource mined, fluctuations in mineral markets, importing and exporting of minerals and environmental protection. As a result of these uncertainties, there can be no assurance that mineral exploration and development of the Company's properties will result in profitable commercial operations.

Mining Risks

Mining operations, including the exploration and development of mineral deposits, generally involve a high degree of risk. Hazards such as unusual or unexpected formations and other conditions such as power outages, labour disruptions, flooding, landslides, and the inability to obtain suitable machinery, equipment or labour are involved in mineral exploration, development and operation. The Company may become subject to liability for pollution 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 on the Company's financial position. In addition, it is not unusual in mining operations to experience unexpected problems both during start up and during ongoing operations. To the extent that unexpected problems occur affecting the production in the future, the Company's anticipated revenues may be reduced, costs may increase and the resulting issuer's profitability and ability to continue its mining operation may be adversely affected.

Availability of Drilling Equipment and Access

Natural resource exploration and development activities are dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to the Resulting Issuer and may delay exploration and development activities.

Operating Risks

The activities of the Company are subject to all of the hazards and risks normally incidental to exploring and developing natural resource projects. These risks and uncertainties include, but are not limited to, environmental hazards, industrial accidents, labour disputes, encountering unusual or unexpected geological formations or other geological or grade problems, unanticipated changes in metallurgical characteristics and mineral recovery, encountering unanticipated ground or water conditions, cave-ins, pit wall failures, flooding, rock bursts, periodic interruptions due to inclement or hazardous weather conditions and other acts of God or unfavourable operating conditions and losses. Should any of these risks and hazards affect the Company's exploration, development or mining activities, it may cause the cost of production to increase to a point where it would no longer be economic to produce mineral resources from the Resulting Issuer's reserves, require the Company to write-down the carrying value of one or more mineral projects, cause delays or a stoppage of mining and processing, result in the destruction of mineral properties or processing facilities, cause death or personal injury and related legal liability; any and all of which may have a material adverse effect on the Company. It is not always possible to fully insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability, result in increasing costs or the loss of its assets and a decline in the value of the Company's securities.

Permits and Licences

The operations of the Company require licences and permits from various governmental authorities. There can be no assurance that such licences and permits required to carry out exploration, development and mining operations at its projects will be granted.

Title Risks

The Company does not own the real property underlying its properties, and currently only has the right to conduct exploration activities on the properties pursuant to the terms of option agreements. In order to maintain the claims, the Company must comply with all of its covenants under the agreements, which include incurring certain minimum exploration expenditures annually. If the Company fails to meet its obligations it risks the forfeiture of its mining claims and any such expenditures made to such time. There can be no assurance that the Resulting Issuer will be able to obtain the required mining and other permits for its properties, if, as, and when mining operations become viable at the properties.

If the Company does not make all the required payments, it will forfeit the value of instalment payments made pursuant to option agreements, without the ability to obtain a refund or the ability to cause the return of cash or securities issued.

The acquisition of title to resource properties is a very detailed and time-consuming process. Title to, and the area of, resource claims may be disputed. Although the Company believes it has taken reasonable measures to ensure that title to the properties are held as described in this MD&A, there is no guarantee that title to any of the claims comprising the properties will not be challenged or impaired. There may be valid challenges to the title of any of the claims comprising the properties that, if successful, could impair development and/or operations.

Competition for New Mining Properties

Significant and increasing competition exists for mineral acquisition opportunities throughout the world. As a result of this competition, some of which is with large, more established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire rights to exploit additional attractive mining properties on terms it considers acceptable.

Conflicts of Interest

Certain of the directors or officers of the Company may also be directors or officers of other mining companies or otherwise involved in natural resource exploration and development and situations may arise where they are in a conflict of interest with the Company. Conflicts of interest, if any, which arise will be subject to and governed by procedures prescribed by the CBCA which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has some material interest in any person who is a party to, a material contract or proposed material contract with the Company disclose his or her interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the OBCA.

Market for Securities and Volatility of Share Price

There can be no assurance that an active trading market in the Company's securities will be established or sustained. The market price for the Company's securities could be subject to wide fluctuations. Factors such as announcements of quarterly variations in operating results and acquisition or disposition of properties, as well as market conditions in the industry, may have a significant adverse impact on the market price of the securities of the Company. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Payment of Dividends Unlikely

There is no assurance that the Company will pay dividends on its shares in the near future or ever. The Company will likely require all its funds to further the development of its business.

Management of Growth

Any expansion of the Company's business may place a significant strain on its financial, operational and managerial resources. There can be no assurance that the Company will be able to implement and subsequently improve its operations and financial systems successfully and in a timely manner in order to manage any growth it experiences. There can be no assurance that the Company will be able to manage growth successfully. Any ability of the Company to manage growth successfully could have a material adverse effect on the Company's business, financial condition and results of operations.

Reliance on Key Personnel and Consultants

There can be no assurance that any of the Company's officers, directors, employees and consultants will remain with the Company or that, in the future, they will not organize competitive businesses or accept opportunities with companies competitive with the Company. The Company will depend on a number of key officers and directors the loss of any one of whom could have an adverse effect on the Company.

Government Regulation and Political Risk

The Company's operating activities will be subject to laws and regulations governing expropriation of property, health and worker safety, employment standards, waste disposal, protection of the environment, mine development, land and water use, prospecting, mineral production, exports, taxes, the protection of endangered and protected species and other matters. While the Company believes that it is in substantial compliance with all material current laws and regulations affecting its activities, future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's future operations or planned development projects. Where required, obtaining necessary permits and licences can be a complex, time consuming process and the Company cannot assure whether any necessary permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with any future exploration or development of its properties. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities. The Resulting Issuer's activities may be affected in varying degrees by political stability and governmental regulations. Any changes in regulations or shifts in political attitudes are beyond the control of the Company and may adversely affect its operations.

Environmental Regulation

Environmental and safety legislation (e.g. in relation to reclamation, disposal of waste products, protection of wildlife and otherwise relating to environmental protection) may change in a manner that may require stricter or additional standards than those now in effect, a heightened degree of responsibility for companies and their directors and employees and more stringent enforcement of existing laws and regulations. There may also be unforeseen environmental liabilities resulting from mining activities, which may be costly to remedy. If the Company is unable to fully remedy an environmental problem, it may be required to stop or suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect on the Resulting Issuer. The Company has not purchased insurance for environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) as it is not generally available at a price which the Resulting Issuer regards as reasonable.

Uninsured Risks

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company may maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance, if any, will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

Land Reclamation Expenses

It is difficult to determine the exact amounts which will be required to complete all land reclamation activities in connection with the properties in which the Company holds an interest. Reclamation bonds and other forms of financial assurance represent only a portion of the total amount of money that will be spent on reclamation activities over the life of a mine. Accordingly, it may be necessary to revise planned expenditures and operating plans in order to fund reclamation activities. Such costs may have a material adverse impact upon the financial condition and results of operations of the Company.

Shareholders' Interest may be Diluted in the Future

The Company will require additional funds for its planned activities. If the Company raises additional funding by issuing equity securities, which is highly likely, such financing could substantially dilute the interests of the Company's shareholders. Sales of substantial amounts of shares, or the availability of securities for sale, could adversely affect the prevailing market prices for the Company's shares. A decline in the market prices of the Company's shares could impair the ability of the Company to raise additional capital through the sale of new common shares should the Company desire to do so.

Approval from Government Bodies

The Company's acquisition of properties will be conditional upon receiving certain regulatory approvals. A substantial delay in obtaining satisfactory approvals or the imposition of unfavourable terms or conditions in the regulatory approvals could adversely affect the business, financial condition or results of operations of the Company.

Current Global Financial Conditions

Current global financial conditions have been subject to increased volatility and numerous financial institutions have either gone into bankruptcy or have had to be rescued by governmental authorities. Access to public financing by junior mining exploration and development companies has been negatively impacted by the credit market crisis, the reduction in energy prices and the liquidity crisis affecting the asset-backed commercial paper market. These factors may impact the ability of the Company to obtain equity or debt financing in the future and, if obtained, on terms favourable to the Company. If these crises and increased levels of volatility continue, the Company's operations could be adversely impacted and the trading price of the Company's Common Shares could be adversely affected.

Market Factors and Volatility of Gold Prices

The marketability of volcanic-hosted massive sulphides which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations in the prices of gold, which are highly volatile, the proximity and capacity of gold markets and processing equipment, and government regulations, including regulations relating to taxes, royalties, land tenure, land use and environmental protection. The effect of these factors cannot be accurately predicted, but may result in the Resulting Issuer not receiving an adequate return on invested capital. The price of gold has fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the control of the Company. Future gold prices cannot be accurately predicted. A severe decline in the price of gold would have a material adverse effect on the Company.

Aboriginal Claims

Aboriginal peoples have claimed aboriginal title and rights to portions of Canada. The Company is not aware that any claims have been made in respect of the Gloucester Project; however, if a claim arose and was successful this could have an adverse effect on the Company and its operations.

Commodity Price Hedging

Currently, the Company does not have a policy to hedge future commodity sales. If put into place, there is no assurance that a commodity hedging program designed to reduce the risk associated with fluctuations in commodity prices will be successful. Hedging may not protect adequately against declines in commodity prices. Although hedging may protect the Company from a decline in commodity prices, it may also prevent the Company from benefiting fully from price increases.

Litigation Risk

All industries are subject to legal claims, with and without merit. The Company may be involved from time to time in various routine legal proceedings, which include labour matters such as unfair termination claims, supplier matters and property issues incidental to its business. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding could have a material effect on financial position and results of operations.

ADDITIONAL INFORMATION

Additional information relating to the Company can be requested by calling the Company at 647 352-4905.

APPENDIX B

AUDITED FINANCIAL STATEMENTS AS AT AUGUST 31, 2017

MORGAN RESOURCES CORP.

CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2017 and 2016

(expressed in Canadian dollars)

Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of the Company have been prepared by management in accordance with International Financial Reporting Standards. These consolidated financial statements contain estimates based on management's judgment. Management maintains an appropriate system of internal controls to provide reasonable assurance that transactions are authorized, assets safeguarded, and proper records maintained.

The Audit Committee and Board of Directors reviews the results of the annual audit and the consolidated financial statements prior to submitting the consolidated financial statements to the Board for approval.

The Company's auditors, MNP LLP, are appointed by the shareholders to conduct an audit and their report follows.

"Raniero Corsini"	"Chris Carmichael"
Raniero Corsini	Chris Carmichael
Chief Executive Officer	Chief Financial Officer

Mississauga, Ontario
December 13, 2017

Independent Auditors' Report

To the Shareholders of Morgan Resources Corp.:

Report on the Financial Statements
We have audited the accompanying consolidated financial statements of Morgan Resources Corp., which comprise the consolidated statements of financial position as at August 31, 2017 and 2016, and the consolidated statements of loss and comprehensive loss, changes in deficiency in net assets, and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Morgan Resources Corp. as at August 31, 2017 and 2016, and its financial performance and its cash flows, for the years ended August 31, 2017 and August 31, 2016 in accordance with International Financial Reporting Standards.

Emphasis of matter
Without modifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes material uncertainty that raises significant doubt about the Company's ability to continue as a going concern.

MNP LLP

Chartered Professional Accountants
Licensed Public Accountants

Mississauga, Ontario
December 13, 2017

MNP LLP

MORGAN RESOURCES CORP.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		August 31 2017		August 31 2016
Assets				
Current assets				
Cash and cash equivalents	$	15,239	$	45,330
HST recoverable and other receivables		8,857		1,874
	$	24,096	$	47,204
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	$	227,085	$	191,209
		227,085		191,209
Deficiency in net assets				
Share capital (note 5)		3,024,769		3,024,769
Contributed surplus (note 5)		492,288		492,288
Deficit		(3,720,046)		(3,661,062)
		(202,989)		(144,005)
	$	24,096	$	47,204

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

Going Concern (Note 1)
Commitments and Contingencies (Note 9)
Subsequent Events (Note 10)

Approved by the Board of Directors

Signed: "Raniero Corsini"
Director

Signed: "Rick Rogers"
Director

MORGAN RESOURCES CORP.

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the years ended August 31		2017		2016
Expenses				
Professional fees	$	15,000	$	14,000
Consulting fees (note 8)		30,000		26,666
Office and general		13,984		11,332
		58,984		51,998
Net loss and comprehensive loss for the year		58,984		51,998
Weighted average number of common shares outstanding – basic and diluted (note 6)		37,426,936		37,426,936
Basic and fully diluted loss per share	$	0.00	$	0.00

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

MORGAN RESOURCES CORP.

CONSOLIDATED STATEMENTS OF CHANGES IN DEFICIENCY IN NET ASSETS

	Shares		Share Capital		Contributed Surplus	Deficit	Total
Balance, August 31, 2015	37,426,936	$	3,024,769	$	492,288	(3,609,064)	(92,007)
Comprehensive loss for the year	-		-		-	(51,998)	(51,998)
Balance, August 31, 2016	37,426,936		3,024,769		492,288	(3,661,062)	(144,005)
Comprehensive loss for the year	-		-		-	(58,984)	(58,984)
Balance, August 31, 2017	37,426,936	$	3,024,769	$	492,288	(3,720,046)	(202,989)

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

MORGAN RESOURCES CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended August 31	2017	2016
Cash flow from operating activities		
Net loss for the year	$ (58,984)	$ (51,998)
Changes in non-cash working capital:		
HST recoverable and other receivables	(6,983)	123,763
Accounts payable and accrued liabilities	35,876	(53,228)
	(30,091)	18,537
Increase (decrease) in cash	(30,091)	18,537
Cash and cash equivalents, beginning of year	45,330	26,793
Cash and cash equivalents, end of year	$ 15,239	$ 45,330

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

1. NATURE OF BUSINESS, GOING CONCERN

Nature of Business

Morgan Resources Corp. (the "Company" or "Morgan Resources") carries on business in one segment, being the acquisition, exploration and development of properties for mining of precious and base metals.

Morgan Resources is a publicly traded company incorporated and domiciled in Canada. The Company's registered office is as follows: B2 – 125 The Queensway, Suite 217, Toronto, Ontario, M8Y 1H6. The Company's common shares are listed on the NEX Board of the TSX Venture Exchange ("TSXV") under the symbol MOR.H.

The consolidated financial statements were approved by the Board of Directors on December 13, 2017.

Going Concern

These consolidated financial statements have been prepared on a going concern basis, which presumes the Company will be able to realize its assets and discharge its liabilities in the normal course of operations in the foreseeable future.

In order to meet future expenditures and cover administrative costs, the Company will need to raise additional financing. Although the Company has been successful in raising funds in the past, there can be no assurance that adequate funding will be available in the future, or available under terms favorable to the Company. 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. The Company is in default on all of its option agreement payments and has a working capital deficiency of $202,989 as at August 31, 2017 (2016 - $144,005); as such, there is significant doubt regarding the Company's ability to continue as a going concern and ultimately the appropriateness of the use of accounting principles applicable to a going concern.

Management believes that it can raise sufficient funds to pay its ongoing administrative expenses and to meet its liabilities for the ensuing twelve months as they fall due. The Company's ability to reinstate and fund its mining interest expenditures is dependent on management's ability to secure additional financing beyond that required to meet its ongoing administrative expenses.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to obtain adequate financing.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the IFRS Interpretation Committee ("IFRSIC").

Basis of presentation and consolidation

These consolidated financial statements have been prepared on a historical cost basis except for the revaluation of certain financial instruments that have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Bathurst Resources Corp. ("Bathurst").

Financial instruments

<u>Financial assets</u>

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category of financial asset is as follows:

Fair value through profit or loss - This category comprises derivatives, or assets acquired or incurred principally for the purpose of being sold or repurchased in the near term. They are carried in the consolidated statements of financial position at fair value with changes in fair value recognized in the statement of loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the consolidated statement of loss.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at the end of each reporting period. Financial assets are impaired when there is any objective evidence that the future cash flows associated with a financial asset or a group of financial assets have been negatively impacted. Different criteria to determine impairment are applied for each category of financial assets described above.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments - continued

Financial liabilities

The Company's accounting policy for each category of financial liability is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of being sold or repurchased in the near term. They are carried in the consolidated statement of financial position at fair value with changes in fair value recognized in the consolidated statement of loss.

Other financial liabilities - This category includes accounts payables and accrued liabilities which are recognized at amortized cost.

Morgan Resources' financial instruments include cash, other receivables, and accounts payable and accrued liabilities. Cash is classified as fair value through profit or loss, other receivables is classified as loans and receivables, and accounts payable and accrued liabilities are classified as other financial liabilities. The carrying value of these instruments approximates their fair values due to their short-term nature.

Mineral properties and deferred exploration costs

Mineral property acquisition costs and related direct exploration and development expenditures, net of recoveries, are deferred until the properties are placed into production. These net costs will be amortized against income using the unit-of-production method based on estimated recoverable reserves if the properties are brought into commercial production, or written off if the properties are abandoned or sold. The cost of mineral properties includes any cash consideration paid and the fair market value of shares issued, if any, on the acquisition of property interests. The recorded amounts of property acquisition costs and their related deferred exploration costs represent actual expenditures incurred and are not intended to reflect present or future values.

The recoverability of amounts shown for mineral properties and deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future profitable production or proceeds from the disposition thereof.

Mineral properties and deferred exploration costs - continued

At the end of each reporting period the carrying amounts of Morgan Resources' mineral properties are reviewed to determine whether there is an indication that those assets are impaired. If such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

The recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted at a rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the consolidated statement of loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized in the consolidated statement of loss immediately.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in the consolidated statement of loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for temporary differences relating to the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, and the Company intends to settle tax liabilities and assets on a net basis or to realize the tax assets and liabilities simultaneously.

Deferred tax assets are recognized to the extent it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Flow-through shares

The Company finances a portion of its exploration activities through the issuance of flow-through shares. On the date of issuance of the flow-through shares, the premium (the proceeds received for the flow-through shares in excess of the closing market price of the Company’s common shares) is allocated to liabilities.

Under the terms of the flow-through common shares, the tax attributes of the related expenditures are renounced to investors. The premium liability is reduced pro-rata based on the percentage of flow-through expenditures renounced and spent in comparison to renunciations required under the terms of the flow-through share agreement. The reduction to the premium liability in the period of renunciation is recognized in the consolidated statement of loss as other income.

Upon renunciation of the related expenditures, the Company would normally recognize a deferred tax liability and expense with respect to the tax value of the costs renounced. Where the Company has unrecognized tax benefits from loss carry forwards and tax pools available for deduction, the Company will recognize these assets to offset the deferred tax liabilities resulting in an offsetting recovery of deferred income taxes being recognized in the consolidated statement of loss in the reporting period.

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

The Company had no material provisions at August 31, 2017 and 2016.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Share-based payment transactions

The fair value of share options granted to employees is recognized as an expense over the vesting period with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value is measured at grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site restoration work, discounted to their net present value, are provided for and capitalized to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through depreciation using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market based discount rate and amount or timing of the underlying cash flows needed to settle the obligation.

The Company has no material restoration, rehabilitation and environmental costs as the disturbance to date is minimal.

Loss per share

Basic loss per share is calculated using the weighted-average number of common shares outstanding during the year. Diluted loss per share is computed using the treasury stock method. Stock options and warrants outstanding are not included in the computation of diluted loss per share if their inclusion would be anti-dilutive.

Significant accounting judgments and estimates

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Estimates and underlying assumptions are reviewed on an ongoing basis. The following is the key estimate and assumption uncertainty that has a significant risk of resulting in a material adjustment within the next financial year:

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Future Accounting Pronouncements

Standards issued but not yet effective up to the date of issuance of the Company's consolidated financial statements, but which may affect the consolidated financial statements are listed below. The Company intends to adopt those standards when they become effective.

IFRS 9, Financial Instruments ("IFRS 9") was issued by the IASB in its final version in July 2014, and will replace IAS 39, "Financial Instruments: Recognition and Measurement" ("IAS 39"). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The Company anticipates that this standard will be adopted in the Company's financial statements for the period beginning September 1, 2018, and has not yet considered the potential impact of the adoption of IFRS 9.

3. CAPITAL DISCLOSURES

The Company's capital comprises shareholders' equity (deficiency in net assets). The Company manages its capital structure and makes adjustments to it based on the funds available in order to support the acquisition, exploration, and development of mineral properties. The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

4. FINANCIAL RISK FACTORS

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

Credit Risk
Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment/contractual obligations. The Company has deposited its cash with reputable Canadian financial institutions, from which management believes the risk of loss is minimal. The Company's HST and other receivables relates primarily to HST receivable, from which management believes the risk of loss is also minimal.

Liquidity Risk
The Company's approach to managing liquidity risk is to ensure that it has sufficient liquidity to meet liabilities when due. As at August 31, 2017, the Company has current assets of $24,096 (2016 – $47,204) to settle current financial liabilities of $227,085 (2016 – $191,209) (see note 1).

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

Interest Rate Risk
The Company's current policy is to invest excess cash in investment-grade short term deposit certificates issued by its banking institutions. The Company monitors the investments it makes and is satisfied with the credit ratings of its banks. The risk the Company will realize a loss as a result of a decline in the fair value of short-term deposits is limited due to the short-term nature of these investments.

Commodity Price Risk
The ability of the Company to develop its mineral properties and the future profitability of the Company is directly related to the market price of precious metals.

5. SHARE CAPITAL

(a) Capital

Authorized: unlimited common shares

(b) Stock option plan

The Company has a stock option plan (the "Plan") under which the directors of the Company may grant options to qualified directors, officers and consultants of the Company. The exercise price of the options cannot be less than the closing price of the Company's shares on the trading day preceding the date of grant and the maximum term of any option cannot exceed five years. The maximum aggregate number of common shares under option at any time under the Plan cannot exceed 10% of the issued and outstanding shares.

A summary of the Company's stock option activity for the years ended August 31, 2017 and 2016 is as follows:

	Number Of Options		Weighted-Average Exercise Price
Outstanding, August 31, 2015	3,500,000	$	0.145
Expired [(i)]	(1,550,000)		0.150
Outstanding, August 31, 2016 and 2017	1,950,000	$	0.140

(i) On April 22, 2016, 1,550,000 options with an exercise price of $0.15 expired.

The weighted average remaining contractual life and weighted average exercise price of options outstanding and of options exercisable as at August 31, 2017 are as follows:

	Options Outstanding			Options Exercisable	
Exercise Price	Number Outstanding	Weighted-Average Exercise Price	Average Remaining Contractual Life (years)	Number Exercisable	Weighted-Average Exercise Price
$0.10	350,000	$0.10	4.41	350,000	$0.10
$0.15	1,600,000	$0.15	1.92	1,600,000	$0.15
Total	1,950,000	$0.14	2.37	1,950,000	$0.14

(c) Warrants

Details of warrants outstanding are as follows:

	Number of Warrants		**Fair Value**	**Exercise Price/ Warrant**	**Expiry Date**
Balance, August 31, 2015	7,648,920	$	266,370		
Expired (i)	7,048,920		(243,900)	0.30	
Balance, August 31, 2016	600,000	$	22,470		
Expired (ii)	600,000		(22,470)	0.30	
Balance, August 31, 2017	-	$	-		

(i) On December 31, 2015, 7,048,920 common share purchase warrants with an exercise price of $0.30 expired.

(ii) On May 27, 2017, 600,000 common share purchase warrants with an exercise price of $0.30 expired.

6. LOSS PER SHARE

The calculation of basic and diluted loss per share for the year ended August 31, 2017 was based on the loss attributable to common shareholders of $58,984 (2016 - $51,998) and the weighted average number of common shares outstanding of 37,426,936 (2016 – 37,426,936). Diluted loss per share did not include the effect of 1,950,000 stock options (2016 – 1,950,000) and Nil warrants (2016 – 600,000) as they are anti-dilutive.

7. INCOME TAX INFORMATION

Deferred taxes have not been recognized in respect of the deductible temporary differences set out below:

		2017		2016
Non-capital loses carried forward	$	1,449,610	$	1,379,440
Investments		376,050		376,050
Mineral Properties		554,410		554,410
Tax credits		7,150		7,150
Share issuance costs – 20(1)(e)		15,480		32,830

The non-capital losses carried forward will expire between 2033 and 2037.
The mineral property and investments may be carried forward indefinitely.
The share issue costs will be deducted for tax purposes over the next three years.

8. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

The remuneration expense of directors and other members of key management personnel, or companies under their control, during the year was as follows:

		2017		2016
Salaries, consulting and benefits	$	30,000	$	26,666

See Subsequent Events (note 10) for details of subsequent related party transactions.

9. COMMITMENTS AND CONTINGENCIES

The Company's mineral and exploration activities are subject to various federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

10. SUBSEQUENT EVENTS

On October 12, 2017, the Company executed an agreement for a business combination with Jekyll & Hyde Brand Builders Inc. (“J&H”), a private Ontario corporation. The transaction is expected to take the form of three-cornered amalgamation of J&H, the Company, and a wholly owned subsidiary of the Company. Prior to closing, J&H will arrange a private placement financing of a minimum of $300,000.

On November 29, 2017, the Company received $21,500 from J&H which it used to fund its ongoing operating requirements. In exchange, the Company issued a promissory note to J&H in the amount of $21,500. The principal sum, along with interest at the Canadian prime rate per annum, are payable on February 28, 2018.

J&H is located in Toronto, Ontario and converges the talents, expertise, and commercial networks of two successful strategy/marketing/branding firms on the North American business sector.