

INFINITY MINERALS CORP.

(name to be changed to HERBAL CLONE BANK CANADA INC.)

FORM 2A

LISTING STATEMENT

August 29, 2014

NOTICE TO READER

Certain sections of the Canadian Securities Exchange (the “CSE” or the “Exchange”) form of Listing Statement have been included following the format of an Information Circular to provide additional disclosure on the Company required by the Exchange. Some of the information that is required to be disclosed by other sections of the form of CSE Listing Statement may be found in the public disclosure records of the Company and in the previous Form 2A Listing Statement filed on the CSE website and dated May 22, 2014.

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2. Corporate Structure

2.1 Corporate Name

INFINITY MINERALS CORP.
#400, 409 Granville Street,
Vancouver, BC, V6C 1T2

(“Infinity” or the “Company”)

2.2 Incorporation

Infinity Minerals Corp. is a British Columbia company whose principal business activities were originally the exploration and development of mineral properties. The Company was incorporated on November 12, 2010. The Company is a reporting issuer in British Columbia, Ontario and Alberta, and its common shares trade on the CSE under the symbol “IFN.”

Since incorporation the Company has undertaken steps to develop its business, including, among other things, recruiting directors and officers with the skills required to operate a public mining exploration company, entering into a Mineral Property Purchase Agreement to acquire a qualified property for shares, raising sufficient capital to commence initial exploration on the Rainbow Claim Group property, engaging Carl A. Von Einsiedel, P.Geo., to prepare an NI 43-101 Technical Report and engaging a TSX - Venture agent to assist in making an application for listing on the TSX Venture Exchange and completing a public offering.

On May 22, 2014 the Company’s common shares were delisted from the TSX Venture Exchange and seamlessly listed on the CSE under the same trading symbol “IFN.”

On June 2, 2014, the Company announced that it had signed a Non-Binding Letter of Intent (“LOI”) to acquire 100% of the outstanding shares of The Herbal Clone Bank Inc. (“THC Bank”), a private Medical Marijuana Services company based in the Okanagan Valley of British Columbia. On July 14, 2014 an Amended LOI was signed by the parties which extended the date for execution of a definitive Share Exchange Agreement.

The Amended LOI is subject to the execution of a definitive Share Exchange Agreement (“the Transaction”) between the two parties by July 31, 2014 or at such date as the parties agree to. The closing of the Transaction will be subject to a number of other conditions including completing due-diligence to the satisfaction of Infinity management, financing, completion of non-compete agreements and receipt of all necessary shareholder, regulatory and stock exchange approvals. The closing of this transaction represents a Fundamental Change as defined by the policies of the CSE. As a component of the acquisition transaction, the Company will change its name to Herbal Clone Bank Canada Inc. and request that the CSE consider approving a trading symbol of **HC** for the Company’s common shares. The Share Exchange Agreement was signed by the parties on August 6, 2014, a news release issued and the Infinity Minerals Corp stock halted on the CSE. The name Herbal Clone Bank Canada Inc. has been reserved and a CUSIP number allocated-42703P106 ISIN number CA42703P1062.

Both entities are incorporated in British Columbia.

2.3 Inter corporate Relationships

The Company will have one subsidiary, The Herbal Clone Bank Inc., which itself wholly owns a separate entity, Advanced Greenhouse Technologies Ltd. (“AGT”).

The Kelowna, BC, based target company, THC Bank, provides a full range of services to Licensed Producers (LPs) in the Medical Marijuana sector. The wholly owned subsidiary of THC Bank, AGT, has ongoing sales of an exclusive brand of greenhouses particularly designed for the cannabis industry.

THC Bank applied to Health Canada for its LP under the Medical Marihuana Purpose Regulations (MMPR) in November 2013.

THC Bank was incorporated on November 8, 2013. AGT was incorporated on December 5, 2000.

2.4 Requalification

The Company is requalifying itself following a fundamental change by way of the proposed acquisition of THC Bank referred to above.

2.5 Incorporation outside Canada

The Company is not incorporated outside of Canada.

3. General Development of the Business

3.1 General Business

From inception through to May 29, 2014, the Company has been primarily an exploration stage company engaged in the acquisition, exploration and, if warranted, development of mineral resource properties of merit in North America. By way of a Letter of Intent agreement signed May 29, 2014 and announced June 2, 2014, the Company began its plan to diversify the Company with its entry into the medicinal marihuana business sector.

Significant transactions prior to the last full fiscal year ended August 31, 2013

Subsequent to incorporation in November 2010, the Company entered into a Mineral Purchase Agreement with Ron Shenton, Chief Executive Officer, President and Director of the Company to acquire all of his right, title and interest in and to the Rainbow Property. This agreement reimbursed Mr. Shenton's out of pocket staking costs of \$20,157 by the issuance of 2,015,700 shares of the Company at a deemed price of \$0.01 per share.

In December 2010, the Company raised \$187,500 by the issuance of 2,500,000 common flow-through shares at a price of \$0.075 per flow-through share. In February 2011, the Company raised a further \$375,000 by the issuance of 5,000,000 common shares at a price of \$0.075 per share

On April 11, 2012 the Company completed its initial public offering of 4,000,000 units at a price of \$0.15 per unit for gross proceeds of \$600,000 and net cash proceeds of \$540,000. Each unit was comprised of one common share and one half of one tradable common share purchase warrant. Each full warrant was exercisable into one common share of the Company at \$0.20 until April 11, 2013 or exercisable at \$0.30 until April 11, 2014. Prior to expiry, a total of 1,000 warrants were exercised.

On April 12, 2012 the Company filed a Form 51-102F3 Material Change Report advising that the TSX Venture Exchange had approved the Company's common shares and tradable warrants to trade on the Venture Exchange under the symbols IFN and IFN.WT respectively commencing April 16, 2012.

Proceeds from the IPO offering have been used primarily to fund a phase one exploration program on the Company's 100-per-cent-owned Rainbow property, located four kilometers northwest of the community of Midway in south central BC, Canada. Proceeds are also being used for general and administrative expenses and for general working capital purposes.

PI Financial Corp. acted as the agent to the Company for the offering. The agent received a cash commission equal to 10% of the gross proceeds raised in the offering. In addition, the agent received an option to purchase 400,000 common shares exercisable at a price of \$0.15, until April 11, 2014. Prior to expiry, a total of 200,000 agent warrants were exercised.

In April 2012, the Company engaged its contract geologist, Carl A. Von Einsiedel, P.Geo., to undertake an initial work program on the phase one exploration program. As at August 31, 2013, a total of \$78,785 has been expended on geochemical analysis and geological field work. Mr. Von Einsiedel has submitted his interim report on the property which is currently being considered by the Company's directors and management.

On April 23, 2013, the Company announced that it had entered into a non-binding Letter of Intent ("LOI") to acquire 100% ownership of an Alberta-based energy services company. The LOI was subject to the execution of a definitive agreement between the two parties by June 26, 2013, or on such other date as may be mutually agreed upon. The closing of the transaction was subject to a number of other conditions including completing due diligence to the satisfaction of Infinity, financing, management and non-compete agreements and receipt of all necessary shareholder and stock exchange approvals.

On June 18, 2013, the Company announced that it had entered into a financing arrangement with PI Financial Corp. to raise up to \$30.0 million (the "Financing"). It was anticipated that the Financing would be completed through the issuance of convertible debentures and units of the Company comprised of common equity and purchase warrants. Terms of the Financing were still not finalized as of the date of the news release but details would be released as soon as completed.

The net proceeds from the Financing were intended to be used to fund the previously announced acquisition of an Alberta-based energy services company, expand that company's equipment fleet and for general working capital purposes

On September 6, 2013, the Company announced that it was not proceeding with the previously announced LOI to purchase the Alberta-based energy services company, as stated in its news release of April 23, 2013. The proposed Financing announced on June 18, 2013 with PI Financial as the Company's fiscal agent would also not proceed. The principal reason for not proceeding with the transaction was due to extremely difficult financial markets and the strong indication that the Financing would not be successful.

3.2 Significant Acquisitions and Dispositions

On June 2, 2014, the Company announced that it had signed a Non-Binding Letter of Intent ("LOI") to acquire 100% of the outstanding shares of a private medical Marijuana Services company based in the Okanagan Valley of British Columbia. The LOI was subsequently extended on July 14, 2014.

Subsequently, a detailed Share Exchange Agreement was entered into on August 6, 2014 and which is attached in its entirety as APPENDIX B.

The consideration to be paid to the THC Bank shareholders will be \$4,312,500 by way of issuing 28,750,000 treasury shares at a deemed price of \$0.15 per share. Upon completion of the proposed transaction, the Company will own 100% of THC Bank's business, property and undertakings with no additional material obligations. The Company has obtained written shareholder consent confirmations from holders of 54.78 % of the now outstanding Infinity common shares in favour of the transaction; thus allowing the Company to proceed without need of a formal Shareholders meeting.

The Company has no material obligations that must be complied with in order to keep the acquisitions in good standing.

The Company has obtained no valuation opinion within the last 12 months.

The transaction is not with a Related Party.

In its analysis of THC Bank, Infinity took into consideration the following non -balance sheet items in its due diligence decisions:

--THC Bank submitted a formal MMPR Application to Health Canada in November 2013 and the file was accepted November 26, 2013.

--The THC Bank business strategy is focused on providing a system for standardizing consistent supply of plant materials. The THC Bank systematic, controlled methodology of replicating strains addresses some of the main concerns of Health Canada and medical practitioners

--Medical practitioners, academics and researchers plus most importantly the patient community, want a product that is as standardized as possible. The profile of finished product is the result of nature and nurture. THC Bank can generate large volumes of standardized genetics to address the first part although growers must be able to fulfil their growing responsibilities.

--Both Barry Kuypers and David Hutchinson have prior expertise in the greenhouse and horticulture industry. Barry Kuypers in particular has over 40 years of direct experience in all aspects of the horticultural industry from large greenhouse production to retail sales

--The THC Bank business plan is based on management expertise and illustrates the commercial viability of products and services for which there exists the potential of high demand. The focus of the plan is to demonstrate on a financial basis, how THC Bank customers can dramatically increase their productivity and annual gross profits, how they can streamline and maximize their grow operations efficiency and how they can standardize their retail product offerings.

The Business Operations of The Herbal Clone Bank Inc.

History of medical cannabis in Canada

Cannabis has been utilized for various reasons throughout history. Between 1937 and 1971 a series of laws and conventions led to the ban of cannabis in North America and much of Europe.

Health Canada released a research plan for the medical use of marihuana in 1999. In 2001, The Marihuana Medical Access Regulations (MMAR) enabled Canadians with serious diseases access to medicinal marihuana. In 2013 the MMAR was replaced with the Marihuana for Medical Purposes Regulations (MMPR). Health Canada grants access to marihuana for medical use to those who are suffering from grave and debilitating illnesses and those with chronic conditions.

As of April 1, 2014 the Marihuana Medical Access Regulations (MMAR) was repealed and replaced by the Marihuana for Medical Purposes Regulations (MMPR) and the Marihuana Medical Access Program (MMAP) ended, although this is currently being appealed in the Canadian court system. Under the MMPR, patients will be required to buy their cannabis from certain licensed producers that are accredited by the Canadian Government.

Patients will need an authorized health care practitioner to sign and date a medical document if they wish to receive medical marihuana. Authorized health care practitioners are: physicians in all provinces and territories, and nurse practitioners in provinces and territories where prescribing dried marihuana for medical purposes is permitted under their scope of practice.

Since 2001, there has been a steady uphill climb for sufferers of many chronic and terminal diseases. A year after marihuana became legal for medical use, the Canadian Senate began pushing for MMAR reform. Others pushed for ways to legally obtain marihuana without having to grow it themselves; many sufferers, such as those with MS, were unable to grow the plant due to poor health.

In recent years, scientists have delved deeper into the potential of medicinal marihuana for use in treating illnesses. In some cases, cannabinoids have shown the potential of being able to help cure a few diseases, which had been thought to be incurable. Currently, medicinal marihuana and the cannabinoids it contains has been used in research for many diseases, including cancer, multiple sclerosis, rheumatoid arthritis and Crohn's disease, among others.

The medical marihuana market in Canada will be worth approximately \$120 million in 2014, according to analysts and executives in the industry, but Health Canada estimates that within ten years, the industry could be worth as much as \$1.2 billion in sales.

The MMPR license procedure with Health Canada

The application procedure and forms are located on the Health Canada website.

The initial stage application requires detailed documentation and support data covering all aspects of the planned location, all key management personnel histories, detailed quality control procedures plan and resume of the planned QC manager, and local authority approval documents including from the local RCMP, regional district and city/town authorities. This first screening phase will involve Health Canada acknowledgment of receipt and commentary on completeness or not.

Thereafter, the application is in the security phase where background checks for all management personnel is undertaken and approved by the RCMP.

Thereafter, Health Canada issues an “approval to build” document.

Once construction is completed, Health Canada conducts detailed inspections to confirm the facilities and structures adhere to the presented business plan and the onsite security systems are acceptable.

Following approval of inspections, a formal MMPR license is issued by Health Canada.

The Herbal Clone Bank Inc.

The Herbal Clone Bank Inc. was incorporated on November 8, 2013 in the Province of British Columbia under BC Corporate number – BC0985217. On that date THC Bank commenced its business providing a full range of services to Licensed Producers in the medicinal marijuana sector. On May 1, 2014, THC Bank purchased a related company, Advanced Greenhouse Technologies Ltd. through a share exchange agreement.

THC Bank initially prepared its business plan focusing on supply of vegetative stage cannabis to Health Canada approved Licensed Producers in Canada under the MMPR program. A formal application to Health Canada was submitted on behalf of THC Bank in November 2013.

THC Bank provides a full range of services to Licensed Producers (LPs) in the Medical Marijuana sector, with the goal of enhancing Licensed Producer profit margins and the LP’s bottom line. Specific services provided include propagation, direct cultivation and sale of purebred cultivars; cloning; and marijuana strain storage. THC Bank expects its plant strains to become significant intellectual properties and to become patentable assets.

Under the Marijuana for Medical Purposes Regulations, producers are subject to Health Canada compliance and enforcement measures similar to those that regulate producers of other controlled substances. Licensed medical marijuana growers must meet strict security, control and reporting requirements, and are regularly inspected.

THC Bank is a science-based, production-focused company which plans to establish a state-of-the-art greenhouse operation in the Okanagan Falls area of the British Columbia. Its objective is to supply starting plant material to Licensed Producers across Canada. By focusing only on the propagation and initial growth stage for the vegetative state, THC Bank has the potential to become the essential supplier for a significant number of LP’s in Canada. To date, THC Bank has received formal expressions of purchase interest from six Licensed Producers still awaiting receipt of their Health Canada license and also from two fully licensed LPs.

THC Bank’s genetically engineered Purebred Cultivars will produce marijuana optimized for medical purposes, ensuring premium quality crops. The product will eliminate infrastructure costs to produce and grow starter plants and allow Licensed Producers to double their output by cutting grow cycles from 16 weeks to eight. Working with THC Bank, Licensed Producers will be able to focus exclusively on the flowering stage of crop production. THC Bank will also preserve first generation genetic traits for Licensed Producers.

This is not a new horticultural concept for separate organizations to handle different growth stages of plants. The global horticulture industry has developed that way. In this emerging industry, growing medical marijuana will

involve two distinct phases: the vegetative phase and the flowering phase. Each has its own requirements for power, heating and lighting. Each can be cost-effectively managed by a separate business.

Removing the first growth stage in LP operations will result in Licensed Producers being able to achieve at least 25% more production by allowing for more crop rotations per year. Using THC Bank plant material will enable production facilities to operate under 12 hours of light, in a continuous flowering state, reducing utility costs and optimizing production.

The proposed Okanagan Valley location is approved by municipal planners, law enforcement, and fire officials. It will manage light deprivation cycles, ventilation, CO2 levels, heating and electronic security. The site was chosen for its favorable growing weather, with extended sunlight and limited snowfall. A land use lease has been entered into between the property owners and THC Bank which calls for annual lease payments of \$15,000 for five years and the agreement is renewable thereafter. The greenhouse will have the capacity to produce up to 20,000 tissue cultured Purebred Cultivars each week. THC Bank awaits approval from Health Canada for a “permit to build” document and ultimately an MMPR license.

The Business Operations of Advanced Greenhouse Technologies Ltd. (AGT)

Advanced Greenhouse Technologies Ltd. (BC Corporation number – BC0618646) was originally incorporated and owned by Kuypers Holdings Ltd. on December 5, 2000 as Nurserymen’s Exchange Inc. On October 30, 2012, Nurserymen’s Exchange Inc.’s name was changed to Canadian Medical Growers Structures and Supplies Ltd. On November 28, 2012, Canadian Medical Growers Structures and Supplies Ltd. was renamed Advanced Greenhouse Technologies Ltd. It was on this date that Advanced Greenhouse Technologies Ltd. commenced business designing and constructing greenhouses for the medicinal marihuana industry. On May 1, 2014, AGT was acquired and became a wholly owned subsidiary of THC Bank.

AGT supplies and installs commercial scale greenhouses specifically designed for the medical marihuana industry. As a core asset, AGT entered into an exclusive marketing agreement dated November 14, 2012 with Les Industries Harnois Inc of St Thomas (Joliette), Quebec whereby AGT has exclusive marketing and distribution rights for Harnois greenhouses in British Columbia for units designated for the medicinal marihuana industry and also for any other greenhouse applications requiring black out curtain designs. In addition, the company acquired exclusive Canadian distribution rights for the Craybo line of greenhouses made in California. This design proved not applicable in Canada as a result of Health Canada security requirements so no activity has been undertaken for these products.

In 2013, a sales manager was hired and marketing activities increased. Although many quotations were completed, no sales resulted and full management has now been assumed by Barry Kuypers.

A Harnois/AGT greenhouse is an outdoor, semi-permanent structure with translucent ceilings and walls, through which light can filter. It’s the same design that conventional farmers use to grow flowers and vegetables. It’s expensive to grow indoors, where powerful artificial lights – and massive air-conditioning systems used to counteract the heat from said lights – require massive amounts of energy. By harnessing the free power of the sun, growers can save as much as 90 percent on their electricity bills.

The medical marihuana currently produced by private license holders requires a strictly controlled and augmented growing environment to consistently reach optimal plant characteristics within 90 days. Whether indoors or in greenhouses, growing top-grade cannabis with high THC content requires carefully monitored conditions of light, temperature, and ventilation. Cannabis thrives in warm, moist conditions: greenhouses are kept at 71 degrees, with 40 percent humidity, and are watered via a drip system from overhead plastic tubing. Although every factor in cannabis growth needs to be tightly controlled; humidity is arguably the biggest challenge. When growing in the wild, Cannabis plants produce buds as the days become shorter. To get plants to bud, a grower must simulate 12-hour “nights,” by blacking out some of the daylight. This is relatively easily achieved in a warehouse, but to do it in a greenhouse requires a retractable blackout curtain. Some blackout curtains are automated, and can be rolled over the greenhouse like a garage door, while others are manually hung.

Marketing

AGT's market story is based on the following premise:

Plants require light within a specific spectral range for photosynthesis to occur, and result in growth. Natural sunlight is the most effective means to provide plants with this light source. Technology has developed artificial light systems that can provide supplemental lights that are used in the greenhouse industry to augment natural sunlight. However, these artificial light sources are limited in their spectral quality and ability to provide a sufficient quantity of light to fully replace natural sunlight. Thus artificial light sources have limitations to being the sole light source to grow medical cannabis plants when compared to natural light.

Maximum productivity within a plant-based Cannabis industry will likely be best achieved by growing plants in controlled greenhouse environments that provide natural sunlight and utilize artificial light as a supplemental light source.

AGT is primarily a design, marketing and commissioning entity that provides construction utilities connectivity and all required support services and service functions in order to provide full on site erection and commercialization of greenhouse facilities.

AGT has been aggressively introducing this greenhouse product line into the invested Canada marketplace and has one initial order valued at over \$1.0 million in revenue and two additional pending orders—one 50,000 square foot facility in Ontario, and one in central British Columbia. As more Licensed Producers receive licenses and implement expansion plans, a significant increase in demand for greenhouse facilities is anticipated to occur

Management of AGT is provided by David Hutchinson and Barry Kuypers at present with plans to recruit a full time sales and design staff as volumes increase. All commissioning and construction activities are sub-contracted to established third party entities. AGT plans to recruit a full time business manager and also a sales manager once sales volumes dictate.

3.3 Trends, Commitments, Events or Uncertainties

The cannabinoid market is a fast growing niche sector of the pharmaceutical industry that is driven by the high therapeutic potential of this group of chemicals to treat major diseases such as breast cancer, “MS”, obesity, neuropathic and cancer pain management.

The Company expects these trends and industry activities to have a material and positive effect on the Company's business and financial condition. However, the Company has made no financial forecasts for this financial year or future financial years. The following are some of the key future trends and factors that may affect the Company's performance, financial condition or results of operations:

- Health Canada license approval and the applicability of proprietary technology;
- possible patent filing approvals;
- marketing of products;
- product liability and insurance;
- dependence on strategic licensees;
- substantial competition and rapid technological change in the medical marijuana industry;
- the ability to attract and retain key personnel;
- changes in government regulation or regulatory approval processes;
- the achievement of development goals and time frames;
- the possibility of shareholder dilution;
- market price volatility; and
- the existence of significant shareholders.

4. Narrative Description of the Business

4.1 General

Upon completion of the proposed acquisition as described above, the Company will be engaged in development, production and supply of starting plant material to Licensed Producers of medical marihuana in Canada. In particular, THC Bank's genetically engineered Purebred Cultivars will produce marihuana optimized for medical purposes, ensuring premium quality crops. The product will eliminate infrastructure costs to produce and grow starter plants and allow Licensed Producers to double their output by cutting grow cycles from 16 weeks to eight. Working with THC Bank, Licensed Producers will be able to focus exclusively on the flowering stage of crop production. THC Bank will also preserve first generation genetic traits for Licensed Producers.

THC Bank plans to establish a state-of-the-art Okanagan greenhouse operation. By focusing only on the propagation and initial growth stage for the vegetative state, THC Bank has the potential to become the essential supplier for Licensed Producers throughout Canada.

This is a new industry. The production of marihuana in Canada has been illegal, except for patients licensed to grow it as their own medicine, and as prescribed by doctors. Health Canada's recent move to license commercial producers changes the marketplace dynamics and effectively launches a new industry.

THC Bank brings significant expertise to this emerging industry. It is targeting the licensed commercial producers who want the best marihuana, from a wide selection of strains, at the lowest price, supplied at the completion of the vegetative growth cycle. This will allow them to produce full commercial products quickly and effectively, having eliminated costs and procedures associated with the plants' early growth stage.

Upon completion of the proposed acquisition the board membership of the Company and its subsidiaries will be amended as follows:

Corporate Management

A. Herbal Clone Bank Canada Inc.	
Chairman, President and CEO	Barry Kuypers
Vice President Corporate Development	Ron Shenton
Chief Financial Officer	Brian Roberts
Vice President Communications and Director	David Hutchinson
B. The Herbal Clone Bank Inc.	
President and CEO	Barry Kuypers
Vice President Corporate Development	David Hutchinson
C. Advanced Greenhouse Technologies Ltd.	
President and CEO	Barry Kuypers
V.P. Corporate Development	David Hutchinson

Future Growth

The THC Bank management team is in negotiations with a number of people to fill key appointments; specifically, a Lead Botanical Researcher will be hired to establish and direct research requirements, a Head Agronomist to manage day-to-day greenhouse production; a Head of Security to manage facility, personnel and logistics security requirements and a Logistics Manager.

Marketing Strategies

THC Bank is in an excellent position to understand its market as contact information for all Licensed Producers will be in the public domain, displayed on the Health Canada website. This will allow THC Bank to engage in direct sales communication with all its potential customers. Additionally, the company has already established relationships with numerous potential Licensed Producers who are applying for authorized LP status. Those

potential Licensed Producers have said THC Bank products will be essential to their business success and competitive advantage. The number of licenses distributed by Health Canada will be driven by the number of medical marijuana patients. As mentioned, the demand for medical marijuana is predicted to reach 50,000 people by April 2014 and 500,000 by 2020, with the expectation that THC Bank's customer base will grow proportionately to meet this demand.

THC Bank's potential customers had anticipated taking cannabis seeds or cuttings and undertaking the entire 16-week growth cycle, with 8 weeks in the costly vegetative phase and 8 weeks in the flowering phase. When communicating with customers about the benefits of buying from THC Bank, four major points of key messaging are emphasized:

1. It will cost Licensed Producers 75% less to buy Purebred Cultivars ("PCBs") from THC Bank than to complete the vegetative and flowering phases, because buying PCBs that have already completed the vegetative phase will eliminate the vegetative infrastructure costs including power, heating and lighting expenses.
2. Buying PCBs from THC Bank will double an LP's output because a crop can be produced in 8 weeks instead of 16. Licensed Producers will become specialists in the flowering phase.
3. THC Bank customers will experience higher demand for their product as medical professionals are more likely to recommend them as a result of standardized products than another LP that grows from seeds or cuttings. THC Bank will maintain a database of customers and the strains they produce, and share this information with the medical community so medical professionals can recommend Licensed Producers who produce standardized THC Bank products.
4. Licensed Producers that use THC Bank will improve their ability to meet changing consumer demand because they can grow a higher variety of strains, in a shorter amount of time, giving them more flexibility to alter the product mix depending on customer medical requirements.

THC Bank's management team combines a wealth of experience in horticulture, business, project management, logistics, supply chain management, agri-tech business, agricultural research and finance.

It is not a new horticultural concept for separate organizations to handle different growth stages of plants. The global industry has developed that way. In this emerging industry, growing medical marijuana will involve two distinct phases: the vegetative phase and the flowering phase. Each has its own requirements for power, heating and lighting. Each can be cost-effectively managed by a separate business.

Removing the first growth stage in LP operations will result in at least 25% more production by allowing for more crop rotations per year. Using THC Bank plant material will enable production facilities to operate under 12 hours of light, in a continuous flowering state, reducing utility costs and optimizing production.

(a) Business Objectives:

The principal business intended to be carried on by the Company after the acquisition of THC Bank, is initially to establish a state-of-the-art Okanagan greenhouse operation. By focusing only on the propagation and initial growth, vegetative state, THC Bank has the potential to become the essential supplier for any LP in Canada. THC Bank's genetically engineered Purebred Cultivars will produce marijuana optimized for medical purposes, ensuring premium quality crops. The product will eliminate infrastructure costs to produce and grow starter plants and allow Licensed Producers to double their output by cutting grow cycles from 16 weeks to eight. Working with THC Bank, Licensed Producers will be able to focus exclusively on the flowering stage of crop production. THC Bank will also preserve first generation genetic traits for Licensed Producers. The Company's operations and assets will initially only be in British Columbia, Canada.

Under the Marijuana for Medical Purposes Regulations, producers are subject to compliance and enforcement measures similar to those that regulate producers of other controlled substances. Licensed medical marijuana

growers must meet strict security, control and reporting requirements, and are regularly inspected. (Darryl Dyck/Canadian Press)

At the same time, AGT will aggressively market its Harnois greenhouses to Licensed Producers and license applicants. First year sales are forecast for \$5.0 million comprising no less than four full contracts. Assuming that sales volumes increase as anticipated, a general manager and also a sales manager will be recruited as full time employees.

In addition, over the next 12-month period, the Company intends to keep its Rainbow mineral property in good standing and seek out a joint venture partner for it.

(b) Significant Events or Milestones:

Objectives within a 12 Month Period/Significant Events or Milestones

In the 12 months following completion of approval of the acquisition of THC Bank, the Company's objectives and significant events or milestones are as follows:

Objective/Milestone	Estimated Timing	Estimated Cost to Complete
1. Approval of Health Canada MMPR for THC	Awaiting word	Awaiting word
2. Complete Second Round Financing of \$3.0 to \$5.0 Million	Fourth Quarter 2014	NA
3. Potential acquisition of independent lab	April 2015	Unknown at present
4. Purchase and complete installation of Okanagan Falls facility	May 2015	\$800,000
5. Initial cultivars planted	May 2015	\$50,000

(c) Total Funds Available:

At the fiscal year ended August 31, 2013, the Company had working capital amounting to \$118,241 and available cash of \$217,635. The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. The Company currently has no debt and does not anticipate the addition of any.

The Company had the following working capital and deficit positions at May 31, 2014

	May 31, 2014	August 31, 2013
Working Capital	<\$19,865>	\$118,241
Shareholder Deficit	\$1,111,954	\$941,174

On June 2, 2014 the Company announced a non-brokered private placement of up to 5.0 million units for gross proceeds of \$1,000,000 at \$0.20 per unit. The financing closed on June 24, 2014, with gross proceeds of \$1,353,500. The total number of units issued was 6,767,500 comprising 6,767,500 common shares and 3,383,750 warrants. Each warrant entitles the holder to purchase one common share at a price of \$0.30 for a period of one year. Proceeds from the raise will be used for final due-diligence for the THC/AGT acquisition, anticipated transaction costs, filing and professional fees and general working capital.

The pro forma balance sheet as of May 31, 2014, which takes into consideration the merger of all financial assets of the Company and THC Bank and the private placement financing which closed on June 24, 2014, is attached as Appendix D.

The Company's ability to continue operations and expand its operations once the MMPR license is issued, is dependent upon successfully raising a secondary financing in the amount of \$3.0 to \$5.0 million is planned for late 2014 .

(d) Purpose of Funds

Total Funds Available, Breakdown of Funds and Principal Purposes of Use

The Company's working capital at May 31, 2014 (the most recent month-end prior to the date of this Listing Statement) was < \$19,865>. The Company closed a private placement on June 24, 2014 for gross proceeds of \$1,353,750. After finder's fees paid of \$28,080 and other closing costs of \$22,000, the net funds available were \$1,303,670 and pro forma working capital of approximately \$1,283,805.

Following are estimates of cash usage for the following 6-month period:

Salaries/contractors	\$ 450,000
Office rent/supplies	30,000
Travel	35,000
Legal, accounting (audit), transfer agent	125,000
CSE Maintenance Fees	3,000
Initial year land lease payment-OK Falls	15,000
Advertising	30,000
Marketing and Promotion	50,000
Insurance	20,000
Unallocated working capital	525,805
Total	\$1,283,805

(2) Principal Products or Services:

THC Bank's product development will make it one of the foremost providers of superior quality starting plant material (Purebred Cultivars) for the medical marijuana industry in Canada.

Strain and Genetic Management

THC Bank is in negotiations to access a broad portfolio of cannabis strains in order to meet medical research and patient requirements. To do this it will enter into agreements regarding the management of those strains. Each tissue-cultured PBC could be either for the exclusive use of the owner or, distributed to other Licensed Producers under a licensing agreement in exactly the same way that occurs in both the agriculture and horticulture industries. In this case every shared PBC would generate a royalty for the owner.

THC Bank would work with Licensed Producers, clinical researchers and Biological Behavioral Scientists to constantly monitor and align future strain development to support variances of cannabinoid, flavonoid and terpenoid profiles to meet their requirements in a 'closed-loop' system.

Until such time as negotiations are concluded, THC Bank will undertake product reproduction activities in approved laboratories, by seed and/or from mother plants by tissue culture.

(3) Production and Sales:

Quantities

Within the proposed Okanagan Falls facility THC Bank can culture, propagate and supply 20,000 plants per week or 1,040,000 per year at full capacity. Those numbers will rise with the advent of additional facilities which are planned for development so as to meet demand as the industry grows.

Sales will only be made to Licensed Producers as approved by Health Canada. To date THC Bank has received written Letters of Interest from a total of five licensed producers requesting product supply commitments once THC Bank's MMPR license is issued.

(4) Competitive Conditions and Position:

See 17. *Risk Factors - Competition.*

(5) Lending and Investment Policies and Restrictions:

This is not applicable to the Company.

(6) Bankruptcy and Receivership:

The Company has not been the subject of any bankruptcy or any receivership or similar proceedings against the Company or any voluntary bankruptcy, receivership or similar proceedings by the Company, within the three most recently completed financial years or the current financial year.

(7) Material Restructuring:

The acquisition of THC Bank by the Company will involve consideration paid to the THC shareholders of 28,750,000 new treasury shares which will be subject to an escrow agreement between the individual shareholders and Computershare Trust Company, the Company's transfer agent. The fiscal year end for the resulting entity will be August 31.

(8) Social or Environmental Policies:

THC Bank's business operation requires a detailed review and analysis by Health Canada prior to approval and licensed issuance. Under the Marihuana for Medical Purposes Regulations, producers are subject to compliance and enforcement measures similar to those that regulate producers of other controlled substances. Licensed medical marihuana growers must meet strict security, control and reporting requirements, and are regularly inspected.

4.2 Asset Backed Securities

The Company does not have asset backed securities.

4.3 Companies with Mineral Projects

Rainbow Property, Midway, British Columbia

See 6. *Management's Discussion and Analysis, Properties, Rainbow Property*, for the information required under this section. In addition Appendix A in the Form 2A filed by the Company with the CSE on May 22, 2014 includes a detailed analysis of the Rainbow property. The Company has a NI 43-101 report for the Rainbow Claim Group property dated March 21, 2011 as amended on September 5, 2011 and SEDAR filed November 21, 2011 that is available at www.SEDAR.com or on the Company's website.

4.4 Companies with Oil and Gas Operations

The Company does not have oil and gas operations.

5. Selected Consolidated Financial Information

5.1 Annual Information- Infinity Minerals Corp.

The following table summarizes financial information of the Company for the last three completed financial years ended August 31, 2013, 2012 and 2011 and for the subsequent nine month period ended May 31, 2014. This summary financial information should only be read in conjunction with the Company's financial statements, including the notes thereto, included elsewhere in this document.

	For the Year Ended August 31,			For the nine mo. period ended
	2013	2012	2011	May 31, 2014
Operating Data:				
Total revenues (interest)	\$5,047	\$4,801	\$1,340	\$600
Total G&A expenses	427,530	786,846	446,585	138,135
Net loss for the period	526,468	349,181	65,525	137,813
Basic and diluted loss per share (1)	(.04)	(.03)	(.01)	(.01)
Dividends	Nil	Nil	Nil	Nil
Balance Sheet Data:				
Total assets	442,980	758,870	533,874	305,115
Total long-term liabilities	Nil	Nil	Nil	Nil

- (1) Basic and diluted loss per share has been calculated using the weighted average number of shares outstanding.

Annual Information- The Herbal Clone Bank Inc.

The following table summarizes consolidated financial information of THC Bank and its wholly owned subsidiary, AGT for the six month and twenty three day period ended May 31, 2014. This summary financial information should only be read in conjunction with the THC Bank's consolidated financial statements, including the notes thereto, included in APPENDIX C in this document.

For the period from incorporation on November 8, 2013 to May 31,2014	
Operating Data:	2014
Total net revenues	\$ 3,250
Total G&A expenses	<162,920>
Net loss for the period	<159,670>
Basic and diluted loss per share	.01
Dividends	Nil
Balance Sheet Data:	
Total assets	31,720
Total long-term liabilities	nil

THC Bank was incorporated on November 8, 2013 and so the period of the consolidated financial statements reflects six months and twenty three days to May 31, 2014. The wholly owned subsidiary, AGT, was acquired on May 15, 2014 and only includes AGT revenues and expenses for the period from May 15 to May 31, 2014.

Pro Forma Information

The Pro Forma Consolidated Balance Sheet for Infinity Minerals Corp.as of May 31, 2014 and pro forma adjustment notes appear below.

INFINITY MINERALS CORP.

PRO FORMA CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS OF MAY 31, 2014

(Unaudited – Expressed in Canadian Dollars)

	INFINITY MINERALS CORP.	THE HERBAL CLONE BANK INC.	PRO FORMA ADJUSTMEN TS	Notes (Note 4)	PRO FORMA INFINITY MINERALS CORP.
Assets					
Current Assets					
Cash and cash equivalents	\$ 71,195	\$ 23,617	\$ 1,303,420	a, c	\$ 1,398,232
Amounts receivable	8,921	2,506	—		11,427
Prepaid expenses	13,516	4,275	(10,000)	d	7,791
Total Current Assets	93,632	30,398	1,293,420		1,417,450
Non-current Assets					
Equipment	1,504	1,322	—		2,826
Exploration and evaluation assets	209,979	—	—		209,979
Total Assets	\$ 305,115	\$ 31,720	\$ 1,293,420		\$ 1,630,255
Liabilities					
Current Liabilities					
Accounts payable and accrued liabilities	\$ 113,497	\$ 23,978	\$ 117,000	a, c	\$ 254,475
Customer deposits	—	76,413	(10,000)	d	66,413
Loans payable	—	70,034	—		70,034
Due to related parties	—	203,443	—		203,443
Total Current Liabilities	113,497	373,868	107,000		594,365
Equity					
Share Capital	1,050,324	30,015	3,599,898	a, b,	4,680,237
Share-based Payments Reserve	253,248	—	(253,248)	b	—
Other equity reserve	—	(212,493)	—		(212,493)
Deficit	(1,111,954)	(159,670)	(2,160,230)	b, c	(3,431,854)
Total Equity	191,618	(342,148)	1,186,420		1,035,890
Total Liabilities and Equity	\$ 305,115	\$ 31,720	\$ 1,293,420		\$ 1,630,255

PRO FORMA ADJUSTMENTS

The following pro forma adjustments are included in the Company's unaudited pro forma consolidated financial statements to reflect the pro forma effects of the Transaction as described in the previous notes:

- a) To record the brokered private placement in Infinity Minerals Corp. completed June 24, 2014 for gross proceeds of \$1,353,500 at a price of \$0.20 for 6,767,500 units, net of broker cash commissions of \$28,080 and legal costs of \$22,000. Each unit is comprised of one Resulting Issuer Share and one-half of one Resulting Issuer share purchase warrant. Each whole warrant is exercisable into one further common share at an exercise price of \$0.30 expiring June 23, 2015. The Company also granted 75,200 agent's warrants exercisable at \$0.30 each and expiring on June 23, 2015, with an estimated fair value of \$18,349, which was estimated at the date of issuance using the Black-Scholes model with the following data and assumptions:

Dividend yield	Nil
Annualized volatility	111%
Risk-free interest rate	1.02%
Expected life	1 year

- b) To record the acquisition of THC on issuance of 28,750,000 common shares of Infinity. Management has estimated the fair value purchase consideration is \$6,145,260, being the number of Infinity common shares at the acquisition date of August 6, 2014 with a market price of \$0.30, multiplied by the non-THC shareholders' percentage ownership interest in the combined company of 41.6%. (The final purchase consideration will be reflective of the trading price of the Company's common shares as of the closing date of the Transaction which is dependent upon receipt of approval from the Canadian Stock Exchange.) This fair value of estimation is believed to be a more reliable measure of fair value than the value of THC's private company common shares. The estimated fair value purchase consideration of \$6,145,260 reflects the recapitalization of the Company's capital and reserve accounts.

Purchase consideration:

Infinity Minerals Corp. common shares at 41.6%	\$	6,145,260
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Preliminary purchase price allocation:

Cash and cash equivalents	\$	1,374,615
Non-current assets		211,483
Other current assets and liabilities, net		(91,060)
Net assets acquired		1,495,038
Listing expense		4,650,222
Purchase price allocation	\$	6,145,260

- c) To record estimated Transaction costs of \$117,000.
- d) To eliminate the \$10,000 deposit the Company advanced to THC pursuant to the LOI.

The Pro Forma Consolidated Condensed Interim Financial Statements for the nine month period ended May 31, 2014 are included as Appendix D in this document.

5.2 Quarterly Consolidated Information-The Herbal Clone Bank Inc. and Advanced Greenhouse Technologies Ltd.

THC Bank and AGT have not historically prepared financial information and statements on a quarterly bases. As a result, this information is not available for the period from inception through May 31, 2014.

5.3 Dividends

Subject to the Securities Act (British Columbia) (the “Act”), the directors may in their discretion from time to time declare and pay dividends wholly or partly by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company, or a combination of these.

The Company paid no dividends during its three previously completed financial years. The Company intends to retain any earnings to finance growth and expand its operations and does not anticipate paying any dividends on its common shares in the foreseeable future.

5.4 Foreign GAAP

Not Applicable

6. Management's Discussion and Analysis

Infinity Minerals Corp. Annual MD&A for the Financial Year Ended August 31, 2013 (items 6.1 to 6.14)

DATE

The management discussion and analysis (“MD&A”) document regarding the Company’s annual audited financial statements for the year ended August 31, 2013, was prepared as of December 17, 2013, and reviews and summarizes the activities of Infinity Minerals Corp. (“Infinity” or the “Company”) and compares the financial results for the annual and three month periods ended August 31, 2013, with those of the comparable quarter and fiscal year periods ended August 31, 2012. This information should be read in conjunction with the Company’s audited consolidated financial statements for the year ended August 31, 2013 prepared in accordance with International Financial Reporting Standards (“IFRS”) and related notes attached thereto. All amounts are stated in Canadian dollars unless otherwise indicated.

Additional information relating to the Company is available for viewing on SEDAR at www.sedar.com and also on the Company’s website at www.infinitymineralscorp.com.

Forward Looking Statements

This MD&A may contain “forward looking statements” that reflect the Company’s current expectations and projections about its future results. When used in this MD&A, words such as “estimate”, “intend”, “expect”, “anticipate” and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company’s future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause Infinity’s actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward- looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties identified elsewhere in this MD&A, actual results may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Current Market Conditions

As a result of the global economic crisis, there is a serious shortage of available capital and serious and significant risk to the resource mining industry. Although there has been some improvement, the market for capital for early stage exploration projects remains very tight.

GENERAL

Description of Business

The Company is a British Columbia company whose principal business activities are the exploration and development of mineral properties. The Company was incorporated on November 12, 2010. The Company is a reporting issuer in British Columbia, Ontario and Alberta, and its common shares trade on the TSX Venture Exchange under the symbol "IFN."

Since incorporation the Company has undertaken steps to develop its business, including, among other things, recruiting directors and officers with the skills required to operate a public mining exploration company, entering into a Mineral Property Purchase Agreement to acquire a qualified property for shares, raising sufficient capital to commence initial exploration on the Rainbow Property, engaging Carl A. Von Einsiedel, P.Geo., to prepare an NI 43-101 Technical Report and engaging a TSX - Venture agent to assist in making an application for listing on the TSX Venture Exchange and completing the Offering.

In December 2010, the Company raised \$187,500 by the issuance of 2,500,000 common flow-through shares at a price of \$0.075 per flow-through share. In February 2011, the Company raised a further \$375,000 by the issuance of 5,000,000 common shares at a price of \$0.075 per share

On April 11, 2012 the Company completed its initial public offering of 4,000,000 units at a price of \$0.15 per unit for gross proceeds of \$600,000 and net cash proceeds of \$540,000. Each unit was comprised of one common share and one half of one tradable common share purchase warrant. Each full warrant was exercisable into one common share of the Company at \$0.20 until April 11, 2013 or exercisable at \$0.30 until April 11, 2014. To date, a total of 1,000 warrants have been exercised.

On April 12, 2012 the Company filed a Form 51-102F3 Material Change Report advising that the TSX Venture Exchange had approved the Company's common shares and tradable warrants to trade on the Venture Exchange under the symbols IFN and IFN.WT respectively commencing April 16, 2012.

Proceeds from the IPO offering have been used primarily to commence the phase one exploration program on the Company's 100-per-cent-owned Rainbow property, located four kilometers northwest of the community of Midway in south central BC, Canada. Proceeds are also being used for general and administrative expenses and for general working capital purposes.

PI Financial Corp. acted as the agent to the Company for the offering. The agent received a cash commission equal to 10% of the gross proceeds raised in the offering. In addition, the agent received an option to purchase 400,000 common shares exercisable at a price of \$0.15, until April 11, 2014. To date, a total of 200,000 agent warrants have been exercised.

In April 2012, the Company engaged its contract geologist, Carl A. Von Einsiedel, P.Geo., to undertake an initial work program on the phase one exploration program. As at August 31, 2013, a total of \$78,785 has been expended on geochemical analysis and geological field work. Mr. Von Einsiedel has submitted his interim report on the property which is currently being considered by the Company's directors and management.

On April 23, 2013, the Company announced that it had entered into a non-binding Letter of Intent ("LOI") to acquire 100% ownership of an Alberta-based energy services company. The LOI was subject to the execution of a definitive agreement between the two parties by June 26, 2013, or on such other date as may be mutually agreed upon. The closing of the transaction was subject to a number of other conditions including completing due diligence to the satisfaction of Infinity, financing, management and non-compete agreements and receipt of all necessary shareholder and stock exchange approvals.

On June 18, 2013, the Company announced that it had entered into a financing arrangement with PI Financial Corp. to raise up to \$30.0 million (the "Financing"). It was anticipated that the Financing would be completed through the issuance of convertible debentures and units of the Company comprised of common equity and purchase warrants.

Terms of the Financing were still not finalized as of the date of the news release but details would be released as soon as completed.

The net proceeds from the Financing were intended to be used to fund the previously announced acquisition of an Alberta-based energy services company, expand that company's equipment fleet and for general working capital purposes

On September 06, 2013, the Company announced that it was not proceeding with the previously announced LOI to purchase the Alberta-based energy services company, as stated in its news release of April 23, 2013. The proposed Financing announced on June 18, 2013 with PI Financial as the Company's fiscal agent would also not proceed. The principal reason for not proceeding with the transaction was due to extremely difficult financial markets and the strong indication that the Financing would not be successful.

Mineral Property – Rainbow Claim Group

The Company holds a 100% interest in two contiguous mineral tenures comprising 317.64 hectares located approximately four kilometers northwest of the community of Midway in south central British Columbia. The Company entered into a Mineral Purchase Agreement with Ron Shenton, Chief Executive Officer, President and Director of the Company to acquire all of his right, title and interest in and to the Rainbow Property. This agreement reimbursed Mr. Shenton's out of pocket staking costs of \$20,157 by issuing of 2,015,700 shares of the Company at a deemed price of \$0.01 per share.

A detailed description and discussion of the Company's Rainbow Claim Group property is included in APPENDIX A to the original Listing Statement submitted to the CSE and listed on the Company's disclosure documents appearing on the CSE website.

SELECTED ANNUAL INFORMATION

<u>For the Year ended</u>	<u>August 31, 2013</u>	<u>August 31, 2012</u>	<u>August 31, 2011</u>
Total Revenues (interest)	\$5,047	\$4,801	\$1,340
Income or loss before discontinued operations and extraordinary items	<526,468>	<349,181>	<65,525>
Net Loss in total	<526,468>	<,349,181>	<65,525>
--Basic and diluted loss per share	<0.04>	<0.03>	<0.01>
Total Assets	442,980	758,870	533,874
Total Long term Financial Liabilities	0	0	0
Cash Dividends Declared	0	0	0

Notes:

1. The Company was incorporated in November 2010 and therefore the August 31, 2011 audited financial statements cover only a period of nine months and part of a tenth.
2. The Company is an exploration company, and unless otherwise noted, the loss for the year represents the general and administrative expenses, which include the estimated fair value of the stock options granted by the Company.

RESULTS OF OPERATIONS

The following discussion and analysis of the operating results and financial condition of the Company should be read in conjunction with the audited financial statements and related notes thereto for the financial year from September 1, 2012 to August 31, 2013.

Financial Information for the Fiscal Year Ended August 31, 2013

During the year ended August 31, 2013, a total of \$26,285 was spent for geological field work, which completed a \$78,000 budgeted program. This compared to \$52,500 in exploration and evaluation assets incurred in the comparable period in 2012.

The Company incurred a number of expenditures during the period ended August 31, 2013, notably \$50,000 for management fees as compared to \$95,000 in the 2012 comparable period; \$48,352 for professional legal and audit fees as compared to \$73,130 in the 2012 comparable period; \$15,002 for listing and filing fees as compared to \$32,021 in the comparable 2012 period; \$50,888 in office and general costs as compared to \$25,278 in the 2012 comparable period; \$11,382 was spent on transfer agent costs as compared to \$11,933 in 2012. The 2012 period included \$111,623 in stock based compensation compared to \$94,339 in the period ended August 31, 2013. A total of \$267,216 was spent during the 2013 period for project evaluation costs related to the potential acquisition of an Alberta-based energy services company. Such costs included audit payments, equipment appraisal fees, allocated management fees, travel related costs and legal costs.

As a result of these expenditures, the Company incurred a net loss from operations of \$526,468 for the period, after consideration of \$5,047 in interest income earned on term deposits and \$5,664 in recovered accrued interest expense. In the period ended August 31, 2012, the Company incurred a net loss of \$349,181 with \$4,801 in interest income and \$4,997 in accrued interest expenses.

During the period the Company announced that two new directors had been added to the Board of Directors.

Effective November 19, 2012 Earl Lewis was added and who, for over 30 years, successfully built and developed profitable companies, with particular emphasis in the oil and gas services industry. He has held various senior management and director positions, including being the founder, director and chief executive officer of Wellco Energy Services. After his tenure at Wellco, Mr. Lewis co-founded and was a director and chairman of Builders Energy Services Trust. After an initial public offering and a series of private company acquisitions, Builders eventually became Essential Energy Services with a current market capitalization exceeding \$300-million. Based in Calgary, Alta., Mr. Lewis has a Bachelor of Math degree from the University of Waterloo and is a chartered accountant.

Effective April 8, 2013, Kevin Puetz was added as a director of the Company. He is currently the CFO and VP, Business Development for Manotoken Oilfield Services Inc. Mr. Puetz has held various management and director positions including Vice President, Oilsands, with Shaw Pipe Protection, Financial Controller, Canada for Worley Parsons, Director, Operations Analysis and Planning for Builders Energy Services Trust and various management positions with Agrium. Based in Calgary, Alberta, Mr. Puetz obtained his Certified Management Accounting (CMA) designation in 1992 and his Certified Valuation Analyst (CVA) designation in 2010.

During the year ended August 31, 2013, the Company granted 490,000 stock options to Earl Lewis and Kevin Puetz with a fair value of \$94,339. In addition, during the year a total of 80,000 stock options were surrendered by two directors of the Company.

During the twelve month period ended August 31, 2013, a recommended exploration program continued on the Company's Rainbow property. This involved geological field work and collection of samples for assay and laboratory analysis. Total expenditures on exploration and evaluation assets during the year were \$26,285. This compared to expenditures of \$52,500 during the year ended August 31, 2012.

As at August 31, 2013, the Company had non-capital losses carried forward for income tax purposes of approximately \$786,000 which can be applied against future years' taxable income. These losses will expire through to 2033. Deferred tax benefits which may arise as a result of the utilization of the non-capital losses and cumulative exploration and development expenses have been offset by a valuation allowance and have not been recognized in these financial statements.

SELECTED QUARTERLY RESULTS (UNAUDITED)

This financial data has been prepared in accordance with International Financial Reporting Standards and all figures are stated in Canadian dollars.

Financial results:	August 31, 2013	May 31, 2013	February 28, 2013	November 30, 2012
Quarter	4th (3 months)	3rd (3 months)	2nd (3 months)	1st (3 months)
Net loss for the period	(159,283)	(172,308)	(77,668)	(117,209)
Basic Diluted loss per share	0.01	0.01	0.01	0.01

Balance sheet data:

Cash	217,635	348,281	441,567	493,602
Total assets	442,890	570,547	639,570	717,258
Shareholders' Equity	329,432	488,415	579,521	657,189

Financial results:	August 31, 2012	May 31, 2012	February 28, 2012	November 30, 2011
Quarter	4th (3 months)	3rd (3 months)	2nd (3 months)	1st (3 months)
Net loss for the period	(63,273)	(71,112)	(52,648)	(162,148)
Basic Diluted loss per share	0.01	0.01	0.01	0.01

Balance sheet data:

Cash	546,179	619,614	301,049	327,131
Total assets	758,870	803,959	471,490	506,716
Shareholders' Equity	731,261	794,197	413,959	466,607

The Company has been and is still in the stages of exploring and developing its Rainbow Group property. To date, the Company has not earned any revenues from this project.

FOURTH QUARTER RESULTS

During the quarter, the Company was focused on attempting to conclude the acquisition of an Alberta based oilfield services company. A total of \$180,854 was expended on costs related to the proposed transaction which the Company announced was not being proceeded with on September 6, 2013.

The Company incurred a number of expenditures during the quarter that were not capitalized to mineral properties, notably \$180,854 in project evaluation costs related to the proposed acquisition which had no comparable 2012 quarter expenditure; excluding the reallocation of management fees to project evaluation costs, the management fees for 2013 were the same as compared to \$30,000 in the 2012 comparable quarter; \$nil in consulting fees as compared to \$5,000 in the comparable 2012 quarter; \$17,000 for professional legal and audit fees as compared to \$21,803 in the 2012 comparable quarter; \$536 for listing and filing fees in the 2013 quarter as compared to \$nil in the comparable 2012 quarter, \$8,417 in general and administrative costs as compared to \$ 6,505 in the 2012 comparable quarter and an amount of \$997 was spent on transfer agent costs as compared to \$834 in 2012.

As a result of these expenditures, the Company incurred a net loss from operations of \$159,283 for the period, after consideration of \$669 in interest income earned on term deposits and \$9,002 in recovered accrued interest expense. In the quarter ended August 31, 2012, the Company incurred a net loss of \$63,272 with \$1,970 in interest income and \$1,097 in accrued interest expense.

The Company's working capital as at August 31, 2013 was \$118,241.

The Company has no source of revenue other than minimal amounts of interest earned on term deposits. It is likely the Company will operate at a loss unless and until it is able to put a mineral property or other business venture into operation/production. The Company will require additional financing in order to fund planned exploration expenditures and cover its general and administrative costs. The Company's ability to arrange such financing in the future will depend in part upon prevailing capital market conditions, as well as the Company's business success. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from treasury, control of the Company may change and shareholders may suffer additional dilution. If adequate funds are not available on acceptable terms, the Company may not be able to operate its business at its maximum potential, to expand, to take advantage of other opportunities, or otherwise remain in business.

LIQUIDITY

During the year ended August 31, 2013, the Company received \$30,300 from the exercise of 200,000 agent warrants at \$0.15 and from the exercise of 1,000 warrants at \$0.30.

As at August 31, 2013, the Company had working capital of \$118,241 and had current assets of \$231,789 of which \$217,635 was in cash and term deposits. In addition, there were trade payables and other accrued liabilities in the amount of \$113,548 which was comprised of unpaid legal fees, unpaid consulting services costs, unpaid project evaluation costs and a number of smaller accrued liabilities. During the year ended August 31, 2013, the Company spent \$26,285 on deferred exploration costs. A total of \$267,216 was spent during the 2013 period for project evaluation costs related to the potential acquisition of an Alberta-based energy services company. Such costs included audit payments, equipment appraisal fees, allocated management fees, travel related costs and legal costs.

During the period ended August 31, 2013, the Company's cash decreased by \$12,026, principally a combination of net cash flows used in operating activities of \$337,606; net cash flows from investing activities of \$295,280 and net cash from investing activities of \$30,300.

During the comparable period in 2012, the Company decreased cash by \$44,032 principally a combination of net cash flows used in operating activities of \$251,333; net cash flows used in investing activities of \$271,886 being principally a term deposit amount of \$219,160 and expenditures on deferred exploration costs of \$52,500; and net cash from investing activities being the net IPO proceeds in the amount of \$479,187.

During the period of inception through to August 31, 2013, the Company has spent \$209,979 on exploration and evaluation assets.

CAPITAL RESOURCES

The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern to maintain sufficient funds to finance the identification, acquisition, exploration and development of mineral property interests. Capital is comprised of the Company's shareholders' equity. As at August 31, 2013, the Company's shareholders' equity was \$329,432 (August 31, 2012: \$731,261). The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on its financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors, except for guarantees.

TRANSACTIONS BETWEEN RELATED PARTIES

During the year ended August 31, 2013, the Company incurred the following transactions with directors, officers and companies that are controlled by directors of the Company.

Key management personnel compensation

	Year Ended August 31, 2013	Year Ended August 31, 2012
Management fees	\$ 50,000	\$ 95,000
Project evaluation	45,000	-
Stock based compensation	94,339	111,623
	<u>\$ 189,339</u>	<u>\$ 206,623</u>

PROPOSED TRANSACTIONS

On April 23, 2013, the Company announced that it had signed a Non-Binding Letter of Intent to acquire 100% of the outstanding shares of an Alberta-based energy services company.

The Letter of Intent was subject to the execution of a definitive agreement (the "Transaction") between the two parties by June 26, 2013, or on such other date as may be mutually agreed upon. The closing of the Transaction was subject to a number of other conditions including completing due diligence to the satisfaction of the Company management, financing, non-compete agreements and receipt of all necessary shareholder and stock exchange approvals. The purchase price was set at \$22,600,000 and, as consideration for the shares and shareholders loans, the Company would pay to the shareholders the aggregate amount of \$15,250,111 (the "Base Purchase Price") comprised of \$14,250,111 cash; and a secured convertible debenture to the shareholders in the amount of \$1,000,000 which convertible debenture was to be in a form approved by the Exchange and on terms and conditions acceptable to the Company and the shareholders, acting reasonably. The Base Purchase Price would be subject to certain post-closing adjustments as contemplated in a definitive Share Purchase Agreement.

On June 18, 2013, the Company announced that it had entered into a financing arrangement with PI Financial Corp. as lead agent, to raise gross proceeds of up to \$30,000,000 through the issuance of convertible debentures and private placement units (the "Financing"). The agents would receive a 7% cash commission as well as broker warrants equal to the same value for Debenture amounts sold and 6% cash commission as well as broker warrants equal to the same value for equity unit sales.

The net proceeds from the Financing was planned to be used to fund the previously announced acquisition described above, to expand the equipment fleet and for general working capital purposes.

The private placement units were to be issued at a price of \$0.30 per Unit and comprised of one (1) common share and one-half of one (0.5) common share purchase warrant of the Company. Each full warrant entitled the holder thereof to acquire one additional common share of the Company at a price of \$0.40 for a period of 18 months following closing of the private placement.

On September 6, 2013, the Company announced that it would not be proceeding with the Transaction. The proposed financing announced June 18, 2013 with PI Financial as the Company's fiscal agent would also not proceed. Company management believes that the current difficult capital markets made it impossible to conclude the Transaction.

CRITICAL ACCOUNTING ESTIMATES

As at August 31, 2013, the Company's financial statements reflect an asset "Exploration and Evaluation Assets" with a balance of \$209,979. The recoverability of this amount is dependent upon the discovery of economically recoverable reserves, and the ability to attain future profitable production from those reserves, or from their successful disposition. The Company has not determined if its properties contain ore reserves that are economically recoverable and that determination awaits review of the current exploration work report which the Company received in fourth quarter 2013.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Recent Pronouncements Affecting Changes in Accounting Policies

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. This listing is of the standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective. The Company does not expect the impact of such changes on the financial statements to be material.

New standard IFRS 9 "Financial Instruments"

This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. 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, 2015. The Company will adopt this standard effective September 1, 2015.

All of the standards discussed below are effective for annual periods commencing on or after January 1, 2013. The Company will adopt these standards effective September 1, 2013.

New standard IFRS 10 "Consolidated Financial Statements"

This new standard will replace IAS 27 "Consolidated and Separate Financial Statements", and SIC-12 "Consolidation – Special Purpose Entities". Concurrent with IFRS 10, the IASB issued IFRS 11 "Joint Ventures"; IFRS 12 "Disclosures of Involvement with Other Entities"; IAS 27 "Separate Financial Statements", which has been amended for the issuance of IFRS 10 but retains the current guidance for separate financial statements; and IAS 28 "Investments in Associates and Joint Ventures", which has been amended for conforming changes based on the issuance of IFRS 10 and IFRS 11.

IFRS 10 uses control as the single basis for consolidation, irrespective of the nature of the investee, eliminating the risks and rewards approach included in SIC-12, and requires continuous assessment of control over an investee.

New standard IFRS 11 "Joint Arrangements"

This new standard requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venture will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint

ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities-Non-monetary Contributions by Venturers.

New standard IFRS 12 “Disclosure of Interests in Other Entities”

This new standard establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

New standard IFRS 13 “Fair value measurement”

This new standard replaces the fair value measurement guidance currently included in various other IFRS standards with a single definition of fair value and extensive application guidance. IFRS 13 provides guidance on how to measure fair value and does not introduce new requirements for when fair value is required or permitted. It also establishes disclosure requirements to provide users of the financial statements with more information about fair value measurements.

Amended Standard IAS 1 “Presentation of Financial Statements”

This standard provides extensive guidance on determining fair value for measurement or disclosure purposes.

IAS 27 - Separate Financial Statements

IAS 27 contains accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. IAS 27 requires an entity preparing separate financial statements to account for those investments at cost or in accordance with IFRS 9.

IAS 28 - Investments in Associates and Joint Ventures

IAS 28 prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

None of the above standards have been early adopted or are expected to have significant impact on the Company's financial statements.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

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

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

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

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

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

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

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Company commits to purchase the asset.

Financial assets are de-recognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether impairment has arisen.

The Company does not have any derivative financial assets and liabilities.

Risk Assessment

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its bank accounts. The Company's bank accounts are held with a major bank in Canada. As all of the Company's cash and cash equivalents are held by one bank in Canada, there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company is not exposed to credit risk on recoverable taxes, as these are due from the Government of Canada.

Liquidity risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and banking facilities.

The following is an analysis of the contractual maturities of the Company's non-derivative financial liabilities as at August 31, 2013:

	Within one year	Between one and five years	More than five years
Trade payables and accrued liabilities	\$ 113,548	\$ -	\$ -
	\$ 113,548	\$ -	\$ -

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, commodity prices, and interest rates will affect the Company's net earnings or the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Foreign currency exchange rate risk and commodity price risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Commodity price risk is the risk that market values and future incomes will fluctuate because of changes in commodity prices. The Company does not have any direct exposure to foreign currency exchange rate risk or commodity price risk. The Company had no forward exchange rate contracts or commodity price contracts in place as at August 31, 2013.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. As at August 31, 2013, the Company did not have any significant interest rate risk. The Company had no interest rate swap or financial contracts in place as at August 31, 2013.

Metal Prices

The principal activity of the Company is the exploration of mineral properties. The feasible development of such properties is highly dependent upon metal prices. A sustained and substantial decline in commodity prices could result in the write-down, termination of exploration and development work or loss of the Company's interests in identified resource properties. Although such prices cannot be forecast with certainty, the Company carefully monitors factors that could affect commodity prices in order to assess the feasibility of its resource properties.

Metal prices are affected by numerous factors beyond the Company's control, including the relative exchange rate between the US and Canadian currencies, global and regional demand for various metals, and political and economic conditions. Worldwide production levels also affect the prices. The prices of minerals are occasionally subject to rapid short-term changes due to speculative activities. With the exception of gold and copper, prices of most metals are currently low. There is a risk that the Company's mineral discoveries will not be economically recoverable.

Industry and Economic Factors Affecting Performance

As a mineral exploration and development company, the Company's performance is affected by a number of industry and economic factors and exposure to certain environmental risks and regulatory requirements. These include metal prices, competition amongst exploration firms for attractive mineral properties, the interest of investors in providing high-risk equity capital to exploration companies, and the availability of qualified staff and equipment such as drilling rigs to conduct exploration.

OTHER

Capital Management

The Company defines capital that it manages as shareholders' equity that is expected to be realized in cash. The Company raises capital through private and public share offerings and related party loans and advances. Capital is managed in a manner consistent with the risk criteria and policies provided by the board of directors and followed by management. All sources of financing and major expenditures are analyzed by management and approved by the board of directors.

The Company's primary objectives when managing capital is to safeguard and maintain the Company's financial resources for continued operations and to fund expenditure programs to further advance mineral property interests.

The Company is meeting its objective of managing capital through detailed review and due diligence on all potential acquisitions, preparing short-term and long-term cash flow analysis to maintain sufficient resources.

The Company is able to scale its expenditure programs and the use of capital to address market conditions by reducing expenditures and the scope of operations during periods of commodity pricing decline and economic downturn.

There were no changes in the Company's approach to capital management during the period from September 1, 2012 to August 31, 2013. The Company is not subject to any externally imposed capital requirements.

Commitments

Flow-through shares

Share capital includes flow-through shares which is a unique Canadian tax incentive pursuant to certain provisions of the Canadian Income Tax Act. Proceeds from the issuance of flow-through shares are used to fund qualified Canadian exploration and evaluation projects and the related income tax deductions are renounced to the subscribers of the flow-through shares. The premium paid for flow-through shares in excess of the market value of the shares without flow-through features, at the time of issue, is credited to other liabilities and recognized in income at the time qualifying expenditures are incurred. The Company recognizes a deferred tax liability with a corresponding charge in the statement of operations and comprehensive loss to income when the qualifying exploration and evaluation expenditures are renounced.

In December 2010, the Company received cash proceeds of \$187,500 in exchange for 2,500,000 flow-through common shares. The Company is committed to expending these funds on qualifying exploration in accordance with the provisions of the Canadian Income Tax Act. As at August 31, 2013, the Company had no remaining obligation in connection with tax benefits renounced.

Disclosure Controls and Procedures

Management has assessed the effectiveness of the Company's disclosure controls and procedures used for the financial statements and MD&A as at August 31, 2013. Although certain weaknesses such as lack of segregation of duties are inherent with small office operations, management has implemented certain controls such as frequent reviews and regular preparations of reconciliations of transactions to ensure absence of material irregularities. Management has concluded that the disclosure controls are effective in ensuring that all material information required to be filed has been made known to them in a timely manner. The required information was effectively recorded, processed, summarized and reported within the time period necessary to prepare the interim filings. The disclosure controls and procedures are designed to ensure effective information required to be disclosed pursuant to applicable securities laws is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Other MD&A Requirements

Summary of outstanding share data as of December 17, 2013:

		Price
Issued shares	13,716,700	
Options	1,350,000	\$0.15
Warrants	1,999,000	\$0.30 until April 11, 2014
	200,000	\$0.15 until April 11, 2014
Fully Diluted	17,265,700	

As of August 31, 2013, the Company had:

- a) 13,716,700 common shares outstanding;
- b) 1,999,000 tradable common share purchase warrants exercisable into one common share at \$0.30 until April 11, 2014
- c) 200,000 tradable common share purchase warrants exercisable into one common share at \$0.15 until April 11, 2014
- d) 1,350,000 stock options outstanding with an average exercise price of \$0.18 per share and expiring on April 9, 2018.
- e) As at August 31, 2013, a total of 1,491,420 shares remain in an escrow pool and are scheduled for release in 6 equal tranches every six months from April 11, 2012.

The Company has a 10% rolling stock option plan for its directors, employees and consultants to acquire common shares of the Company at a price determined by the fair market value of the shares at the date of grant. During the twelve month period ended August 31, 2013, the Company granted 490,000 stock options with a fair value of \$94,339. The Company's stock option plan provides for immediate vesting or vesting at the discretion of the Board at the time of the option grant. Stock options granted to investor relations' consultants vest over a twelve month period, with one quarter of such options vesting in each three month period. During the year a total of 80,000 stock options were surrendered by optionees, leaving a total of 1,350,000 exercisable options outstanding as at August 31, 2013.

Additional information on the Company is available on SEDAR at www.sedar.com and on the Company's website at www.infinitymineralscorp.com.

6.15 to 6.16

Interim MD&A for the 1st Quarter Ended November 30, 2013

The interim MD&A for the 1st quarter ended November 30, 2014 is incorporated by reference herein and can be found by visiting the Company's website www.infinitymineralscorp.com and by accessing the Company's public documents filed on SEDAR at www.sedar.com.

Interim MD&A for the Second quarter ended February 28, 2014

The interim MD&A for the 2nd quarter ended February 28, 2014 is incorporated by reference herein and can be found by visiting the Company's website www.infinitymineralscorp.com and by accessing the Company's public documents filed on SEDAR at www.sedar.com.

Infinity Minerals Corp Interim MD&A for the Third quarter ended May 31, 2014

1.1 DATE

This management discussion and analysis ("MD&A"), prepared as of June 27, 2014, reviews and summarizes the activities of Infinity Minerals Corp. ("Infinity" or the "Company") and compares the financial results for the three and nine month periods ended May 31, 2014, with those of the comparable periods ended May 31, 2013. This information should be read in conjunction with the Company's audited financial statements for the year ended August 31, 2013 and related notes attached thereto, which were prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise indicated.

Additional information relating to the Company is available for viewing on SEDAR at www.sedar.com and also on the Company's website at www.infinitymineralscorp.com.

Forward Looking Statements

This MD&A may contain “forward looking statements” that reflect the Company’s current expectations and projections about its future results. When used in this MD&A, words such as “estimate”, “intend”, “expect”, “anticipate” and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company’s future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause Infinity’s actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward- looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties identified elsewhere in this MD&A, actual results may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

1.2 OVERALL PERFORMANCE

Description of Business

Infinity Minerals Corp. is a British Columbia company whose principal business activities to date has been the exploration and development of mineral properties. The Company was incorporated on November 12, 2010. The Company is a reporting issuer in British Columbia, Ontario and Alberta, and its common shares were originally traded on the TSX Venture Exchange under the symbol “IFN” but were voluntarily delisted on May 22, 2014. As of May 23, 2014, the Company’s common shares trade on the CSE under the symbol, “IFN”. The Company’s warrants traded under the symbol “IFN.WT.” on the TSX-Venture Exchange but expired on April 11, 2014.

On September 06, 2013, the Company announced that it was not proceeding with its previously announced letter of intent to purchase the Alberta-based oil servicing business, as stated in its news release of April 23, 2013. The proposed financing announced on June 18, 2013 with PI Financial as the Company’s fiscal agent also did not proceed. The principal reason for not proceeding was due to extremely difficult financial markets and the strong indication that the PI Financing would not be successful.

Subsequently, a total of \$153,888 was repaid to the Company by third parties as a repayment of expenses incurred by the Company during its due diligence process.

On November 18, 2013, the Company announced the appointment of Mr. Chris Wallin as a director and announced the resignation of Mr. Kevin Puetz as a director.

On December 19, 2013 the Company filed on Sedar, a notice of annual shareholder meeting and record date. The AGM date was set at February 18, 2014 with the record date set at January 14, 2014. Subsequently, on January 22, 2014, the Company filed the AGM proxy form, notice of meeting and a management information circular.

On February 18, 2014, the Company held its annual shareholders meeting for purposes of discussion and requesting approval of the following items:

1. To receive the report of the directors.
2. To receive the audited financial statements of the Company for the fiscal year ending August 31, 2013, together with the auditor's report thereon.
3. To appoint the auditor for the Company.
4. To fix the number of directors and to elect directors for the ensuing year.

5. To consider and, if thought fit, to approve the renewal of the Company's Stock Option Plan, particulars of which are as set out in the Information Circular.

6. To transact such other business as may properly be brought before the Meeting.

At the meeting, all resolutions were approved by the shareholders. Specifically the existing directors were elected; the Company's auditor, Morgan and Company LLP was re-appointed as the auditor for the forthcoming year; and the stock option plan was approved.

On May 10, 2014, Chris Wallin and Earl Lewis, both resigned as directors of the Company.

Mineral Property – Rainbow Claim Group

Infinity Minerals Corp. holds a 100% interest in two contiguous mineral tenures comprising 317.64 hectares located approximately four kilometers northwest of the community of Midway in south central British Columbia. The Company entered into a Mineral Purchase Agreement with Ron Shenton, Chief Executive Officer, President and Director of the Company to acquire all of his rights, titles and interests in and to the Rainbow Property. This agreement reimburses Mr. Shenton's out of pocket staking costs of \$20,157 by issuing of 2,015,700 shares of the Company at a deemed price of \$0.01 per share.

As a resource company, the Company does not have any revenue generating operations. The Company relies on cash resources from its financings to fund exploration and operating activities.

The claims are accessible by existing forest service roads and cover two known gold - silver occurrences identified in the BC Ministry of Mines (BCMÉM) Minfile database as the MIDWAY MINE (Minfile No. 082M-194) and the PICTURE ROCK QUARRY (Minfile No.082M-194). Both of the known occurrences are located in the central part of the property. Exploration work has been carried out intermittently in the project area since the 1960's and both of the prospects have undergone intermittent exploration by various mining companies since the early 1980's. The property is considered an intermediate stage exploration prospect.

Access to the property is by Provincial Highway 3, approximately 4 kilometers northwest of the village of Midway in south central British Columbia. From Midway the property can be accessed by a forest service road on the west side of the Village that extends to the eastern boundary of the claims. The approximate centre of the property is at UTM 5433450N and 367760E.

In general, infrastructure in the vicinity of the subject property is considered excellent. There are existing roads that can be used to access the known areas of mineralization and the proposed exploration areas. There are numerous small streams within the claim area that would easily provide sufficient water for exploration purposes. Trained exploration personnel are available in several local nearby communities.

The present Rainbow Property covers the Midway Mine prospect and the Picture Rock Quarry prospect, potential extensions of these zones to the south and an overburden covered area to the east of the Picture Rock Quarry. During January and February of 2011 Infinity Minerals Corp. compiled all available technical data from the Minnova and Battle Mountain exploration programs, located and sampled several known mineralized zones within and adjacent to the Rainbow Property to confirm historic results and completed a detailed soil geochemical survey in the area south of the Midway Mine Prospect. The objectives of this program were to verify the results reported by Minnova and Battle Mountain and to delineate potential extensions of the mineralization identified at the Midway Mine prospect. The compilation work that was carried out involved geo-referencing the historic technical drawings from Minnova and Battle Mountain, digitizing the UTM locations of the reported soil and rock sample sites and entering the historic assay data into a GIS database.

Exploration work completed by Infinity Minerals Corp. to date confirmed the anomalous gold values reported from mineralization at the Midway Mine area and the Picture Rock Quarry, extended the geochemical anomaly associated with the Midway Mine Prospect and confirmed that significant skarn type copper-gold mineralization is present adjacent to the Rainbow Property. In the Company's 43-101 compliant technical report dated September 15, 2011

(filed on SEDAR) it is recommended that Infinity complete a staged exploration program designed to evaluate potential extensions of known mineralization and assess the potential for additional mineralized zones in the eastern part of the Property. Initial field work will consist of detailed geochemical surveys designed to further evaluate existing mineralized zones and to assess the exploration potential of the eastern parts of the Property.

The Rainbow Property is in the exploration stage. In April 2012, the Company commenced an exploration program on the Rainbow Project which was carried out in three tranches for a total of \$78,785. Initial field work consisted of detailed geochemical surveys designed to further evaluate existing mineralized zones and to assess the exploration potential of the eastern parts of the Property. Field crews collected 710 samples during late April and May and samples were submitted to ALS Chemex in British Columbia for assay and analysis. The three tranches were fully completed as at May 31, 2013.

Subsequently, the Company received Mr. Von Einsiedel's report and it is currently being reviewed by Company mining professionals and management.

Restoration and environmental obligations

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the period in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and re-vegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related mining assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

Additional environmental disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the period in which they occur.

At May 31, 2014, the Company had no restoration and environmental obligations.

Non resource related activities

The Company will continue to assess other resource properties and will seek to acquire interests in additional properties if the Company determines such properties have sufficient geologic or economic merit and if the Company has adequate financial resources to complete such acquisitions. The Company also intends to assess non resource business opportunities.

Non-binding Letter of Intent entered into on May 29, 2014

On June 2, 2014, the Company announced that it had signed a Non-Binding Letter of Intent ("LOI") on May 29, 2014 to acquire 100% of the outstanding shares of a private Medical Marijuana services company based in the Okanagan Valley of British Columbia.

The LOI is subject to the execution of a definitive agreement ("the Transaction") between the two parties by July 1, 2014. (Note- this date was subsequently amended in a revised LOI on July 14, 2014 and a formal Share Exchange Agreement signed by the parties on August 6, 2014.)The closing of the Transaction will be subject to a number of other conditions including completing due-diligence to the satisfaction of Infinity management, financing, completion of non-compete agreements and receipt of all necessary shareholder, regulatory and stock exchange approvals. It is anticipated that a closing of this transaction will represent a Fundamental Change as defined by the policies of the CSE.

The Kelowna, BC, based target company, THC Bank, will provide a full range of services to Licensed Producers (LPs) in the Medical Marihuana sector, with the goal of enhancing profit margins and the LP's bottom line. Specific services provided include propagation, direct cultivation and sale of purebred cultivars; cloning; and marihuana strain storage. A wholly owned subsidiary of THC Bank, Advanced Greenhouse Technologies Ltd. (AGT), has ongoing sales of an exclusive brand of greenhouses particularly designed for the industry.

It is contemplated that upon a successful conclusion of this transaction, the principals of the target company will join the board of Infinity.

THC Bank applied to Health Canada for its Licensed Producer License under the Medical Marihuana Purpose Regulations (MMPR) in November 2013.

The proposed transaction has a purchase price of \$4,312,500 and will be facilitated by the issuance of Infinity treasury stock at a deemed price of \$0.15 per share and it is anticipated that additional funds may need to be raised upon a successful closing of the transaction.

1.3 SELECTED ANNUAL INFORMATION

<u>For the Year ended</u>	<u>August 31, 2013</u>	<u>August 31, 2012</u>	<u>August 31, 2011</u>
Total Revenues (interest)	\$5,047	\$4,801	\$1,340
Income or loss before discontinued operations and extraordinary items	<526,468>	<349,181>	<65,525>
Net Loss in total	<526,468>	<,349,181>	<65,525>
Basic and diluted loss per share	<0.04>	<0.03>	<0.01>
Total Assets	422,980	758,870	533,874
Total Long term Financial Liabilities	0	0	0
Cash Dividends Declared	0	0	

Notes:

1. The Company was incorporated in November 2010 and therefore the November 30, 2011 audited financial statements cover only a period of nine months and part of a tenth.
2. The Company is an exploration company, and unless otherwise noted, the loss for the year represents the general and administrative expenses, which include the estimated fair value of the stock options granted by the Company

1.4 DISCUSSION OF OPERATIONS

The following discussion and analysis of the operating results and financial condition of the Company should be read in conjunction with the annual audited financial statements and notes for the fiscal year ending August 31, 2013 as well as the unaudited but reviewed interim financial statements for the three and nine month periods ended May 31, 2014.

Financial Information for the Three Month Period Ended May 31, 2014

During the quarter, the Company received no revenues other than minimal amounts of bank interest.

The Company incurred a number of expenditures during the quarter period ended May 31, 2014 notably \$24,000 for management fees as compared to \$15,000 in the 2013 comparable period; \$3,450 for legal and audit fees as compared to \$3,400 in the 2013 comparable period; \$6,600 for consulting fees as compared to \$1,759 in the 2013 comparable period; \$18,821 for listing and filing fees as compared to \$6,567 in the comparable 2013 period, \$6,486 in office and general costs as compared to \$6,478 in the 2013 comparable period and an amount of \$4,465 was spent on transfer agent costs as compared to \$1,320 in 2013. In addition, the Company expended \$53,498 on project evaluation costs as compared to \$86,362 in the comparable 2013 quarter; expended \$32,966 on stock based compensation (non-cash item) as compared to the comparable 2013 quarter amount of \$51,202; and the Company expended \$11,098 on travel and entertainment as compared to \$115 in the 2013 comparable quarter amount.

During the period, management was increasingly involved in diligence related activities regarding the potential acquisition of a medical marijuana services company and spent considerable time and incurred increased costs in travel and project evaluation costs (which comprised legal expenses and allocated management costs). In addition, during the quarter, the Company paid the 2014 sustaining fee for its listing on the TSX Venture Exchange as well as the \$12,500 listing application fee for its listing application on the CSE. These activities resulted in the overall increase in expenses incurred during the quarter.

As a result of these expenditures, the Company incurred a net loss of \$161,536 for the period, after consideration of \$57 in interest income earned on term deposits. In the period ended May 31, 2013, the Company incurred a net loss of \$172,308 with \$1,183 in interest income and \$1,139 in accrued interest expense.

Financial Information for the Nine Month Period Ended May 31, 2014

During the nine month period ended May 31, 2014, the Company received no revenues other than minimal amounts of bank interest and a \$153,888 recovery of project evaluation expenses incurred in the previous fiscal year relating to the planned acquisition of an Alberta based oilfield services company.

On November 18, 2013, the Company announced the appointment of Mr. Chris Wallin as a Director. The Company also announced the resignation of Mr. Kevin Puetz as a director. On May 10, 2014, two directors of the Company, Chris Wallin and Earl Lewis, both resigned as directors of the Company.

The Company incurred a number of expenditures during the nine month period ended May 31, 2014 notably \$132,000 for management fees as compared to \$89,000 in the 2013 comparable period; \$20,922 for legal and audit fees as compared to \$31,352 in the 2013 comparable period; \$14,100 for consulting fees as compared to \$12,259 in the 2013 comparable period; \$23,164 for listing and filing fees as compared to \$14,466 in the comparable 2013 period, \$26,839 in office and general costs as compared to \$18,940 in the 2013 comparable period. In addition, the Company expended \$53,498 on project evaluation costs as compared to \$86,362 in the comparable 2013 quarter and an amount of \$7,726 was spent on transfer agent costs as compared to \$10,384 in 2013. In addition, travel and entertainment expenses during the period amounted to \$13,266 as compared to \$10,675 in the 2013 comparable period.

The increase in office costs was related to a new office lease arrangement that the Company entered into in October 2013. During the period, management was increasingly involved in diligence related activities regarding the potential acquisition of a medical marijuana services company and spent considerable time and incurred increased costs in travel and project evaluation costs (which comprised legal expenses and allocated management costs). In addition, during the quarter paid the 2014 sustaining fee for its listing on the TSX Venture Exchange as well as the \$12,500 listing application fee for its listing application on the CSE. These activities resulted in the overall increase in expenses incurred during the quarter.

The 2014 period included \$32,966 in stock based compensation compared to \$94,339 in the period ended May 31, 2013.

As a result of these expenditures, the Company incurred a net loss of \$170,780 for the nine month period, after consideration of \$600 in interest income earned on term deposits, \$279 in interest expense and a \$153,888 recovery of project evaluation expenses incurred in the previous fiscal year relating to the planned acquisition of an Alberta based oilfield services company. In the nine month period ended May 31, 2013, the Company incurred a net loss of \$367,185 with \$4,377 in interest income and \$3,338 in accrued interest expense.

1.5 SUMMARY OF QUARTERLY RESULTS

This financial data has been prepared in accordance with International Financial Reporting Standards and all figures are stated in Canadian dollars.

Financial results:	May 31, 2014	February 28, 2014	November 30, 2013	August 31, 2013
Quarter	3rd	2nd	1st	4th
	(3 months)	(3 months)	(3 months)	(3 months)
Net (loss) profit for the period	(161,536)	(56,783)	(47,539)	(159,283)
Basic/Diluted loss per share	(0.01)	0.01	0.01	0.01

Balance sheet data:

Cash	71,195	166,439	107,794	217,635
Total assets	305,115	386,312	459,660	442,890
Shareholders' Equity	191,618	320,188	376,971	329,432

Financial results:	May 31, 2013	February 28, 2013	November 30, 2012	August 31, 2012
Quarter	3rd	2nd	1st	4th
	(3 months)	(3 months)	(3 months)	(3 months)
Net (loss) profit for the period	(173,308)	(77,668)	(117,209)	(63,273)
Basic/Diluted loss per share	0.01	0.01	0.01	0.01

Balance sheet data:

Cash	348,281	411,567	493,602	546,179
Total assets	570,547	639,570	717,258	758,870
Shareholders' Equity	488,415	579,521	657,189	731,261

The Company has been and is still in the stages of exploring and developing its Rainbow Group property. To date, the Company has not earned any revenues from this project.

LIQUIDITY

During the three months ended May 31, 2014, the Company raised no additional cash.

As at May 31, 2014, the Company had a negative working capital position of \$19,765 and had current assets of \$93,632 of which \$71,195 was in cash and term deposits. In addition, current liabilities totaling \$56,301 were primarily comprised of Vancouver and Calgary unpaid legal fees. An additional amount of \$57,000 comprised accrued management fees which had not been paid to date. During the period of inception through to May 31, 2014, the Company spent \$209,979 on exploration and evaluation assets.

During the three months ended May 31, 2014, the Company's cash decreased by \$94,501 principally from comprehensive losses during the quarter..

On June 27, 2014, the Company has closed \$1,353,500 for its previously announced non-brokered private placement (June 2, 2014, news release) of \$1-million. The Company issued 6,767,500 common shares at \$.20 and 3,383,750 warrants that expire June 24, 2015, with an exercise price of \$.30 The Company paid finder fees of \$19,600 cash and 49,000 full warrants to PI Financial Corp. and \$2,480 in cash: 6,200 full warrants to Canaccord Genuity Corp and \$6,000 cash and 20,000 full warrants to Donald & Co. The terms of the broker warrants are the same as those of the financing. The Company also announced that it has granted a total of 150,000 incentive stock options to consultants. The grant allows for the exercise of the options at a price of \$0.42 up until expiry on June 23, 2017. Proceeds from the raise will be used for final due-diligence of a potential, non-resource company, anticipated transaction costs, filing and professional fees and general working capital.

CAPITAL RESOURCES

The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the identification, acquisition, exploration and development of mineral property interests. Capital is comprised of the Company's shareholders' equity. As at May 31, 2014, the Company's shareholders' equity was \$191,618 (August 31, 2013: \$329,432). The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on its financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors, except for guarantees.

TRANSACTIONS BETWEEN RELATED PARTIES

The Company incurred the following transactions with directors, officers and companies that are controlled by directors of the Company.

Key management personnel compensation

	Nine Months Ended May 31, 2014	Nine Months Ended May 31, 2013
Consulting fees	\$ -	\$ 5,500
Stock based compensation	-	94,339
Management fees	132,000	89,000
Office and General	-	3,200
Project evaluation	30,000	39,000
Rent	6,250	10,375
	\$ 168,250	\$ 241,414

During the nine months ended May 31, 2014 there was \$57,000 owing to two directors for accrued management fees.

FOURTH QUARTER

N.A.

PROPOSED TRANSACTIONS

On June 2, 2014, the Company announced that it had signed a Non-Binding Letter of Intent (“LOI”) on May 29, 2014 (and subsequently amended as to closing dates on July 14, 2014) to acquire 100% of the outstanding shares of a private Medical Marihuana services company based in the Okanagan Valley of British Columbia.

The LOI is subject to the execution of a definitive agreement (“the Transaction”) between the two parties by July 31, 2014 or such other date as agreed to by the parties. The closing of the Transaction will be subject to a number of other conditions including completing due-diligence to the satisfaction of Infinity management, financing, completion of non-compete agreements and receipt of all necessary shareholder, regulatory and stock exchange approvals. It is anticipated that a closing of this transaction will represent a Fundamental Change as defined by the policies of the Canadian Securities Exchange. The formal Share Exchange Agreement was signed on August 6, 2014, a news release issued and Infinity Minerals Corp.’s shares halted on the CSE.

The Kelowna, BC, based target company, THC Bank, will provide a full range of services to Licensed Producers (LPs) in the Medical Marihuana sector, with the goal of enhancing profit margins and the LP’s bottom line. Specific services provided include propagation, direct cultivation and sale of purebred cultivars; cloning; and marihuana strain storage. A wholly owned subsidiary of THC Bank, Advanced Greenhouse Technologies Ltd. (AGT), has ongoing sales of an exclusive brand of greenhouses particularly designed for the industry.

It is contemplated that upon a successful conclusion of this transaction, the principals of the target company will join the board of Infinity.

THC Bank applied to Health Canada for its Licensed Producer License under the Medical Marihuana Purpose Regulations (MMPR) in November 2013.

CRITICAL ACCOUNTING ESTIMATES

As at May 31, 2014, the Company’s financial statements reflect an asset “Exploration and Evaluation Assets” with a balance of \$209,979. The recoverability of this amount is dependent upon the discovery of economically recoverable reserves, and the ability to attain future profitable production from those reserves, or from their successful disposition. The Company has not determined if its properties contain ore reserves that are economically recoverable and that determination awaits review of the current exploration work report which was received in fourth quarter 2013.

1.13 CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

New standard IFRS 9 “Financial Instruments”

This new standard is a partial replacement of IAS 39 “Financial Instruments: Recognition and Measurement”. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. 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, 2015. The Company will adopt this standard effective September 1, 2015.

New standard IFRS 10 “Consolidated Financial Statements”

This new standard will replace IAS 27 “Consolidated and Separate Financial Statements”, and SIC-12 “Consolidation – Special Purpose Entities”. Concurrent with IFRS 10, the IASB issued IFRS 11 “Joint Ventures”; IFRS 12 “Disclosures of Involvement with Other Entities”; IAS 27 “Separate Financial Statements”, which has been amended for the issuance of IFRS 10 but retains the current guidance for separate financial statements; and IAS 28

“Investments in Associates and Joint Ventures”, which has been amended for conforming changes based on the issuance of IFRS 10 and IFRS 11.

IFRS 10 uses control as the single basis for consolidation, irrespective of the nature of the investee, eliminating the risks and rewards approach included in SIC-12, and requires continuous assessment of control over an investee.

New standard IFRS 11 “Joint Arrangements”

This new standard requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venture will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities-Non-monetary Contributions by Venturers.

New standard IFRS 12 “Disclosure of Interests in Other Entities”

This new standard establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

New standard IFRS 13 “Fair value measurement”

This new standard replaces the fair value measurement guidance currently included in various other IFRS standards with a single definition of fair value and extensive application guidance. IFRS 13 provides guidance on how to measure fair value and does not introduce new requirements for when fair value is required or permitted. It also establishes disclosure requirements to provide users of the financial statements with more information about fair value measurements.

Amended Standard IAS 1 “Presentation of Financial Statements”

This standard provides extensive guidance on determining fair value for measurement or disclosure purposes.

IAS 27 - Separate Financial Statements

IAS 27 contains accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. IAS 27 requires an entity preparing separate financial statements to account for those investments at cost or in accordance with IFRS 9.

IAS 28 - Investments in Associates and Joint Ventures

IAS 28 prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

None of the above standards have been early adopted or are expected to have significant impact on the Company's financial statements.

1.14 FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

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

The Company does not have any derivative financial assets and liabilities.

Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its bank accounts. The Company's bank accounts are held with a major bank in Canada. As all of the Company's cash and cash equivalents are held by one bank in Canada, there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company is not exposed to credit risk on recoverable taxes, as these are due from the Government of Canada.

Liquidity risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and banking facilities.

The following is an analysis of the contractual maturities of the Company's non-derivative financial liabilities as at May 31, 2014:

	Within year	one	Between one and five years	More than five years	
Trade payables and accrued liabilities	\$ 113,497	\$ -	\$ -	\$ -	-
	\$ 113,497	\$ -	\$ -	\$ -	-

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, commodity prices, and interest rates will affect the Company's net earnings or the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Foreign currency exchange rate risk and commodity price risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Commodity price risk is the risk that market values and future incomes will fluctuate because of changes in commodity prices. The Company does not have any direct exposure to foreign currency exchange rate risk or commodity price risk. The Company had no forward exchange rate contracts or commodity price contracts in place as at May 31, 2014.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. As at May 31, 2014, the Company did not have any significant interest rate risk.

The Company had no interest rate swap or financial contracts in place as at May 31, 2014.

OTHER

Capital Management

The Company defines capital that it manages as shareholders' equity that is expected to be realized in cash. The Company raises capital through private and public share offerings and related party loans and advances. Capital is managed in a manner consistent with the risk criteria and policies provided by the board of directors and followed by management. All sources of financing and major expenditures are analyzed by management and approved by the board of directors.

There were no changes in the Company's approach to capital management during the three months ended May 31, 2014. The Company is not subject to any externally imposed capital requirements.

Disclosure Controls and Procedures

Management has assessed the effectiveness of the Company's disclosure controls and procedures used for the financial statements and MD&A as at May 31, 2014. Although certain weaknesses such as lack of segregation of duties are inherent with small office operations, management has implemented certain controls such as frequent reviews and regular preparations of reconciliations of transactions to ensure absence of material irregularities. Management has concluded that the disclosure controls are effective in ensuring that all material information required to be filed has been made known to them in a timely manner. The required information was effectively recorded, processed, summarized and reported within the time period necessary to prepare the interim filings. The disclosure controls and procedures are designed to ensure effective information required to be disclosed pursuant to applicable securities laws is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Other MD&A Requirements

Summary of outstanding share data as of June 15, 2014:

		Price
Issued shares	13,716,700 (a) (c)	
Options	1,315,000	See (b) below
Warrants (all now expired)	nil	
Fully Diluted	15,031,700	

As of June 15, 2014, the Company had:

- a) 13,716,700 common shares outstanding;
- b) 665,000 stock options outstanding with an exercise price of \$0.15 per share and expiring on September 15, 2016; 100,000 stock options outstanding with an exercise price of \$0.20 per share expiring on November 19, 2017; and 400,000 stock options outstanding with an exercise price of \$0.125 per share expiring on April 11, 2019. The Company also announced that it has granted a total of 150,000 incentive stock options to consultants at a price of \$0.42 up until expiry on June 23, 2017.
- c) As at May 31, 2014, a total of 745,710 shares remain in an escrow pool and are scheduled for release in 6 equal tranches every six months from April 11, 2012.

Additional information on the Company is available on SEDAR at www.sedar.com and on the Company's website at [www:infinitymineralscorp.com](http://www.infinitymineralscorp.com).

Subsequent Events

On June 2, 2014, the Company announced that it had signed a Non-Binding Letter of Intent ("LOI") on May 29, 2014 to acquire 100% of the outstanding shares of a private Medical Marijuana services company based in the Okanagan Valley of British Columbia.

The LOI is subject to the execution of a definitive agreement ("the Transaction") between the two parties by July 1, 2014. The closing of the Transaction will be subject to a number of other conditions including completing due-diligence to the satisfaction of Infinity management, financing, completion of non-compete agreements and receipt of all necessary shareholder, regulatory and stock exchange approvals. It is anticipated that a closing of this transaction will represent a Fundamental Change as defined by the policies of the Canadian Securities Exchange.

The Kelowna, BC, based target company, THC Bank, will provide a full range of services to Licensed Producers (LPs) in the Medical Marijuana sector, with the goal of enhancing profit margins and the LP's bottom line. Specific services provided include propagation, direct cultivation and sale of purebred cultivars; cloning; and marijuana strain storage. A wholly owned subsidiary of THC Bank, Advanced Greenhouse Technologies Ltd. (AGT), has ongoing sales of an exclusive brand of greenhouses particularly designed for the industry.

It is contemplated that upon a successful conclusion of this transaction, the principals of the target company will join the board of Infinity.

THC Bank applied to Health Canada for its Licensed Producer License under the Medical Marijuana Purpose Regulations (MMPR) in November 2013.

On the same date, the Company announced a non-brokered private placement of up to 5.0 million units for gross proceeds of \$1,000,000 at \$0.20 per unit. Each unit will consist of one common share and one half of one, non-transferrable share purchase warrant. Each full warrant entitles the holder to purchase one common share at a price of \$0.30 for a period of one year. Proceeds from the raise will be used for final due-diligence, anticipated transaction costs, filing and professional fees and general working capital.

The proposed transaction has a purchase price of \$4,312,500 and will be facilitated by the issuance of Infinity treasury stock at the fair value of \$4,312,500 as of the agreement date May 29, 2014 (\$0.15 per common share).

On July 14, 2014, an amended LOI was signed which amended the closing date for the transaction to July 31, 2014 or such date as agreed to by the parties. A formal Share Exchange Agreement was signed on August 6, 2014.

On June 12, 2014, the Company announced that its acquisition target THC Bank has reported a sale through its 100% owned subsidiary, AGT, of a complete fully-automated greenhouse system. THC Bank said the sale is valued in excess of \$1.0 million. The 40,000 square foot project will commence by mid-summer of 2014 with completion slated for late summer.

The company also reported that AGT has recently quoted in excess of 1.0 million square feet for its specialized greenhouses. Future sales announcements will be made in a timely fashion. AGT designs, constructs and implements greenhouses for the rapidly growing medicinal marijuana industry.

The Company also announced that it had granted a total of 100,000 incentive stock options to Doug Reimer, a consultant, of Kelowna

Disclosure regarding Additional Recent Pronouncements Affecting Changes in Accounting Policies

IFRIC Interpretation 21 provides guidance on when to recognize a liability for a levy imposed by a government, other than those levies within the scope of other standards eg Income taxes and fines or penalties imposed for

breaches of legislation. A liability to pay levies is recognized when an obligating event takes place, such as the generation of revenue in the current period. There is no obligating event where a levy is triggered in a future period and an entity is economically compelled to continue to operate in the future period or the financial statements are prepared on a going concern basis suggesting that the entity will continue to operate in the future period. If the obligating event occurs over a period of time, the liability is recognized progressively; if the obligating event is reaching a minimum threshold, the liability is recognized when the minimum threshold is met.

IFRIC 21 is effective for annual periods beginning on or after 1 January 2014. Initial application is in accordance with the requirements of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, i.e. the requirements are applied on a retrospective basis. The Company expects that the impact of adoption of IFRIC 21 as of its fiscal year commencing August 1, 2014 will be minimal.

IAS 24 Related Party Disclosure defines a related party to include an entity's subsidiaries, associates, joint venture interests, key management and close family members of key management. The standard requires an entity's transactions with related parties, regardless of whether a price is charged, to be disclosed in that entity's financial statements.

Summary of outstanding share data as of August 11, 2014 2014(post private placement close)

		Price
Issued shares	20,484,200 (a)	See (c) below
Options	1,515,000	See (b) below
Warrants	3,458,950	Exercisable until July 23, 2015 at \$0.30 per share
Fully Diluted	25,458,150	

As of August 11, 2014, the Company had:

- (a) 20,484,200 common shares outstanding;
- (b) 665,000 stock options outstanding with an exercise price of \$0.15 per share and expiring on September 15, 2016; 100,000 stock options outstanding with an exercise price of \$0.20 per share expiring on November 19, 2017; 400,000 stock options outstanding with an exercise price of \$0.125 per share expiring on April 11, 2019; 100,000 stock options outstanding with an option price of \$0.27 up until expiry on June 23, 2017; 150,000 stock options outstanding with an option price of \$0.42 up until expiry on June 23, 2017, and 100,000 stock options outstanding with an option price of \$0.40 up until expiry on July 11, 2017.
- (c) As at May 31, 2014, a total of 745,710 shares remain in an escrow pool and are scheduled for release in 6 equal tranches every six months from April 11, 2012. All 28,750,000 shares issued in consideration of the acquisition of THC and AGT will be subject to a new escrow arrangement which allows for an initial 10% release upon transaction approval and the remaining 90% being release in equal installments every six months thereafter.

Management Discussion and Analysis for The Herbal Clone Bank Inc and Advanced Greenhouse Technologies Ltd. for the Period from incorporation on November 8, 2013 until May 31, 2014 (items 6.1 to 6.14)

1.3 DATE

This management discussion and analysis ("MD&A") prepared as of July 15, 2014, reviews and summarizes the activities of THC Bank from incorporation on November 8, 2013 until May 31, 2014; and also for its wholly owned subsidiary AGT which was acquired by THC Bank on May 1, 2014. The AGT revenue and expense figures are only

reflected in the THC Bank consolidated financial statements for the period from acquisition of May 1 through to May 31, 2014. Since THC Bank was incorporated on November 8, 2013, and AGT active in its business since 2013 and subsequently acquired by THC Bank on May 1, 2014, the financial results only cover the six month and 23 day portion of the period ended May 31, 2014. This information has been prepared in accordance with International Financial Reporting Standards (“IFRS”). All amounts are stated in Canadian dollars unless otherwise indicated.

Forward Looking Statements

This MD&A may contain “forward looking statements” that reflect THC Bank’s current expectations and projections about its future results. When used in this MD&A, words such as “estimate”, “intend”, “expect”, “anticipate” and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of THC Bank’s future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause THC Bank’s actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward- looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties identified elsewhere in this MD&A, actual results may differ materially from current expectations. THC Bank disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

1.4 OVERALL PERFORMANCE

Description of Business

The Herbal Clone Bank Inc. was incorporated on November 8, 2013 in the Province of British Columbia under BC Corporate number – BC0985217. On that date THC Bank commenced its business providing a full range of services to Licensed Producers in the medicinal marihuana sector. On May 1, 2014, THC Bank purchased a related company, Advanced Greenhouse Technologies Ltd. via a share issuance.

THC Bank initially prepared its business plan focusing on supply of vegetative stage cannabis to Health Canada approved Licensed Producers in Canada under the MMPR program. A formal application to Health Canada was submitted on behalf of THC Bank in November 2013.

THC Bank provides a full range of services to Licensed Producers (LPs) in the Medical Marihuana sector, with the goal of enhancing Licensed Producer profit margins and the LP’s bottom line. Specific services provided include propagation, direct cultivation and sale of purebred cultivars; cloning; and marihuana strain storage. THC Bank expects its plant strains to become significant intellectual properties and to become patentable assets.

Under the Marihuana for Medical Purposes Regulations, producers are subject to Health Canada compliance and enforcement measures similar to those that regulate producers of other controlled substances. Licensed medical marihuana growers must meet strict security, control and reporting requirements, and are regularly inspected.

THC Bank is a science-based, production-focused company which plans to establish a state-of-the-art greenhouse operation in the Okanagan Falls area of the British Columbia Okanagan Valley. Its objective is to supply starting plant material to Licensed Producers across Canada. By focusing only on the propagation and initial growth stage for the vegetative state, THC Bank has the potential to become the essential supplier for a significant number of LP’s in Canada. To date, THC Bank has received formal expressions of purchase interest from six Licensed Producers still awaiting receipt of their Health Canada license and also from two fully licensed LPs.

Non-binding Letter of Intent entered into on May 29, 2014

On June 2, 2014, the Company announced that it had signed a Non-Binding Letter of Intent (“LOI”) on May 29, 2014 to acquire 100% of the outstanding shares of a private Medical Marihuana services company based in the Okanagan Valley of British Columbia.

On July 14, 2014 an amended LOI was entered into by the parties and which amended the date by which the parties will conclude a definitive agreement (“the Transaction”) by July 31, 2014. The closing of the Transaction will be subject to a number of other conditions including completing due-diligence to the satisfaction of Infinity management, financing, completion of non-compete agreements and receipt of all necessary shareholder, regulatory and stock exchange approvals. It is anticipated that a closing of this transaction will represent a Fundamental Change as defined by the policies of the Canadian Securities Exchange. A formal Share Exchange Agreement was signed on August 6, 2014, a news release issued and Infinity Minerals Corp.’s shares halted on the CSE.

It is contemplated that upon a successful conclusion of this transaction, the principals of THC Bank will join the board of the Company.

THC Bank applied to Health Canada for its Licensed Producer License under the Medical Marijuana Purpose Regulations (MMPR) in November 2013.

The proposed transaction has a purchase price of \$4,312,500 and will be facilitated by the issuance of 28,750,000 common shares of Infinity treasury stock at the fair value of \$4,312,500 as of the agreement date May 29, 2014 (\$0.15 per common share).

1.3 SELECTED ANNUAL INFORMATION

The following table summarizes financial information of THC Bank and its wholly owned subsidiary, AGT for the period from incorporation on November 8, 2013, through to May 31, 2014. This summary financial information should only be read in conjunction with the THC Bank’s financial statements, including the notes thereto, included in APPENDIX C in this document.

For the period from incorporation on November 8,
2013 to May 31

Total net revenues	3,250
Total G&A expenses	<162,920>
Net loss for the period	<159,670>
Basic and diluted loss per share	.01
Dividends	Nil
Balance Sheet Data:	
Total assets	31,720
Total long-term liabilities	Nil

THC Bank was incorporated on November 8, 2013 and so the period of the consolidated financial statements reflects six months and twenty three days. The wholly owned subsidiary, AGT, was acquired on May 1, 2014 and includes revenues and expenses for the period from May 1 to May 31, 2014.

1.4 DISCUSSION OF OPERATIONS

The following discussion and analysis of the operating results and consolidated financial condition of THC Bank should be read in conjunction with the audited consolidated financial statements and notes for the six month and twenty three day period ended May 31, 2014. This information has been prepared in accordance with International Financial Reporting Standards (“IFRS”). All amounts are stated in Canadian dollars unless otherwise indicated.

Financial Information for the Period Ended May 31, 2014

During the period ended May 31, 2014, THC Bank recognized a total of \$3,250 in net revenues for consulting services.

As THC Bank was incorporated on November 8, 2013, no comparable financial analysis is available for prior periods. The company incurred a number of expenditures during the period ended May 31, 2014, notably \$93,143

for management fees; \$3,195 for legal and audit fees; and \$10,692 in office and general costs. In addition, THC Bank expended \$49,552 on consulting fees and contract labour, and \$5,772 on travel and promotion expenses. An amount of \$566 was allocated towards depreciation.

As a result of these expenditures THC Bank incurred a net loss of \$159,670 for the six month and 23 day period.

1.5 SUMMARY OF QUARTERLY RESULTS

THC Bank and AGT have historically not prepared financial data and statements on a quarterly basis. Therefore this information is not available for the six month and twenty three day period from inception to May 31, 2014.

LIQUIDITY

During the period ended May 31, 2014, THC Bank raised no additional cash and arranged a loan amounts from related parties, see Note 7 in the attached Financial Statements, in the amount of \$203,443 and also a third party loan in the amount of \$70,034. The loans are unsecured, due on demand, are non-interest bearing and have no fixed repayment terms.

As at May 31, 2014, THC Bank had a negative working capital position of \$343,470 and had current assets of \$30,398 and current liabilities of \$373,868; primarily comprised of amounts due to related parties, short term loans payable, and deposit amounts.

1.14 FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

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

THC Bank does not have any derivative financial assets and liabilities.

Financial risk management

THC Bank is exposed in varying degrees to a variety of financial instrument related risks as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The company's primary exposure to credit risk is on its bank accounts. The company's bank accounts are held with a major bank in Canada. As all of the Company's cash and cash equivalents are held by one bank in Canada, there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The company is not exposed to credit risk on recoverable taxes, as these are due from the Government of Canada.

Liquidity risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The company achieves this by maintaining sufficient cash and banking facilities.

The following is an analysis of the contractual maturities of the company's non-derivative financial liabilities as at May 31, 2014:

	Within year	one	Between one and five years	More than five years	
Trade payables and accrued liabilities, loans payable and due to related parties	\$	297,455	\$nil	\$	-
	\$	297,455	\$nil	-	\$ -

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, commodity prices, and interest rates will affect the company's net earnings or the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Foreign currency exchange rate risk and commodity price risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Commodity price risk is the risk that market values and future incomes will fluctuate because of changes in commodity prices. The company does not have any direct exposure to foreign currency exchange rate risk or commodity price risk. The company had no forward exchange rate contracts or commodity price contracts in place as at May 31, 2014.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. As at May 31, 2014, the company did not have any significant interest rate risk.

The company had no interest rate swap or financial contracts in place as at May 31, 2014.

OTHER

Capital Management

The company defines capital that it manages as shareholders' equity that is expected to be realized in cash. The company raises capital through related party loans and advances. Capital is managed in a manner consistent with the risk criteria and policies provided by the board of directors and followed by management. All sources of financing and major expenditures are analyzed by management and approved by the board of directors.

There were no changes in the company's approach to capital management during the period ended May 31, 2014. The company is not subject to any externally imposed capital requirements.

Disclosure Controls and Procedures

Management has assessed the effectiveness of the company's controls and procedures used for the financial statements and MD&A as at May 31, 2014. Although certain weaknesses such as lack of segregation of duties are inherent with small office operations, management has implemented certain controls such as frequent reviews and regular preparations of reconciliations of transactions to ensure absence of material irregularities. Management has concluded that the disclosure controls are effective in ensuring that all material information has been made known to them in a timely manner.

Other MD&A Requirements

Summary of outstanding share data of THC Bank as of August 6, 2014:

Issued shares	28,750,000	
Fully Diluted	28,750,000	

6.17 Additional Disclosure for Issuers without Significant Revenue

Not applicable

6.18 Description of Securities:

Prior to the approval of the THC Bank acquisition transaction, there are 20,484,200 Common Shares issued and outstanding. In addition there are 3,458,950 warrants issued which allow holders an option to acquire an additional common share of the Company for \$0.30 up until June 23, 2015. As of the date hereof, stock options to purchase 1,515,000 Common Shares have been allocated and awarded. See *Section 14.3* below for further detail with respect to the exercise price and expiry date of the outstanding stock options.

The consideration price to be paid by the Company for 100% of the issued and outstanding shares of THC Bank will be \$4,312,500 facilitated by the issuance of 28,750,000 treasury shares to the THC Bank shareholders as follows;

- Kuypers Holdings Ltd. (wholly owned by Barry Kuypers) as to 21,175,000 shares
- David Hutchinson as to 5,050,000 shares
- 0949453 BC Ltd. as to 2,525,000 shares.

After conclusion of the purchase transaction, the Company's securities position will be as follows:

Common shares issued and outstanding	49,234,200
warrants outstanding which allow holders to acquire one common share per warrant at a price of \$0.30 for the period up until June 23, 2014	3,458,950
Stock options awarded and allocated	1,515,000

6.19 Provide Breakdown if the Issuer has not had significant revenue from operations in either of its last two financial years.

This section does not apply as the information required under the subsections has been disclosed in the financial statements.

6.20 Negative cash Flow

Working capital available in the Company at May 31, 2014 was <\$19,865>. The Company closed a private placement on June 24, 2014 for gross proceeds of \$1,353,750. After finder's fees paid of \$28,080 and other closing costs of \$22,000, the net funds available were \$1,303,670 and pro forma working capital of approximately \$1,283,805.

These funds are sufficient to fund all public company activities and THC Bank operations for a minimum of six months.

Once the THC Bank Health Canada MMPR license is received, the Company intends to undertake a second stage financing in fourth quarter of 2014 in an amount of \$3.0 to \$5.0 Million which will be used as follows:

\$800,000	Cost of construction and commissioning of Okanagan Falls greenhouse
\$150,000	Tissue Culture Laboratory
\$30,000	Computers
\$250,000	Research and Development Operations
<u>\$1,770,000</u>	<u>Unallocated working capital</u>

\$3,000,000 Total

6.21 Additional disclosure for Issuers with significant equity investees:

Not applicable.

7. Market for Securities

The Company's securities were listed on the TSX Venture Exchange until May 22, 2014 when the Company's securities were moved to the CSE under the same trading symbol (IFN)

8. Consolidated Capitalization

The Company has never consolidated its capital.

9. Options to Purchase Securities

The following table summarizes the options, granted under the Company's stock option plan, outstanding as of August 11, 2014:

Group	No. of Options	Securities under Option	Grant Date	Expiry Date	Exercise Price per Common Share	Market Value of the Common Shares On the date of Grant	Market Value of the Common Shares as of May 31, 2014
Executive Officers (2 persons)	470,000	470,000	November 15, 2010	April 11, 2017	\$0.15	Nil	\$0.20
Directors & Non-executive Officers (1 person)	195,000	195,000	November 15, 2010	April 11, 2017	\$0.15	Nil	\$0.20
Consultants (2 person)	400,000	400,000	April 11, 2014	April 11, 2019	\$0.125	\$0.125	\$0.20
Consultants (1 person)	100,000	100,000	June 10, 2014	June 10, 2019	\$0.27	\$0.27	\$0.20
Consultant (1 person)	100,000	100,000	November 19, 2012	November 19, 2017	\$0.20	\$0.20	\$0.20
Consultants (2 persons)	150,000	150,000	June 23, 2014	June 23, 2017	\$0.42	\$0.42	\$0.20
Consultant (1 person)	100,000	100,000	July 11, 2014	July 11, 2017	\$0.40	\$0.40	\$0.20

TOTAL	1,515,000	1,515,000					
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See Appendix B of the Infinity Form 2(A) filed on the CSE website on May 22, 2014 which includes a full copy of the Company's stock option plan

10. Description of the Securities

10.1 General

There are no special rights or restrictions attached to the Company's common shares. The holders of the common shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each common share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders of the common shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the board of directors of the Company may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the common shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company. The authorized capital of the Company consists of an unlimited number of common shares without par value of which 20,484,200 are issued and outstanding as at the date of this listing statement.

10.2-10.6 Debt Securities

Not applicable.

10.7 Prior Sales

For the 12-month period prior to the date of this document, a total of 6,767,500 common shares of the Company were sold in the private placement which closed on June 24, 2014.

As a component of the Share Purchase Agreement, the Company will issue a total of 28,750,000 treasury shares to the shareholders of THC Bank in exchange for 100% of the equity of THC Bank and AGT.

Issued common shares on May 31, 2014	13,716,700
Options granted but not exercised	1,515,000
Private Placement Funding \$1,353,500 @ \$.20	6,767,500
Warrants	3,458,950
Acquisition of THC Bank	28,750,000
Total Issued and Outstanding shares	49,234,200
Options	1,515,000
Warrants	3,458,950
Fully Diluted	54,208,150

10.8 Stock Exchange Price

The common shares of the Company are listed and posted for trading under the symbol "IFN" on the CSE (formerly the Canadian National Stock Exchange ("CNSX")).

Prior to the listing on the Canadian Securities Exchange, the Company's shares were listed for trading on the TSX Venture Exchange under the symbol "IFN".

The following table sets out the price ranges and volume traded or quoted on the TSX-V and the CSE for the common shares of the Company for the 12-month period prior to the date of this Listing Statement.

<u>Month Ended</u>	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>Volume</u>
Year 2014				
August 1-8	0.30	0.295	0.30	12,500
July	0.40	0.295	0.295	228,050
June	0.45	0.27	0.40	962,953
May	0.225	0.125	0.20	126,775
April	0.20	0.115	.20	1,530,500
March	0.11	0.08	0.11	35,500
February	0.12	0.085	0.085	22,000
January	0.135	0.135	0.135	7,500
Year 2013				
December	0.12	0.08	0.10	57,500
November	0.15	0.10	0.10	55,000
October	0.215	0.155	0.155	25,000
September	0.27	0.27	0.27	nil
August	0.29	0.2	0.27	139,400
July	0.37	0.29	0.33	52,700
June	0.43	0.32	0.43	309,000
May	0.38	0.26	0.32	130,110
April	0.38	0.20	0.34	589,485
March	0.22	0.20	0.20	5,750

- (1) The common shares of the Company trade on the CSE under symbol “IFN”, and CUSIP/ISIN number 456638105.

11. Escrowed Securities

11.1 Escrowed Securities

Certain of the Company’s original shareholders had their common shares subject to an Escrow Agreement dated September 15, 2011. The balance remaining under this escrow arrangement as at May 31, 2014 was 745,710.

The Company and THC Bank shareholders entered into an additional escrow agreement with Computershare Trust Company dated August 12, 2014, under which the 28,750,000 treasury shares issued in exchange for their THC Bank shares will be held in escrow and released on the following basis:

- On closing of the transaction, 10% released
- At the end of six months after the close of the transaction and after every ongoing six month period 15% released.

12. Principal Shareholders

To the knowledge of the directors and officers of the Company, as of May 31, 2014, no person currently beneficially owns or exercises control or direction over Common Shares carrying more than 10% of the votes attached to common shares.

To the knowledge of the directors and officers of the Company, as of the closing of the acquisition transaction for THC Bank, no person will then beneficially own or exercise control or direction over Common Shares carrying more than 10% of the votes attached to common shares (at which point there will then be 49,234,200 shares issued and outstanding) except for the following:

Barry Kuypers	21,175,000	43.0%
David Hutchinson	5,050,000	10.25%

13. Directors and Officers

13.1-13.2

The Articles of the Company provide that the number of directors shall be determined by ordinary resolution. At the last annual meeting of the Company held February 18, 2014, shareholders approved a resolution fixing the number of directors at five. Each director holds office until the close of the next annual general meeting of the Company, or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated. The Company's Board currently consists of three directors, of whom one can be defined as an "unrelated director" or a director who is independent of management and is free from any interests and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with a view to the best interests of the Company, other than interests and relationships arising from shareholders, and do not have interests in or relationships with the Company. There are currently two vacancies to be filled on the Board of Directors.

The Company's articles also allow for the appointment by the Board of Directors of one additional director and such appointment must be ratified at the Company's next Annual General Meeting.

Assuming that the acquisition transaction is concluded, the following table provides the names of the proposed six directors and officers, municipalities of residence province, and country, respective positions and offices to be held with the Company, their principal occupations for the past five years and the number and percentage of common shares owned, directly or indirectly, or over which control or direction is exercised, of voting securities of the Company, as of the date hereof:

Name, Province and Country of Residence and Position Held	Principal Occupation for the Past Five Years	Director of the Company Since	Common Shares Beneficially Owned or Controlled	Percentage of Issued and Outstanding Common Shares
<p>Barry Kuypers</p> <p>British Columbia, Canada</p> <p>Chairman, CEO, President and Director</p>	<p>Barry Kuypers was born and raised in the greenhouse and nursery industry to Dutch farming immigrants. Knowledge and education in horticulture and crop production was garnered through years of hands-on learning by working in the family nursery business.</p> <p>In 1986, he purchased and operated Mandeville Garden Centre Ltd. in Burnaby, BC. He developed the business as an agricultural based retailer producing over 90% of Mandeville's retail products with sales exceeding \$7M per year. He also established and operated a successful Mandeville wholesale division. From 1990 to 1993 he was President of the BC Nursery</p>	August 2014	21,175,000	43.0%

Name, Province and Country of Residence and Position Held	Principal Occupation for the Past Five Years	Director of the Company Since	Common Shares Beneficially Owned or Controlled	Percentage of Issued and Outstanding Common Shares
	<p>Trades Association.</p> <p>The Mandeville garden centre employed 10 people at the time of his purchase of the business, which grew to 135 employees by the year 2000, when he sold the business. While at Mandeville, Barry was instrumental in the development of many new plant products for the BC market and also for creating new cultivation techniques still utilized today.</p> <p>In 2004 he moved to Kelowna in the British Columbia Okanagan Valley and started The Kelowna Flower Farm where he designed the most efficient greenhouses for a successful garden centre operation focusing on successful cultivation of various vegetative plants including tropical exotics.</p> <p>His knowledge about the technical aspects of greenhouse operations prompted the development of a distribution company across Western Canada, Advanced Greenhouse Technologies Inc , to service the horticultural and agricultural industries with ultra-efficient heating, ventilation and environmental systems and to introduce modernized greenhouses equipped with the best products to help ensure that plants are grown as cost effectively and as healthily as possible.</p> <p>In 2006 he co-founded an online order company OnLineOrderDesk.com, which comprises a software distribution system with over 20,000 clients in North America.</p> <p>In 2013 he started The Herbal Clone Bank Inc to apply for a Health Canada medical marihuana producers license. All of these business operations continue in operation to this date.</p>			
<p>David Hutchinson(1) British Columbia, Canada</p>	<p>Originally from the United Kingdom, David grew up as an active participant in his family nursery business working beside both his grandfather and father. He then served in the Royal Air Force for over 20 years, leaving</p>	<p>August 2014</p>	<p>5,050,000</p>	<p>10.25%</p>

Name, Province and Country of Residence and Position Held	Principal Occupation for the Past Five Years	Director of the Company Since	Common Shares Beneficially Owned or Controlled	Percentage of Issued and Outstanding Common Shares
<p>Director of Communications, Director</p>	<p>with the rank of Squadron Leader and in 2002 immigrated with his family to Canada. He has worked as site manager for CFB Suffield and with Macdonald, Dettwiler and Associates as a project manager supporting the Canadian Department of National Defense operations in Afghanistan.</p> <p>As a result of illness in his family, David has become an unlikely spokesperson for patients in need of the medical benefits of medical marihuana. As a patient advocate, he is frequently invited to attend and present speeches for various organisations including the Society for Integrative Oncology, the Vancouver Health Expo and the BC Cancer Agency ‘Cannabis Priority Setting Workshop’. He has also presented to numerous municipal authorities in British Columbia and has been asked by the Division of Continuing Professional Development at the University of British Columbia Faculty of Medicine, to submit an article for publication distributed to over 10,000 family physicians and specialists.</p>			
<p>Ron Shenton(2) British Columbia, Canada Director</p>	<p>Age 56, Mr. Shenton brings 25 years of experience in the investment community. He began in 1985 working as an investment advisor for a national brokerage firm, before moving to a local brokerage firm working to fund start- up companies. Since then Mr. Shenton has been involved in several companies, performing various tasks including fund raising, investor relations, consulting on acquisitions and restructuring. He is CEO, Chairman and Director of Infinity Minerals Corp (2010–present); President (2009–present) and Director (2009–present) of Tosca Mining Corp.; Director (1997 to 2011) and CEO (2003-2008) of Yale Resources Inc.</p>	Nov 11, 2010	1,413,200	2.87%
<p>Brian Roberts(2)(1) British Columbia, Canada CFO and Director</p>	<p>Brian Roberts, B.Comm. age 69, is Chief Financial Officer, Secretary and a director of the Company. He was previously President and a co-founder of Gilmour McKay Roberts Consulting Ltd., established in 1984. During his 14-year career with GMR, he carried out a broad range of business consulting</p>	Nov 11, 2010	190,000	0.004%

Name, Province and Country of Residence and Position Held	Principal Occupation for the Past Five Years	Director of the Company Since	Common Shares Beneficially Owned or Controlled	Percentage of Issued and Outstanding Common Shares
	<p>assignments involving acquisitions and corporate finance and was principal author or reviewer on over 600 separate assignments. In addition, he is CFO (September 2009–present) and Director (December 2009–present) of Tosca Mining Corp.; CFO (May 2006 to June 2010) and Director (May 2006–September 2010) of Ruby Creek Resources Inc.</p>			
<p>Luca Riccio British Columbia, Canada Director</p>	<p>Dr. Luca Riccio, Ph.D, P.Geo., age 70, is president of Riccio Geoconsulting Ltd. and former V.P. Exploration of Crystallex International. Dr. Riccio has been involved in the evaluation and/or supervision of gold, base metal, chromite, nickel-copper and PGMs projects in the Americas, Europe and Asia. He was responsible for the underground exploration and development at the New Britannia Mine in 1987-88 and the initial evaluation of the Andacollo gold project in Chile in 1989. In the early 1990's Dr. Riccio pioneered a regional exploration program in southeastern Venezuela, which led to the discovery of several gold deposits and one producing mine. Under his supervision, the reserves at the Las Cristinas gold deposit in Venezuela increased from 10.0 to 12.6 million ounces. Dr. Riccio is fluent in English, Italian, Spanish and Portuguese. He has been a Director of Glen Hawk Minerals (1997-2009); Director (2003-2011) of Yale Resources Ltd; Director (2009 to present) of Tosca Mining Corp and Director (2010-2008) of Infinity Minerals Corp.</p>	Nov.15,2010	300,000	0.006%
<p>Mark Geen(1) British Columbia, Canada Director</p>	<p>Marc Geen, 42, is a 1993 graduate from Okanagan University College, Kelowna, BC. In 1993, Marc Geen assumed the position of operations manager at Kettle Mountain Ginseng for the period through 2003. Thereafter he became operations manager at M&J Orchards in Kelowna, assuming full control of all aspects of this agricultural business. Mr Geen declared personal bankruptcy in 2006 and was fully discharged in 2007. In 2010 he launched Myers Creek Orchards in Rock Creek BC, and also Greenworks Rx, a start-up Medical</p>	August 2014	nil	NA

Name, Province and Country of Residence and Position Held	Principal Occupation for the Past Five Years	Director of the Company Since	Common Shares Beneficially Owned or Controlled	Percentage of Issued and Outstanding Common Shares
	Marihuana business which is currently awaiting receipt of its Health Canada final license.			

- (1) Member of the Audit Committee. Mr. Riccio is the Chairman of the Audit Committee.
- (2) Mr. Shenton, Mr Riccio and Mr. Roberts are common directors of Tosca Mining Corp., a TSX-V listed public company.

13.3 As of August 11 2014, the directors and executive officers of the Company beneficially owned, directly or indirectly, as a group, 28,128,200 common shares of the Company representing approximately 57.13% of all outstanding voting securities of the Company.

13.4 Board Committees

The Company has one committee, the Audit Committee, whose members will be:

Luca Riccio	Chairman and Independent Member of the Audit Committee
Brian Roberts	Member
Marc Geen	Member

13.5 See table above.

13.6 Cease Trade Orders or Bankruptcies

To the knowledge of the Company, no director, officer or promoter of the Company, or a security holder anticipated to hold sufficient securities of the Company to affect materially the control of the Company is, or within 10 years before the date of this document, has been, a director or officer of any other Issuer that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (c) 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
- (d) 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.

13.7 Penalties or Sanctions

To the knowledge of the Company, no director, officer or promoter of the Company, or a security holder anticipated to hold sufficient securities of the Company to affect materially the control of the Company is, or within 10 years before the date of this document, has been, a director or officer of any other Issuer that, while that person was acting in that capacity, has:

- (a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

13.8 Personal Bankruptcies

No director or officer of the Company is, or has, within the 10 years prior to the date of this document, been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual, other than Marc Geen who declared personal bankruptcy in 2006 and was fully discharged in 2007.

13.9 Conflicts of Interest

Certain of the directors and officers of the Company are also directors and officers of other natural resource companies. The directors of the Company are bound by the provisions of the *Business Corporations Act* (British Columbia) to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests, which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the best of the Company's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among the Company, its promoters, directors and officers or other members of management of the Company or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.

13.10 Management

Barry Kuypers, President, CEO and Director

Barry Kuypers was born and raised in the greenhouse and nursery industry to Dutch farming immigrants. Knowledge and education in horticulture and crop production was garnered through years of hands-on learning by working in the family nursery business.

In 1986, he purchased and operated Mandeville Garden Centre Ltd. in Burnaby, BC. He developed the business as an agricultural based retailer producing over 90% of Mandeville's retail products with sales exceeding \$7M per year. He also established and operated a successful Mandeville wholesale division. From 1990 to 1993 he was President of the BC Nursery Trades Association.

The Mandeville Garden Centre employed 10 people at the time of his purchase of the business, which grew to 135 employees by the year 2000, when he sold the business. While at Mandeville, Barry was instrumental in the development of many new plant products for the BC market and also for creating new cultivation techniques still utilized today.

In 2004 he moved to Kelowna in the British Columbia Okanagan Valley and started The Kelowna Flower Farm where he designed the most efficient greenhouses for a successful garden centre operation focusing on successful cultivation of various vegetative plants including tropical exotics.

His knowledge about the technical aspects of greenhouse operations prompted the development of a distribution company across Western Canada, Advanced Greenhouse Technologies Ltd., to service the horticultural and agricultural industries with ultra-efficient heating, ventilation and environmental systems and to introduce modernized greenhouses equipped with the best products to help ensure that plants are grown as cost effectively and as healthily as possible.

In 2006 he co-founded an online order company Onlineorderdesk.com Inc., which comprises a software distribution system for with over 20,000 clients in North America.

In 2012 he started the Herbal Clone Bank Inc to apply for a Health Canada medical marihuana producer's license. All of these business operations continue in operation to this date.

David Hutchinson, Vice President Communications and Director

Originally from the United Kingdom, David grew up as an active participant in his family nursery business working beside both his grandfather and father. He then served in the Royal Air Force for over 20 years, leaving with the rank of Squadron Leader and in 2002 immigrated with his family to Canada. He has worked as site manager for CFB Suffield and with Macdonald, Dettwiler and Associates as a project manager supporting the Canadian Department of National Defense operations in Afghanistan.

As a result of illness in his family, David has become an unlikely spokesperson for patients in need of the medical benefits of medical marihuana. As a patient advocate, he is frequently invited to attend and present speeches for various organizations including the Society for Integrative Oncology, the Vancouver Health Expo and the BC Cancer Agency 'Cannabis Priority Setting Workshop'. He has also presented to numerous municipal authorities in British Columbia and has been asked by the Division of Continuing Professional Development at the University of British Columbia Faculty of Medicine, to submit an article for publication distributed to over 10,000 family physicians and specialists.

Ron Shenton, Vice President, Corporate Development and Director

Ron Shenton, age 56, is formerly Chief Executive Officer, President and a director of the Company. Mr. Shenton brings 25 years of experience in the investment community. He began in 1985 working as an investment advisor for a national brokerage firm, before moving to a local brokerage firm working to fund start-up companies. Since then Mr. Shenton has been involved in several companies, performing various tasks including fund raising, investor relations, consulting on acquisitions and restructuring. He is responsible for the overall direction and business development of the Company. He will also lead in the negotiation and acquisition of future projects. Mr. Shenton anticipates devoting 100% of his time to the affairs of the Company during the next year. He is currently or has been CEO, Chairman and Director of Infinity Minerals Corp. (2010–present); President (2009–present) and Director (2009–present) of Tosca Mining Corp.; Director (1997 to 2011) and CEO (2003-2008) of Yale Resources Inc.

Brian Roberts, CFO, Secretary and Director

Brian Roberts, B.Comm. age 69, is Chief Financial Officer, Secretary and a director of the Company. He was previously President and a co-founder of Gilmour McKay Roberts Consulting Ltd., established in 1984. During his 14-year career with GMR, he carried out a broad range of business consulting assignments involving acquisitions and corporate finance and was principal author or reviewer on over 600 separate assignments. He is CFO and Director of Infinity Minerals Corp. (2010–present); CFO (September 2009–present) and Director (December 2009–present) of Tosca Mining Corp.; CFO (May 2006 to June 2010) and Director (May 2006-September 2010) of Ruby Creek Resources Inc.

14. Capitalization

14.1 Issued Capital

As at August 11,2014	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
<u>Public Float</u>				
Total outstanding (A)	49,234,200	54,208,150	100.00%	100.00%

Held by Related Persons or employees of the Company or Related Person of the Company, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Company (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Company upon exercise or conversion of other securities held) (B) (1)

	28,128,200	28,788,200	57.13%	53.10%
Total Public Float (A-B)	21,106,000	25,429,950	42.86%	46.89%

Freely-Tradable 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)	29,495,710(1)	0	0	0
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Total Tradable Float (A-C)	19,738,290(2)	24,612,440	40.09%%	45.48%
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Non-Public Security holders (Registered)

For the purposes of this report, “non-public security holders” are persons enumerated in under (B) in the

Issued Capital table above.

- (1) This includes original escrow shareholders with balances remaining plus the THC shareholders.
- (2) From the shares issued to the THC Bank shareholders, 2,875,000 shares are released from escrow upon approval of the transaction by the CSE.

Class of Security - Options

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

Size of Holding	Number of holders	Total number of securities
4,000 – 4,999 securities	0	0
5,000 or more securities	10	1,515,000
Total	10	1,515,000

Public Security holders (Registered)

The persons enumerated in (B) of the *Issued Capital* table above are not included in the following table.

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	42	9,611,877
Total	42	9,611,877

Public Security holders (Beneficial) – includes registered and non-registered

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	3	4500
2,000 – 2,999 securities	9	22400
3,000 – 3,999 securities	2	6000
4,000 – 4,999 securities	6	24500
5,000 or more securities	379	10787426
Total	399	10,844,826

**Numbers are approximate

14.2 Convertible/Exchangeable Securities

Description of Security	Date of Expiry	Exercise Price	Number of convertible exchangeable securities outstanding
Options	April 11, 2017	\$0.15	665,000
	November 19, 2017	\$0.20	100,000
	April 11, 2019	\$0.125	400,000
	June 10, 2019	\$0.27	100,000
	June 23, 2017	\$0.42	150,000
	July 11, 2017	\$0.40	100,000

Description of Security	Date of Expiry	Exercise Price	Number of convertible exchangeable securities outstanding
Warrants	June 23, 2015	\$0.30	3,458,950
Totals			4,973,950

4.3 Other Listed Securities

There are no other listed securities reserved for issuance that are not included in section 14.2.

15. Executive Compensation

15.1 *The Herbal Clone Bank Inc. and Advanced Greenhouse Technologies Ltd.*

DESCRIBE PRIOR PERIOD EXECUTIVE COMPENSATION

During the period from November 8, 2013 to May 31, 2014, the following management and consulting fees were either paid or accrued on behalf of Barry Kuypers and David Hutchinson:

Barry Kuypers as CEO, 5 months at \$12,000 per month on an invoiced monthly fee basis for a total of \$60,000.
David Hutchinson as Director of Communications, 5 months at \$5,000 per month on an invoiced monthly fee basis for a total of \$25,000

Both management personnel had entered into management services agreements with THC Bank on January 1, 2014 that covered the period to May 31, 2014. The agreements also called for ongoing services thereafter at a rate of \$8,000 per month for each.

Subsequent to May 31, 2014, on June 1, 2014, THC Bank entered into a management services agreement with 0949453 BC Ltd, for employment of Kevin Blucke as Chief Financial Officer of THC Bank.

All three of the agreements call for annual review by the Board of Directors and adjustment if deemed necessary.

Infinity Minerals Corp

A detailed analysis of the executive compensation for Infinity Minerals as at the end of the last financial year (August 31, 2013) and also amended where necessary to include financial details for the nine month period ended May 31, 2014, is included as APPENDIX E.

16. Indebtedness of Directors and Executive Officers

16.1 Aggregate Indebtedness

As at May 31, 2014, Barry Kuypers was owed a total of \$179,814 in funds advanced to THC and AGT. In addition, David Hutchinson, as at May 31, 2014, was owed a total of \$22,330 as management fees unpaid.

16.2 Indebtedness under Securities Purchase and Other Programs

Not applicable.

17. Risk Factors

17.1 Risk Factors

The following risk factors should be carefully considered in evaluating the Company, or THC Bank. The risks presented below may not be all of the risks that the Company and THC Bank may face. It is believed that these are the factors that could cause actual results to be different from expected and historical results.

Reliance on License and License Requirements

THC Bank's ability to grow, store and sell medical marijuana plants in Canada is dependent on the issuance of a License from Health Canada. Failure to comply with the requirements of the resultant issued license or any failure to maintain the license would have a material adverse impact on the business, financial condition and operating results of THC Bank and the Company. The Office of Controlled Substances of Health Canada ("OCS Health Canada") issued a guidance document on June 19, 2013 regarding the completion of an application to become a Licensed Producer under MMPR ("Producer").

A Producer must:

1. submit an application in the required form with all sections completed.
2. obtain Security Clearance for all senior and responsible individuals involved with the Company and who will work at the proposed site.
3. the proposed site for operations must be located indoors, be used exclusively by the Producer and comply with all the technical details of the Production Security and the Physical Security directives stipulated under the requirements of MMPR. This includes requirements such as constant visual monitoring and recording, perimeter security and access control, and intrusion detection, monitoring and reporting.
4. contact and notify the local police force, fire authority and government of the Producer's intention to submit an application.
5. identify and submit documentation attesting to the training, experience and technical knowledge of the person designated to assure the quality of the dried marijuana before it is made available for sale.
6. provide a report establishing that the buildings, equipment and sanitation program comply with the regulatory requirements.
7. describe, in detail, the reporting system to be used to meet the reporting requirements of Health Canada.
8. Prior to the grant of the License the Producer must obtain the approval of Health Canada to a pre-license compliance inspection.

Competition

Because of the early stage of the industry in which THC Bank operates, THC Bank expects to face additional competition from new entrants. If the number of users of medical marijuana in Canada increases as forecast, the demand for products will increase and THC Bank expects that competition will become more intense, as current and future competitors begin to offer an increasing number of similar and diversified products.

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

Risks Inherent in an Agricultural Business

THC Bank's business involves the growing of medical marihuana, an agricultural product. As such, the business is subject to the risks inherent in the agricultural business, such as insect, plant diseases and similar agricultural risks. Although THC Bank will grow its products outdoors in greenhouses, there can be no assurance that natural elements will not have a material adverse effect on the production of its products.

Regulatory Risks

The activities of THC Bank are subject to regulation by governmental authorities, particularly Health Canada. Achievement of THC Bank's business objectives are contingent, in part, upon compliance with regulatory requirements enacted by these governmental authorities and of THC Bank obtaining all required regulatory approvals, where necessary, for the sale of its products. THC Bank cannot predict the time required to secure all appropriate regulatory licenses from governmental 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 business, results of operations and financial condition of the Company.

Change in Laws, Regulations and Guidelines

THC Bank's operations are subject to a variety of laws, regulations and guidelines relating to the manufacture, management, transportation, storage and disposal of medical marihuana but also including laws and regulations relating to health and safety, the conduct of operations and protection of the environment. While to the knowledge of THC Bank's management, THC Bank is currently in compliance with all such laws, changes to such laws, regulations and guidelines due to matters beyond the control of THC Bank may cause adverse effects to THC Bank's operations.

Limited Operating History

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

Reliance on Management

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

Factors which may Prevent Realization of Growth Targets

THC Bank is currently in the early development stage. THC Bank's growth strategy contemplates outfitting the planned Okanagan Falls greenhouse facility with production resources. There is a risk that these resources will not be achieved on time, on budget, or at all, as they can be adversely affected by a variety of factors, including some that are discussed elsewhere in these risk factors.

Additional Financing

The building and operation of THC Bank's facilities and business are both capital intensive. In order to execute the anticipated growth strategy, THC Bank will require some additional equity and/or debt financing to support ongoing operations, to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to THC Bank when needed or on

terms which are acceptable. THC Bank's inability to raise financing to support on-going operations or to fund capital expenditures or acquisitions could limit THC Bank's growth and may have a material adverse effect upon future profitability.

If additional funds are raised through further issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of current holders of Common Shares. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions.

The market price of the Company's Common Shares may be subject to wide price fluctuations

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

Management of Growth

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

Difficulty to Forecast

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

18. Promoters

18.1 Promoters

During the two years immediately preceding the date of this document, the promoters of the Company have been and are Ron Shenton and Brian Roberts. Subsequent to the closing of the acquisition transaction, Barry Kuypers and David Hutchinson will also be deemed promoters:

Name of Promoter	Number of shares	Percentage
Ron Shenton(1)	1,413,200 common shares	2.87%
Brian Roberts (2)	190,000 common shares	0.38%
Barry Kuypers	21,175,000 common shares	43.00%
David Hutchinson	5,050,000 common shares	10.25%

- (1) Mr. Shenton may be considered a promoter of the Company in that he took the initiative to obtain financing for the Company subsequent to his election as a director and appointment as President, Chief Executive Officer and Chairman of the Company on November 15, 2010.
- (2) Mr. Roberts may be considered a promoter of the Company in that he took the initiative to assist in obtaining financing for the Company subsequent to his election as a director and appointment as Chief Financial Officer of the Company on November 15, 2010.

Other than disclosed herein, there is nothing of value, including money, property, contracts, options or rights of any kind received or to be received by the promoter(s) directly or indirectly from the Company or from a subsidiary of the Company, nor any assets, services or other consideration received or to be received by the Company or a subsidiary of the Company in return.

Other than as disclosed herein, no asset has been acquired, within the two years before the date of this document, or is to be acquired by the Company or by a subsidiary of the Company, from a promoter.

18.2 Corporate Cease Trade Orders or Bankruptcies

- (1) Except as set forth below in 18.2(3) below, no promoter, while acting in the capacity as director, chief executive officer or chief financial officer of any person or company, within 10 years before the date of this document, was:
 - (a) subject to an order that was issued while the promoter was acting in the capacity as director, chief executive officer or chief financial officer, or
 - (b) subject to an order that was issued after the promoter ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the promoter was acting in the capacity as director, chief executive officer or chief financial officer.
- (2) For the purposes of 18.2(1) above, “order” means:
 - (a) a cease trade order,
 - (b) an order similar to a cease trade order, or
 - (c) an order that denied the relevant person or company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days;
- (3) (a)&(b) No promoter referred to in 18.1(1) above, within 10 years before the date of this document, 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 the assets of the promoter.
- (4) Not applicable

19. Legal Proceedings

19.1 Legal Proceedings

The Company is not a party to any legal proceedings and is not aware of any such proceedings known to be contemplated.

19.2 Regulatory Actions

Not applicable.

20. Interest of Management and Others in Material Transactions

20.1 Interest of Management and Others in Material Transactions

No director or executive officer of the Company or any person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10 percent of any class of the Company's outstanding voting securities, or an associate or affiliate of any persons or companies referred to in this paragraph, has any material interest, direct or indirect, in any proposed transaction, that has materially affected or will materially affect the Company or a subsidiary of the Company within the three years preceding the date of this document other than the acquisition of the Rainbow Mineral Property described elsewhere herein and the development of The Herbal Clone Bank Inc. business and also the Advanced Greenhouse Technologies Ltd. business, both described herein.

21. Auditors, Transfer Agents and Registrars

21.1 Auditor of Infinity Minerals Corp

Morgan and Company LLP
Suite 1400, 701 Granville Street,
Vancouver, British Columbia Canada V6E 3V6

Auditor of The Herbal Clone Bank Inc and Advanced Greenhouse Technologies Ltd.

BDO Canada LLP
600 Cathedral Place
925 W Georgia Street,
Vancouver, BC V6C 3L2

21.2 Transfer Agent and Registrar

Computershare Trust Company of Canada
510 Burrard Street, 3rd Floor
Vancouver, British Columbia, Canada , V6C 3B9

22. Material Contracts

Except for contracts made in the ordinary course of business, the following are the material contracts entered into by the Company within two years prior to the date hereof and which are currently in effect:

Contract	Details	Date
Escrow Agreement	THC Bank Shareholders	August __, 2014
Escrow Agreement	Original Infinity founders	September 15, 2011
Professional Services Contract	Ron Shenton	December 12, 2012
Professional Services Contract	Brian Roberts	December 1, 2012
Executive Consulting Services Agreement	Barry Kuypers	January 1, 2014
Executive Consulting Services Agreement	David Hutchinson	January 1, 2014
Executive Consulting Services Agreement	0949453 BC Ltd.	June 1, 2014

- Executive Services Agreements--On December 1, 2012, the Company entered into two executive consulting services agreements with Ron Shenton, President and CEO, and Brian Roberts, Chief Financial

Officer. Board of Directors approval was obtained on December 1, 2012. The details of the agreements are as follows:

Barry Kuypers, as Chief Executive Officer (through his consulting firm, Kuypers Holdings Ltd.

- Monthly compensation of \$12,000 will be paid for the period January 1, 2014 through May 31, 2014 and \$8,000 from that date on, for the remainder of 2014. For subsequent years as determined by the Board of Directors, but in any event not less than \$8,000 per month.
- In the event that the Company is not in a position to pay such compensation, then any unpaid portion will be accrued by the Company and paid to the executive when decided by the Board of Directors.
- The executive will be reimbursed for all reasonable expenses.
- The executive may be paid additional bonuses to be negotiated between the executive and the Company during 2014.
- The agreement includes a non-compete clause for a period of three months from the date of termination for whatever cause. The agreement also includes a confidentiality clause for up to six months after the termination date for whatever cause.
- Termination of the executive by the Company may be given for any reason upon giving the executive twenty four months notice in writing, and termination pay equivalent to the executive's total annual remuneration times two.
- The executive may give thirty days notice of termination to the Company at any time within the six month period after a change of control. The executive will receive a lump sum termination amount equivalent to twenty four months compensation.
- The Company has the right to pay any of the monthly compensation payments, or termination payments in the form of common shares.

David Hutchinson, as Vice President Communications

- Monthly compensation of \$5,000 will be paid for the period January 1, 2014 through May 31, 2014 and \$8,000 from that date on, for the remainder of 2014. For subsequent years as determined by the Board of Directors, but in any event not less than \$8,000 per month.
- In the event that the Company is not in a position to pay such compensation, then any unpaid portion will be accrued by the Company and paid to the executive when decided by the Board of Directors.
- The executive will be reimbursed for all reasonable expenses.
- The executive may be paid additional bonuses to be negotiated between the executive and the Company during 2014.
- The agreement includes a non-compete clause for a period of three months from the date of termination for whatever cause. The agreement also includes a confidentiality clause for up to six months after the termination date for whatever cause.
- Termination of the executive by the Company may be given for any reason upon giving the executive twenty four months notice in writing, and termination pay equivalent to the executive's total annual remuneration times two.
- The executive may give thirty days notice of termination to the Company at any time within the six month period after a change of control. The executive will receive a lump sum termination amount equivalent to twenty four months compensation.
- The Company has the right to pay any of the monthly compensation payments, or termination payments in the form of common shares.

Kevin Blucke, as THC Bank Chief Financial Officer(through a holding company, 0949453 BC Ltd)

- Monthly compensation of \$8,000 will be paid for the period June 1, 2014 through May 31, 2015. For subsequent years as determined by the Board of Directors, but in any event not less than \$8,000 per month.
- In the event that the Company is not in a position to pay such compensation, then any unpaid portion will be accrued by the Company and paid to the executive when decided by the Board of Directors.
- The executive will be reimbursed for all reasonable expenses.
- The executive may be paid additional bonuses to be negotiated between the executive and the Company during 2014.

-The agreement includes a non-compete clause for a period of three months from the date of termination for whatever cause. The agreement also includes a confidentiality clause for up to six months after the termination date for whatever cause.

-Termination of the executive by the Company may be given for any reason upon giving the executive twenty four months notice in writing, and termination pay equivalent to the executive's total annual remuneration times two.

-The executive may give thirty days notice of termination to the Company at any time within the six month period after a change of control. The executive will receive a lump sum termination amount equivalent to twenty four months compensation.

-The Company has the right to pay any of the monthly compensation payments, or termination payments in the form of common shares.

Ron Shenton (through his consulting firm, 475175 BC Ltd.)

-Monthly compensation of \$10,000 will be paid for the period December 1, 2012 through November 30, 2013 and for subsequent years as determined by the Board of Directors, but in any event not less than \$10,000 per month. This amount has been amended to \$8,000 per month as at June 1, 2014.

-In the event that the Company is not in a position to pay such compensation, then any unpaid portion will be accrued by the Company and paid to the executive when decided by the Board of Directors.

-The executive will be reimbursed for all reasonable expenses.

-The executive may be paid additional bonuses to be negotiated between the executive and the Company during 2013.

-The agreement includes a non-compete clause for a period of three months from the date of termination for whatever cause. The agreement also includes a confidentiality clause for up to six months after the termination date for whatever cause.

-Termination of the executive by the Company may be given for any reason upon giving the executive twenty four months notice in writing, and termination pay equivalent to the executive's total annual remuneration times two.

-The executive may give thirty days notice of termination to the Company at any time within the six month period after a change of control. The executive will receive a lump sum termination amount equivalent to twenty four months compensation.

-The Company has the right to pay any of the monthly compensation payments, or termination payments in the form of common shares.

Brian Roberts (through his consulting firm, 343984 BC Ltd.)

-Monthly compensation of \$8,000 will be paid for the period December 1, 2012 through November 30, 2013 and for subsequent years as determined by the Board of Directors, but in any event not less than \$8,000 per month.

-In the event that the Company is not in a position to pay such compensation, then any unpaid portion will be accrued

by the Company and paid to the executive when decided by the Board of Directors.

-The executive will be reimbursed for all reasonable expenses.

-The executive may be paid additional bonuses to be negotiated between the executive and the Company during 2013.

-The agreement includes a non-compete clause for a period of three months from the date of termination for whatever cause. The agreement also includes a confidentiality clause for up to six months after the termination date for whatever cause.

-Termination of the executive by the Company may be given for any reason upon giving the executive twenty four months notice in writing, and termination pay equivalent to the executive's total annual remuneration times two.

-The executive may give thirty days notice of termination to the Company at any time within the six month period after a change of control. The executive will receive a lump sum termination amount equivalent to twenty four months compensation.

-The Company has the right to pay any of the monthly compensation payments, or termination payments in the form of common shares.

At year end August 31, 2013, the two executives agreed to cancel all accrued amounts up to that date and re-commence the accruals beginning on September 1, 2013.

23. Interest of Experts

No person or company named in this document as having prepared or certified a part of the document or a report described in this document and no responsible solicitor or any partner of a responsible solicitor's firm, holds any material beneficial interest, direct or indirect, in any securities or property of the Company or of an associate or affiliate of the Company.

24. Other Material Facts

There are no other material facts that are not elsewhere disclosed herein and which are necessary in order for this document to contain full, true and plain disclosure of all material facts relating to the Company.

25. Financial Statements

The following financial statements have been posted on the Company's disclosure page on the CSE website and are available on SEDAR at www.sedar.com and on the Company's website at www.infinitymineralscorp.com, and are incorporated herein by reference:

- (i) Annual audited consolidated financial statements of the Company including the auditor's report from Morgan and Company LLP, Chartered Accountants, for the financial year ended August 31, 2013, for the financial year ended August 31, 2012 and for the financial year ended August 31, 2011;
- (ii) Interim unaudited financial statements of the Company for the first1st quarter ended November 30, 2013; for the second quarter ended February 28, 2014; and for the third quarter ended May 31, 2014.

The following financial documents are disclosed in Appendices to this document.

- (iii) Unaudited financial statements for Infinity Minerals Corp for the three and nine month periods ended May 31, 2014(APPENDIX A)
- (iv) Audited consolidated financial statements of The Herbal Clone Bank Inc. which are consolidated with those of its wholly owned subsidiary Advanced Greenhouse Technologies Ltd. for the period November 8, 2013 to May 31, 2014 as prepared by BDO Canada LLP of Vancouver, BC (APPENDIX C)
- (v) Unaudited Proforma condensed interim financial statements of Infinity Minerals Corp. and THC Bank for the nine month period ended May 31, 2014(Appendix D)

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, **INFINITY MINERALS CORP.** hereby applies for the listing of the above mentioned securities on the CSE. The foregoing contains full, true and plain disclosure of all material information relating to **INFINITY MINERALS CORP.** 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 Vancouver, British Columbia this 29th day of August, 2014.

“Ron Shenton”

Ron Shenton

“Brian Roberts”

Brian Roberts

“Luca Riccio”

Luca Riccio

APPENDIX A: Financial Statements for Infinity Minerals Corp for the three and nine month periods ended May 31, 2014

**Infinity Minerals Corp.
Condensed Interim Financial Report
For the nine month period ended May 31, 2014**

Expressed in Canadian Dollars - Unaudited

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed interim financial statements of Infinity Minerals Corp. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the balance sheets date. In the opinion of management, the unaudited condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34, Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibilities for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(signed) "Ron Shenton"

Ron Shenton

Chief Executive Officer

(signed) "Brian Roberts"

Brian Roberts

Chief Financial Officer

NOTICE TO READER

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements as at and for the nine months ended May 31, 2014 and May 31, 2013 have not been reviewed by the Company's auditors.

Infinity Minerals Corp.
Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars - Unaudited)

	May 31, 2014	August 31, 2013
ASSETS		
Current assets		
Cash	\$ 29,645	\$ 10,616
Term deposit	41,550	207,019
GST recoverable	8,921	9,931
Prepaid expenses and deposits	13,516	4,223
Total current assets	93,632	231,789
Non-current assets		
Equipment (Note 3)	1,504	1,212
Exploration and evaluation assets (Note 4)	209,979	209,979
Total non-current assets	211,483	211,191
TOTAL ASSETS	\$ 305,115	\$ 442,980
LIABILITIES		
Current liabilities		
Trade payables and other accrued liabilities	\$ 113,497	\$ 113,548
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	1,050,324	1,050,324
Share-based payment reserve (Note 5)	253,248	220,282
Deficit	(1,111,954)	(941,174)
TOTAL SHAREHOLDERS' EQUITY	191,618	329,432
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 305,115	\$ 442,980

These financial statements were approved and authorized for issue by the Board of Directors on June 27, 2014.

On behalf of the Board of Directors:

<u>"Ron Shenton"</u>	Director	<u>"Brian Roberts"</u>	Director
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Infinity Minerals Corp.
Condensed Interim Statements of Operations and Comprehensive Loss
(Expressed in Canadian dollars - Unaudited)

	Three Months Ended May 31, 2014	Three Months Ended May 31, 2013	Nine Months Ended May 31, 2014	Nine Months Ended May 31, 2013
Expenses				
Amortization	\$ 209	\$ 149	\$ 508	\$ 447
Consulting (Note 6)	6,600	1,759	14,100	12,259
Legal and audit	3,450	3,400	20,922	31,352
Listing and filing fees	18,821	6,567	23,164	14,466
Management fees (Note 6)	24,000	15,000	132,000	89,000
Office and general	6,486	6,478	26,839	18,940
Project evaluation	53,498	86,362	53,498	86,362
Stock based compensation	32,966	51,202	32,966	94,339
Transfer agent	4,465	1,320	7,726	10,384
Travel and entertainment	11,098	115	13,266	10,675
Loss before other items	161,593	172,352	324,989	368,224
Other items				
Interest expense	-	1,139	279	3,338
Recovery of costs	-	-	(153,888)	-
Interest income	(57)	(1,183)	(600)	(4,377)
Net loss and comprehensive loss for the period	\$ 161,536	\$ 172,308	\$ 170,780	\$ 367,185
Loss per share - basic and diluted	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.03)
Weighted average number of shares outstanding	13,716,700	13,600,483	13,716,700	13,544,271

See accompanying notes to the financial statements

Infinity Minerals Corp.
Condensed Interim Statement of Changes in Shareholders' Equity
(Expressed in Canadian dollars - Unaudited)

	Share capital		Share- based payment reserve	Deficit	Total
	Number of shares	Amount			
Balance at August 31, 2012	13,515,700	\$ 1,005,704	\$ 140,263	\$ (414,706)	\$ 731,261
Shares issued for cash - exercise of warrants	200,000	30,000	-	-	30,000
Stock based compensation	-	-	94,339	-	94,339
Net loss for the period	-	-	-	(367,185)	(367,185)
Balance at May 31, 2013	13,715,700	\$ 1,035,704	\$ 234,602	\$ (781,891)	\$ 488,415
Balance at August 31, 2013	13,716,700	\$ 1,005,704	\$ 220,282	\$ (941,174)	\$ 329,432
Stock based compensation	-	-	32,966	-	32,966
Net loss for the period	-	-	-	(170,780)	(170,780)
Balance at May 31, 2014	13,716,700	\$ 1,050,324	\$ 253,248	\$ (1,111,954)	\$ 191,618

See accompanying notes to the financial statements

Infinity Minerals Corp.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian dollars - Unaudited)

	Three Months Ended May 31, 2014	Three Months Ended May 31, 2013	Nine Months Ended May 31, 2014	Nine Months Ended May 31, 2013
Operating activities				
Comprehensive loss for the period	\$ (161,536)	\$ (172,308)	\$ (170,780)	\$ (367,185)
Deduct interest income relating to investing activities	(57)	(1,183)	(600)	(4,377)
Adjustments for non-cash items:				
Accrued interest expense	-	1,139	-	3,338
Accrued management fees	19,000	-	57,000	63,000
Amortization	209	149	508	447
Stock based compensation	32,966	51,202	32,966	94,339
Changes in non-cash working capital items:				
GST/HST recoverable	(4,639)	9,697	1,010	20,370
Prepaid expenses and deposits	(8,818)	(4,109)	(9,293)	(4,109)
Trade payables and other accrued liabilities	28,374	20,944	(57,051)	(11,813)
Net cash flows used in operating activities	(94,501)	(94,469)	(146,240)	(205,990)
Investing activities				
Term deposit	(56)	98,907	165,469	247,026
Expenditures on equipment	(800)	-	(800)	-
Expenditures on exploration and evaluation assets	-	-	-	(26,285)
Interest income	57	1,183	600	4,377
Net cash flows used in investing activities	(799)	100,090	165,269	225,118
Financing activities				
Proceeds from the issuance of common share	-	30,000	-	30,000
Net cash flows used in investing activities	-	30,000	-	30,000
Increase (decrease) in cash	(95,300)	35,621	19,029	49,128
Cash, beginning	124,945	36,149	10,616	22,642
Cash, ending	\$ 29,645	\$ 71,770	\$ 29,645	\$ 71,770

Supplemental disclosure with respect to cash flows

There were no significant non-cash investing and financing transactions for the nine months ended May 31, 2014.

See accompanying notes to the financial statements

1. Nature and continuance of operations

Infinity Minerals Corp. (the "Company") was incorporated on November 12, 2010, under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties. The address of the Company's corporate office and principal place of business is Suite 400, 409 Granville Street, Vancouver, British Columbia, Canada

On November 15, 2010, the Company signed a Mineral Property Purchase Agreement ("MMPA") to acquire a 100% interest in the Rainbow Claim Group comprising of 318 hectares located in the Greenwood Mining Division, Midway, British Columbia. The Company issued 2,015,700 common shares in exchange for mineral property interests of \$20,157 to a director of the Company. These shares are subject to an escrow agreement.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The Company has incurred losses from inception of \$1,111,954. The Company needs to raise sufficient capital to fund exploration and evaluation costs, administration expenses and future acquisitions. The Company's ability to continue as a going concern is dependent upon its ability to attain future profitable operations and to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. As at May 31, 2014, the Company had not yet achieved profitable operations and expects to incur further losses in the development of its business plan, all of which may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company not be able to continue as a going concern.

2. Significant accounting policies and basis of preparation

The financial statements were authorized for issue on June 27, 2014 by the directors of the Company.

Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of preparation

These financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's August 31, 2013 annual audited financial statements. The financial statements of the Company have been prepared on an accrual basis accounting, except for cash flow information and are presented in Canadian dollars unless otherwise noted. In the opinion of management, all adjustments (including normal recurring accruals) considered necessary for a fair presentation have been included. These financial statements have been prepared on a historical cost basis except for financial instruments that have been measured at fair value.

Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. The impacts of such estimates are pervasive throughout the 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.

Areas requiring a significant degree of estimation and judgment relate to but are not limited to the recoverability of the carrying value of exploration and evaluation assets and the fair value measurements for financial instruments, the recognition and valuation of provisions for restoration and environmental liabilities, qualifying expenditures for refundable and non-refundable tax credits, timing of receipt of refundable tax credits, the recoverability and measurement of deferred tax assets and liabilities and the fair value estimation of share-based awards. Actual results may differ from those estimates and judgments.

Exploration and evaluation assets

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Government tax credits are recorded when there is reasonable certainty that they will be received and when there are no unfulfilled obligations remaining. Government tax credits are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Financial instruments

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

Financial instruments (cont'd)

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

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost less any provision for impairment. Significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counter party will default. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

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

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

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

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Company commits to purchase the asset.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

The Company does not have any derivative financial assets and liabilities.

Impairment of non-financial assets

Impairment tests on intangible assets with indefinite useful economic lives are undertaken annually at the financial year-end. Other non-financial assets, including exploration and evaluation assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of the value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets. The Company has one cash-generating unit for which impairment testing is performed.

An impairment loss is charged to profit or loss, except to the extent that they reverse gains previously recognized in accumulated other comprehensive loss/income.

Cash

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. As at May 31, 2014, the Company had no cash equivalents.

Short-term investments

Short-term investments consist of variable rate guaranteed investment certificates ("GICs") with original terms of one year or less but greater than three months. Short-term investments are designated as held-for-trading and are recorded at fair value.

Income taxes

Current income tax:

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

Current tax is recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

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

Deferred tax is recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income or loss.

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

Income taxes (cont'd)

Deferred income tax (cont'd)

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

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

Flow-through shares:

Share capital includes flow-through shares which is a unique Canadian tax incentive pursuant to certain provisions of the Canadian Income Tax Act. Proceeds from the issuance of flow-through shares are used to fund qualified Canadian exploration and evaluation projects and the related income tax deductions are renounced to the subscribers of the flow-through shares. The premium paid for flow-through shares in excess of the market value of the shares without flow-through features, at the time of issue, is credited to other liabilities and recognized in income at the time qualifying expenditures are incurred. The Company recognizes a deferred tax liability with a corresponding charge in the statement of operations and comprehensive loss to income when the qualifying exploration and evaluation expenditures are renounced.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures with a two-year period. The portion of the proceeds received but not yet expended at the end of the Company's period is disclosed separately as flow-through expenditure commitments.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds, renounced under the Look-back Rule, in accordance with Government of Canada Flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Net loss per share

Basic loss per share is calculated by dividing the loss available to common shareholders by the weighted average number of common shares outstanding during the period. Dilutive earnings per share reflect the potential dilution of securities that could share in the earnings of an entity. In periods where a net loss is incurred, potentially dilutive common shares are excluded from the loss per share calculation as the effect would be anti-dilutive and basic and diluted loss per common share is the same. In a profit year, under the treasury stock method, the weighted average number of common shares outstanding used for the calculation of diluted earnings per share assumes that the proceeds to be received on the exercise of dilutive stock options and warrants are used to repurchase common shares at the average price during the year.

Restoration and environmental obligations

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the period in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and re-vegetation of the affected exploration sites.

Restoration and environmental obligations (cont'd)

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related mining assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

Additional environmental disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the period in which they occur.

At May 31, 2014, the Company had no restoration and environmental obligations.

Equipment

Equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses. Equipment is depreciated over its estimated useful lives. The cost of an item includes the purchase price and directly attributable costs to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Where an item of equipment comprises major components with different useful lives, the components are accounted for as separate items of equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of income and comprehensive income during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in profit or loss.

Depreciation is recognized using the following rates and methods:

	Depreciation rate
Computer equipment	30% declining balance
Office equipment	20% declining balance

Depreciation methods, useful lives and residual values are reviewed at each financial year end and are adjusted if appropriate.

Share-based payments

The share option plan allows Company employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as an employee or consultant expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purpose (direct employee) or provides services similar to those performed by a direct employee.

The Company accounts for stock options issued to employees at the fair value determined on the grant date using the Black-Scholes option pricing model. The fair value of the options is recognized as an expense using the graded vesting method where the fair value of each tranche is recognized over its respective vesting period. When stock options are forfeited prior to becoming fully vested, any expense previously recorded is reversed.

Share-based payments (cont'd)

Share-based payments made to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined that the fair value of the goods or services cannot be reliably measured. These payments are recorded at the date of the goods and services are received.

Agent's warrants, stock options and other equity instruments issued as purchase consideration in non-monetary transactions other than as consideration for exploration and evaluation assets are recorded at fair value determined by management using the Black-Scholes option pricing model. The fair value of the shares issued is based on the trading price of those shares on the TSX.V on the date of the agreement to issue shares as determined by the Board of directors. Proceeds from unit placements are allocated between share and warrants using the residual method.

New standard IFRS 9 "Financial Instruments"

This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. 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, 2015. The Company will adopt this standard effective September 1, 2015.

New standard IFRS 10 "Consolidated Financial Statements"

This new standard will replace IAS 27 "Consolidated and Separate Financial Statements", and SIC-12 "Consolidation – Special Purpose Entities". Concurrent with IFRS 10, the IASB issued IFRS 11 "Joint Ventures"; IFRS 12 "Disclosures of Involvement with Other Entities"; IAS 27 "Separate Financial Statements", which has been amended for the issuance of IFRS 10 but retains the current guidance for separate financial statements; and IAS 28 "Investments in Associates and Joint Ventures", which has been amended for conforming changes based on the issuance of IFRS 10 and IFRS 11.

IFRS 10 uses control as the single basis for consolidation, irrespective of the nature of the investee, eliminating the risks and rewards approach included in SIC-12, and requires continuous assessment of control over an investee.

New standard IFRS 11 "Joint Arrangements"

This new standard requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venture will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities-Non-monetary Contributions by Venturers.

New standard IFRS 12 "Disclosure of Interests in Other Entities"

This new standard establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

New standard IFRS 13 "Fair value measurement"

This new standard replaces the fair value measurement guidance currently included in various other IFRS standards with a single definition of fair value and extensive application guidance. IFRS 13 provides guidance on how to measure fair value and does not introduce new requirements for when fair value is required or permitted. It also establishes disclosure requirements to provide users of the financial statements with more information about fair value measurements.

Amended Standard IAS 1 "Presentation of Financial Statements"

This standard provides extensive guidance on determining fair value for measurement or disclosure purposes.

IAS 27 - Separate Financial Statements

IAS 27 contains accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. IAS 27 requires an entity preparing separate financial statements to account for those investments at cost or in accordance with IFRS 9.

IAS 28 - Investments in Associates and Joint Ventures

IAS 28 prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

None of the above standards have been early adopted or are expected to have significant impact on the Company's financial statements.

3. Equipment

	Computer equipment
Cost:	
Balance at May 31, 2014 and August 31, 2013	\$ 2,790
Accumulated Depreciation:	
Balance at August 31, 2012	181
Charge for the year	597
At August 31, 2013	778
Charge for the period	508
Balance at May 31, 2014	1,286
Net book value:	
Balance at August 31, 2013	1,212
Balance at May 31, 2014	\$ 1,504

4. Exploration and evaluation assets

On November 15, 2010, the Company signed a Mineral Property Purchase Agreement ("MMPA") to acquire a 100% interest in the Rainbow Claim Group comprising of 318 hectares located in the Greenwood Mining Division, Midway, British Columbia. The Company issued 2,015,700 common shares in exchange for mineral property interests of \$20,157 to a director of the Company. These shares are subject to an escrow agreement.

The composition of accumulated acquisition and deferred exploration costs is:

	May 31, 2014	August 31, 2013
Acquisition costs:		
Balance, opening	\$ 20,157	\$ 20,157
Additions	-	-
	<u>\$ 20,157</u>	<u>\$ 20,157</u>
Deferred exploration costs:		
Balance, opening	\$ 189,822	\$ 163,537
Equipment rental	-	7,123
Geological Field Work	-	5,386
Geological and GIS mapping services	-	13,776
Balance, ending	<u>\$ 189,822</u>	<u>\$ 189,822</u>
Exploration and evaluation assets, ending	<u>\$ 209,979</u>	<u>\$ 209,979</u>

5. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At May 31, 2014 there were 13,716,700 issued and fully paid common shares (August 31, 2013 – 13,716,700).

Share issuances

There were no share issuances for the nine months ending May 31, 2014.

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the three and nine months ended May 31, 2014 was based on the loss attributable to common shareholders of \$161,536 and \$170,780, respectively, and the weighted average number of common shares outstanding of 13,716,700.

Diluted loss per share did not include the effect of 1,165,000 stock options as the effect would be anti-dilutive.

Shares held in escrow

The escrow agreement provides share release equal to 10% upon completion of the IPO and listing on the TSX Venture Exchange, the remaining shares will be released in 6 equal tranches (15%) every six months. As of May 31, 2014, a total of 1,739,990 shares have now been released and a total of 745,710 shares remain in the escrow pool.

Stock option plan and stock options

The Company has a 10% rolling stock option plan for its directors, employees and consultants to acquire common shares of the Company at a price determined by the fair market value of the shares at the date of grant. During the nine months ended May 31, 2014, the Company granted 400,000 stock options. The Company's stock option plan provides for immediate vesting or vesting at the discretion of the Board at the time of the option grant. Stock options granted to investor relations' consultants vest over a twelve month period, with one quarter of such options vesting in each three month period.

Stock option plan and stock options

The changes in options during the nine months ended May 31, 2014 were as follows:

	May 31, 2014		August 31, 2013	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning of year	1,350,000	\$ 0.18	940,000	\$ 0.15
Options surrendered	(585,000)	0.20	(80,000)	0.15
Options granted	400,000	0.13	490,000	0.22
Options outstanding, end of year	1,165,000	\$ 0.15	1,350,000	\$ 0.18
Options exercisable, end of year	1,165,000	\$ 0.15	1,350,000	\$ 0.18

As of May 31, 2014 the weighted average life of outstanding share purchase options was 3.55 years (August 31, 2013 – 3.54 years).

As at May 31, 2014 the following stock options were outstanding:

Total number of options	Exercise price	Expiry date
665,000	\$0.15	September 15, 2016
100,000	\$0.20	November 19, 2017
400,000	\$0.13	April 11, 2019
1,165,000		

Stock-based compensation

The weighted average grant date fair value of the 400,000 options granted during the nine month period ended was \$32,966 or \$0.08 per option (May 31, 2013 - \$94,339). The fair value was determined using the Black-Scholes option pricing model using the following weighted average assumptions:

	Nine months ended May 31, 2014	Nine months ended May 31, 2013
Expected life of options	5 years	5 years
Annualized volatility	83%	131 – 160%
Risk-free interest rate	1.64%	1.24 – 1.32%
Dividend rate	0%	0%

Share purchase warrants

The changes in share purchase warrants during the nine months ended May 31, 2014 were as follows:

	May 31, 2014		August 31, 2013	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding, beginning of year	2,199,000	\$ 0.29	2,400,000	\$ 0.19
Granted	-	-	-	-
Expired	(2,199,000)	\$ 0.29	-	-
Exercised	-	-	(201,000)	0.15
Outstanding, end of period	-	\$ -	2,199,000	\$ 0.29

6. Related party transactions

The Company incurred the following transactions with directors, officers and companies that are controlled by directors of the Company.

Key management personnel compensation

	Nine Months Ended May 31, 2014	Nine Months Ended May 31, 2013
Consulting fees	\$ -	\$ 5,500
Management fees	132,000	89,000
Office and general	-	3,200
Project evaluation	30,000	39,000
Rent	6,250	10,375
Stock based compensation	-	94,339
	\$ 168,250	\$ 241,414

During the nine months ended May 31, 2014 there was \$57,000 owing to two directors for accrued management fees.

7. Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its bank accounts. The Company's bank accounts are held with a major bank in Canada. As all of the Company's cash and cash equivalents are held by one bank in Canada, there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company is not exposed to credit risk on recoverable taxes, as these are due from the Government of Canada.

Liquidity risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and banking facilities.

The following is an analysis of the contractual maturities of the Company's non-derivative financial liabilities as at May 31, 2014:

	Within one year	Between one and five years	More than five years
Trade payables and accrued liabilities	\$ 113,497	\$ -	\$ -
	\$ 113,497	\$ -	\$ -

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, commodity prices, and interest rates will affect the Company's net earnings or the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Foreign currency exchange rate risk and commodity price risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Commodity price risk is the risk that market values and future incomes will fluctuate because of changes in commodity prices. The Company does not have any direct exposure to foreign currency exchange rate risk or commodity price risk. The Company had no forward exchange rate contracts or commodity price contracts in place as at May 31, 2014.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. As at May 31, 2014, the Company did not have any significant interest rate risk.

The Company had no interest rate swap or financial contracts in place as at May 31, 2014.

Capital Management

The Company defines capital that it manages as shareholders' equity that is expected to be realized in cash. The Company raises capital through private and public share offerings and related party loans and advances. Capital is managed in a manner consistent with the risk criteria and policies provided by the board of directors and followed by management. All sources of financing and major expenditures are analyzed by management and approved by the board of directors.

The Company's primary objectives when managing capital is to safeguard and maintain the Company's financial resources for continued operations and to fund expenditure programs to further advance mineral property interests. The Company is meeting its objective of managing capital through detailed review and due diligence on all potential acquisitions, preparing short-term and long-term cash flow analysis to maintain sufficient resources.

The Company is able to scale its expenditure programs and the use of capital to address market conditions by reducing expenditures and the scope of operations during periods of commodity pricing decline and economic downturn.

There were no changes in the Company's approach to capital management during the nine months ended May 31, 2014. The Company is not subject to any externally imposed capital requirements.

Classification of financial instruments

The following is an analysis of the Company's financial assets measured at fair value as at May 31, 2014:

	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 29,645	\$ -	\$ -
Term deposits	\$ 41,550	\$ -	\$ -
	Level 1	Level 2	Level 3
Trade payables and accrued liabilities	\$ 113,497	\$ -	\$ -

Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

8. Segmented information

Operating segments

The Company operates in a single reportable operating segment – the acquisition, exploration and development of mineral properties.

Geographic segments

The Company's non-current assets are located in Canada.

9. Subsequent events

On June 2, 2014 the Company announced that it has signed a Non-Binding Letter of Intent ("LOI") to acquire 100% of the outstanding shares of a private Medical Marihuana services company based in the Okanagan Valley of British Columbia. The proposed transaction has a purchase price of \$4,312,500 and will be facilitated by the issuance of Infinity treasury stock at a deemed price of \$0.15 per share.

The LOI is subject to the execution of a definitive agreement ("the Transaction") between the two parties by July 1, 2014. The closing of the Transaction will be subject to a number of other conditions including completing due-diligence to the satisfaction of Infinity management, financing, completion of non-

complete agreements and receipt of all necessary shareholder, regulatory and stock exchange approvals. It is anticipated that a closing of this transaction will represent a Fundamental Change as defined by the policies of the CSE.

On June 23, 2014, the Company closed \$1,353,500 for its previously announced non-brokered private placement (June 2, 2014, news release) of \$1-million. Infinity Minerals will issue 6,767,500 common shares at \$.20 and 3,383,750 warrants that expire June 24, 2015, with an exercise price of \$.30 The Company paid finder fees of \$19,600 cash and 49,000 full warrants to PI Financial Corp. and \$2,480 in cash and 6,200 full warrants to Canaccord Genuity Corp. The terms of the broker warrants are the same as those of the financing. The Company also announces that it has granted a total of 150,000 incentive stock options to consultants. The grant allows for the exercise of the options at a price of \$0.42 up until expiry on June 23, 2017.

APPENDIX B: SHARE EXCHANGE AGREEMENT

SHARE EXCHANGE AGREEMENT

THIS AGREEMENT is dated for reference as of the 6th day of August, 2014.

BETWEEN:

INFINITY MINERALS CORP., a corporation incorporated under the laws of the Province of British Columbia and having an office at 400 – 409 Granville Street, Vancouver, BC V6C 1T2

("Infinity")

AND:

THE HERBAL CLONE BANK INC., a corporation incorporated under the laws of the Province of British Columbia and having an office at 3683 Berard Road, Kelowna, BC V1W 4A9

("THC Bank")

AND:

THE UNDERSIGNED SHAREHOLDERS OF THC BANK

("Selling Shareholders")

WHEREAS:

- A. The Selling Shareholders are the registered and beneficial owners of all of the issued and outstanding shares in the capital stock of THC Bank;
- B. Infinity has offered to purchase all of the issued and outstanding shares of THC Bank (the "**Transaction**");
- C. This Agreement and the transactions contemplated herein are intended to provide the Selling Shareholders who are Canadian Residents the opportunity to dispose of their THC Bank Shares (as defined below) in return for Common Shares in the capital stock of Infinity (the "**Infinity Shares**") on a tax-deferred basis for Canadian income tax purposes pursuant to the provisions of Section 85.1 of the Income Tax Act;
- D. The boards of directors of Infinity and THC Bank have approved and adopted this Agreement; and
- E. In order to record the terms and conditions of the agreement among them, the parties wish to enter into this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises, covenants, terms, conditions, representations and warranties hereinafter set forth, the parties hereto agree each with the other as follows:

1. **Interpretation**

1.1 In this Agreement or in any amendments or Schedules hereto, the following terms will have the following meanings:

- (a) **"Affiliate"** of any person means any other person directly or indirectly controlling, controlled by, or under common control with, that person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as applied to any person, means the possession by another person, directly or indirectly, of the power to direct or cause the direction of the management and policies of that first mentioned person, whether through the ownership of voting securities, by contract or otherwise.
- (b) **"Agreement"** means this Share Exchange Agreement and any amendment, supplement or addendum to the Agreement;
- (c) **"Applicable Securities Legislation"** means all applicable securities legislation in all jurisdictions relevant to the issuance of the Infinity Shares;
- (d) **"B.C. Securities Act"** means the *Securities Act (British Columbia)* R.S.B.C. (1996), c. 418, as amended from time to time;
- (e) **"Canadian Resident"** means a person that is a resident of Canada for the purposes of the *Income Tax Act*;
- (f) **"Closing Date"** means August 6, 2014 or such other date as may be mutually agreed upon by the parties to this Agreement;
- (g) **"CSE"** means the Canadian Securities Exchange;
- (h) **"Exchange Ratio"** means the ratio of one (1) Infinity Share for each one (1) THC Bank Share held by a Selling Shareholder as determined pursuant to the valuation attached as Schedule J;
- (i) **"IFRS"** means International Financial Reporting Standards;
- (j) **"Income Tax Act"** means the *Income Tax Act (Canada)* R.S.C. (1985), 5th supp., c. 1, as amended from time to time;
- (k) **"Indemnified Party"** has the meaning ascribed to that term in Subsection 11.7;
- (l) **"Indemnifying Party"** has the meaning ascribed to that term in Subsection 11.7;
- (m) **"Infinity Shares"** means the common shares of Infinity;

- (n) **"Infinity Financial Statements"** means the audited financial statements of Infinity for the year ended August 31, 2013 and also for the nine month period ended May 31, 2014; both of which are attached as Schedule D.
- (o) **"Material Adverse Effect"** when used in connection with an entity means any change (including a decision to implement such a change made by the board of directors or by senior management who believe that confirmation of the decision by the board of directors is probable), event, violation, inaccuracy, circumstance or effect that is materially adverse to the business, assets (including intangible assets), liabilities, capitalization, ownership, financial condition or results of operations of such entity or subsidiaries taken as a whole;
- (p) **"NI 45-106"** means National Instrument 45-106 - **Prospectus and Registration Exemptions**, as adopted by the British Columbia Securities Commission;
- (q) **"Subsidiary"** means Advanced Greenhouse Technologies Ltd. (**"Advanced Greenhouse"**), which is a non-reporting company based in the province of British Columbia;
- (r) **"Subsidiary Business"** means the business which Advanced Greenhouse is engaged as a provider of turnkey, leading edge, greenhouse technology;
- (s) **"Subsidiary Contracts"** means those Agreements to which the Subsidiary is a party listed in Schedule E hereto;
- (t) **"Subsidiary Financial Statements"** means the audited financial statements of the Subsidiary for the period ended **May 31, 2014**;
- (u) **"Subsidiary Liabilities"** means the liabilities of the Subsidiary listed in Schedule C hereto;
- (v) **"Subsidiary Shares"** means the issued and outstanding common shares without par value in the capital of the Subsidiary;
- (w) **"THC Bank Business"** means the business in which THC Bank is engaged as a provider of superior quality starting plant material for the medicinal marihuana industry in Canada.
- (x) **"THC Bank Creditors"** means all of the creditors of THC Bank as at the Closing Date as set out in Schedule C;
- (y) **"THC Bank Financial Statements"** means the audited financial statements of THC Bank for the twelve month period ended May 31, 2014, attached hereto as Schedule B;
- (z) **"THC Bank Shares"** means the common shares of THC Bank;
- (aa) **"Transaction"** has the meaning ascribed to such term in Recital B;

- 1.2 All dollar amounts referred to in this Agreement are in Canadian funds, unless expressly stated otherwise.
- 1.3 The following Schedules are attached hereto and form part of this Agreement:

Schedule	Description
A.	Selling Shareholders
B.	THC Bank and Subsidiary Financial Statements
C.	THC Bank and Subsidiary Creditors and Encumbrances on THC Bank's and Subsidiary's Assets
D.	Infinity Financial Statements
E.	Material Agreements of THC Bank and Subsidiary
F.	THC Bank and Subsidiary Litigation
G.	Infinity Litigation
H.	THC Bank and Subsidiary Intellectual Property
I	Infinity Options and Warrants
J	THC Bank and Subsidiary Valuation

2. Share Exchange

- 2.1 The Selling Shareholders hereby covenant and agree to sell, transfer and assign to Infinity, and Infinity covenants and agrees to purchase from the Selling Shareholders, all of the THC Bank Shares held by each Selling Shareholder.
- 2.2 The purchase price for the THC Bank Shares held by the Selling Shareholders will consist of an aggregate of 28,750,000 Infinity Shares to be issued to the Selling Shareholders, with each Selling Shareholder receiving the number set out opposite each Selling Shareholder's name in Schedule A as determined pursuant to the Exchange Ratio.
- 2.3 Following the exchange of the THC Bank Shares for the Infinity Shares in accordance with this Agreement, the name of each Selling Shareholder will be removed from the securities register of THC Bank Shares.
- 2.4 The name of each Selling Shareholder or their nominees will be added to the securities register of Infinity Shares.
- 2.5 Infinity will be recorded as the registered holder of such THC Bank Shares so exchanged.
- 2.6 The sale of the THC Bank Shares and the issuance of the Infinity Shares to the Selling Shareholders will be made in reliance on an exemption from the registration and prospectus filing requirements contained in Section 2.16 of NI 45-106. THC Bank and Infinity reserve the right to

request from Selling Shareholders any additional certificates or representations required to establish an exemption from Applicable Securities Legislation prior to the issuance or transfer of any THC Bank Shares or Infinity Shares.

- 2.7 The Selling Shareholders acknowledge and understand that the Infinity Shares they receive pursuant to this Agreement will be subject to resale restrictions in accordance with Applicable Securities Legislation and that as a result the certificates representing such Infinity Shares may be affixed with certain legends describing such restrictions.
- 2.8 It is intended that the transactions contemplated in this Agreement will generally constitute a transaction in respect of which the Selling Shareholders may elect to be treated on a tax deferral basis pursuant to Section 85.1 of the **Income Tax Act** by treating the transaction as a rollover in his or her income tax return for the year in which the exchange occurred by not including in income any portion of the gain or loss which would otherwise have arisen on such Selling Shareholder's exchanged shares.
- 2.9 The Selling Shareholder will bear the full responsibility of treating the transaction as a deferral in his or her income tax return.

3. Covenants, Representations, and Warranties of THC Bank and the Selling Shareholders

- 3.1 The Selling Shareholders and THC Bank each jointly and severally covenant and represent and warrant to Infinity as of the date of this Agreement and at the Closing Date as follows, and acknowledge that Infinity is relying upon such covenants, representations and warranties in connection with the Transaction:
- (a) THC Bank has been duly incorporated and organized, is a validly existing company with limited liability and is in good standing under the **Business Corporations Act (BC)**; it has the corporate power to own or lease its property and to carry on the THC Bank Business; it is duly qualified as a company to do business and is in good standing with respect thereto in each jurisdiction in which the nature of the THC Bank Business or the property owned or leased by it makes such qualification necessary; and it has all necessary licenses, permits, authorizations and consents to operate the THC Bank Business. THC Bank has no active or material subsidiary other than the Subsidiary;
 - (b) THC Bank is not a reporting issuer in any jurisdiction and the THC Bank Shares are not listed or posted for trading on any stock exchange or quotation system.
 - (c) The authorized share capital of THC Bank consists of an unlimited number of Common Shares without nominal or par value, of which 28,750,000 Common Shares are issued and outstanding as at the date of this Agreement as fully paid and non-assessable.
 - (d) Each Selling Shareholder represents that the Infinity Shares to be issued to the Selling Shareholders in accordance with the transaction are being issued to each Selling Shareholder as principal for their own account and not for the benefit of any other person.
 - (e) The THC Bank Shares owned by the Selling Shareholders are owned by each of the Selling Shareholders as the beneficial and recorded owner with good and marketable title

thereto, free and clear of all mortgages, liens, charges, security interests, adverse claims, pledges, encumbrances and demands whatsoever.

- (f) Other than as discussed in this Agreement, no person, firm or corporation has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option for the purchase from the Selling Shareholders of any of the THC Bank Shares held by them.
- (g) Other than as discussed in this Agreement, no person, firm or corporation has any agreement or option, including convertible securities, warrants or convertible obligations of any nature, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option for the purchase, subscription, allotment or issuance of any of the unissued shares in the capital of THC Bank or of any securities of THC Bank.
- (h) THC Bank does not have any agreements of any nature to acquire any subsidiary, or to acquire or lease any other business operations, and will not, prior to the Closing Date, acquire, or agree to acquire, any subsidiary or business without the prior written consent of Infinity, such consent not to be unreasonably withheld.
- (i) THC Bank will not issue any additional THC Bank Shares from and after the date of this Agreement to the Closing Date or create any options, warrants or rights for any person to subscribe for or acquire any unissued shares in the capital of THC Bank, without the prior written consent of Infinity.
- (j) To the best of its knowledge, THC Bank is not a party to or bound by any guarantee, warranty, indemnification, assumption or endorsement or any other like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person, firm or corporation other than as set out in Schedules B, C, E and F to this Agreement.
- (k) The books and records of THC Bank fairly and correctly set out and disclose in all material respects, in accordance with IFRS, the financial position of THC Bank as at the date of this Agreement, and all material financial transactions of THC Bank relating to the THC Bank Business have been accurately recorded in such books and records.
- (l) The THC Bank Financial Statements fairly present the assets, liabilities (whether accrued, absolute, contingent or otherwise) and the financial condition of THC Bank as at the date thereof and there will not be, prior to the Closing Date or after the consummation of the transaction contemplated by this Agreement, any material increase in such liabilities other than increases arising as a result of carrying on the THC Bank Business in the ordinary course.
- (m) To the best of the knowledge of THC Bank and the Selling Shareholders, the entry into this Agreement and the consummation of the Transaction will not result in the violation of any of the terms and provisions of the constating documents or bylaws of THC Bank or of any indenture, instrument or agreement, written or oral, to which THC Bank or the Selling Shareholders may be a party.

- (n) The entry into this Agreement and the consummation of the Transaction will not, to the best of the knowledge of THC Bank and the Selling Shareholders, result in the violation by THC Bank of any law or regulation of the Province of British Columbia or other jurisdiction in which THC Bank carries on business, or at the Closing Date will carry on, or of any municipal bylaw or ordinance to which THC Bank or the THC Bank Business maybe subject.
- (o) Except as disclosed in Schedule E, THC Bank is not a party to any written or oral employment, service or pension agreements.
- (p) Except as disclosed in Schedules C and E, THC Bank does not have any outstanding bonds, debentures, mortgages, notes or other indebtedness and THC Bank is not under any agreement to create or issue any bonds, debentures, mortgages, notes or other indebtedness, except liabilities incurred in the ordinary course of business.
- (q) Except as disclosed in Schedule E, THC Bank is not the owner, lessee or under any agreement to own or lease any real property.
- (r) Except as disclosed in Schedule C, THC Bank owns, possesses and has good and marketable title to its undertaking, property and assets, and without restricting the generality of the foregoing, all those assets described in the balance sheet included in the THC Bank Financial Statements are free and clear of any and all mortgages, liens, pledges, charges, security interests, encumbrances, actions, claims or demands of any nature whatsoever or howsoever arising.
- (s) THC Bank has its property insured against loss or damage by all insurable hazards or risks on a replacement cost basis and such insurance coverage will be continued in full force and effect to and including the Closing Date; to the best of the knowledge of THC Bank and the Selling Shareholders, THC Bank is not in default with respect to any of the provisions contained in any such insurance policy and has not failed to give any notice or present any claim under any such insurance policy in due and timely fashion.
- (t) Except as disclosed in Schedule E, THC Bank does not have any outstanding material agreements, contracts or commitments, whether written or oral, of any nature or kind whatsoever, including, but not limited to, employment agreements, agreements, contracts and commitments in the ordinary course of business and service contracts on office equipment and leases.
- (u) Except as provided in Schedule F and to the best of THC Bank's knowledge, there are no actions, suits or proceedings (whether or not purportedly on behalf of THC Bank), pending or threatened against or affecting THC Bank or affecting the THC Bank Business, at law or in equity, or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, and neither THC Bank nor the Selling Shareholders is aware of any existing ground on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success.
- (v) Except as disclosed in the THC Bank Financial Statements, THC Bank is not in material default or breach of any contracts, agreements, written or oral, indentures or other instruments to which they are a party and there are no facts, which after notice or lapse of

time or both, that would constitute such a default or breach, and all such contracts, agreements, indentures or other instruments are now in good standing and THC Bank is entitled to all benefits thereunder.

- (w) THC Bank has the right to use all of the registered trademarks, trade names and patents, both domestic and foreign, in relation to the THC Bank Business as set out in Schedule H.
- (x) To the best of the knowledge of THC Bank and the Selling Shareholders, the conduct of the THC Bank Business does not infringe upon the patents, trademarks, trade names or copyrights, domestic or foreign, of any other person, firm or corporation.
- (y) To the best of the knowledge of THC Bank and the Selling Shareholders, THC Bank is conducting and will conduct the THC Bank Business in compliance with all applicable laws, rules and regulations of each jurisdiction in which the THC Bank Business is or will be carried on, THC Bank is not in material breach of any such laws, rules or regulations and is, or will be on the Closing Date, fully licensed, registered or qualified in each jurisdiction in which THC Bank owns or leases property or carries on or proposes to carry on the THC Bank Business to enable the THC Bank Business to be carried on as now conducted and its property and assets to be owned, leased and operated, and all such licenses, registrations and qualifications are or will be on the Closing Date valid and subsisting and in good standing and that none of the same contains or will contain any provision, condition or limitation which has or may have a materially adverse effect on the operation of the THC Bank Business.
- (z) All facilities and equipment owned or used by THC Bank in connection with the THC Bank Business are in good operating condition and are in a state of good repair and maintenance, reasonable wear and tear excluded.
- (aa) Except as disclosed in the THC Bank Financial Statements attached hereto as Schedule B and salaries incurred in the ordinary course of business since the date thereof, THC Bank has no loans or indebtedness outstanding which have been made to or from directors, former directors, officers, shareholders and employees of THC Bank or to any person or corporate body not dealing at arm's length with any of the foregoing, and will not, prior to closing, pay any such indebtedness unless in accordance with budgets agreed to in writing by Infinity.
- (bb) THC Bank has made full disclosure to Infinity of all aspects of the Business and has made all of its books and records available to the representatives of Infinity in order to assist Infinity in the performance of its due diligence searches and no material facts in relation to the THC Bank Business have been concealed by THC Bank or the Selling Shareholders.
- (cc) All of THC Bank's credit facilities are in good standing, other than as disclosed in the THC Bank Financial Statements as attached hereto as Schedule B, and THC Bank has not received any notices of default or acceleration requests from any bank or other creditor respecting THC Bank's credit facilities.

- (dd) The articles, bylaws and other constating documents of THC Bank in effect with the appropriate corporate authorities as at the date of this Agreement will remain in full force and effect without any changes thereto as at the Closing Date.
- (ee) The directors and officers of THC Bank are as follows:

Name	Position
Barry Kuypers	CEO and President
David Hutchinson	Director of Communications

4. Covenants, Representations and Warranties of the Subsidiary and the Selling Shareholders

4.1 The Selling Shareholders and the THC Bank each jointly and severally covenant and represent and warrant to Infinity as of the date of this Agreement and at the Closing Date as follows, and acknowledge that Infinity is relying upon such covenants, representations and warranties in connection with the Transaction:

- (a) THC Bank is the legal and beneficial owner of the Subsidiary Shares free and clear of all liens, charges and encumbrances and has not granted to any other party the right to purchase any of the Subsidiary Shares;
- (b) The Subsidiary has been duly incorporated and organized, is a validly existing company with limited liability and is in good standing under the **Business Corporations Act (BC)**; it has the corporate power to own or lease its property and to carry on the Subsidiary Business; it is duly qualified as a company to do business and is in good standing with respect thereto in each jurisdiction in which the nature of the Subsidiary Business or the property owned or leased by it makes such qualification necessary; and it has all necessary licenses, permits, authorizations and consents to operate the Subsidiary Business. The Subsidiary has no active or material subsidiary other than the Subsidiary; and
- (c) The Subsidiary is not a reporting issuer in any jurisdiction and the Subsidiary Shares are not listed or posted for trading on any stock exchange or quotation system.
- (d) The authorized share capital of the Subsidiary consists of an unlimited number of Common Shares without nominal or par value, of which 3,500,000 Common Shares are issued and outstanding as at the date of this Agreement as fully paid and non-assessable.
- (e) The Subsidiary Shares owned by the THC Bank are owned by the THC Bank as the beneficial and recorded owner with good and marketable title thereto, free and clear of all mortgages, liens, charges, security interests, adverse claims, pledges, encumbrances and demands whatsoever.
- (f) Other than as discussed in this Agreement, no person, firm or corporation has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option for the purchase from the THC Bank of any of the Subsidiary Shares held by it..
- (g) Other than as discussed in this Agreement, no person, firm or corporation has any agreement or option, including convertible securities, warrants or convertible obligations

of any nature, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option for the purchase, subscription, allotment or issuance of any of the unissued shares in the capital of the Subsidiary or of any securities of the Subsidiary.

- (h) The Subsidiary does not have any agreements of any nature to acquire any subsidiary, or to acquire or lease any other business operations, and will not, prior to the Closing Date, acquire, or agree to acquire, any subsidiary or business without the prior written consent of Infinity, such consent not to be unreasonably withheld.
- (i) The Subsidiary will not issue any additional Subsidiary Shares from and after the date of this Agreement to the Closing Date or create any options, warrants or rights for any person to subscribe for or acquire any unissued shares in the capital of the Subsidiary, without the prior written consent of Infinity.
- (j) To the best of their knowledge, the Subsidiary is not a party to or bound by any guarantee, warranty, indemnification, assumption or endorsement or any other like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person, firm or corporation other than as set out in Schedules B, C, E and F to this Agreement.
- (k) The books and records of the Subsidiary fairly and correctly set out and disclose in all material respects, in accordance with IFRS, the financial position of the Subsidiary as at the date of this Agreement, and all material financial transactions of the Subsidiary relating to the Subsidiary Business have been accurately recorded in such books and records.
- (l) The Subsidiary Financial Statements fairly present the assets, liabilities (whether accrued, absolute, contingent or otherwise) and the financial condition of the Subsidiary as at the date thereof and there will not be, prior to the Closing Date or after the consummation of the transaction contemplated by this Agreement, any material increase in such liabilities other than increases arising as a result of carrying on the Subsidiary Business in the ordinary course.
- (m) To the best of the knowledge of the THC Bank and the Selling Shareholders, the entry into this Agreement and the consummation of the Transaction will not result in the violation of any of the terms and provisions of the constating documents or bylaws of the Subsidiary or of any indenture, instrument or agreement, written or oral, to which the Subsidiary or the Selling Shareholders may be a party.
- (n) The entry into this Agreement and the consummation of the Transaction will not, to the best of the knowledge of the THC Bank and the Selling Shareholders, result in the violation by the Subsidiary of any law or regulation of the Province of British Columbia or other jurisdiction in which the Subsidiary carries on business, or at the Closing Date will carry on, or of any municipal bylaw or ordinance to which the Subsidiary or the Subsidiary Business maybe subject.
- (o) Except as disclosed in Schedule E, the Subsidiary is not a party to any written or oral employment, service or pension agreements.

- (p) Except as disclosed in Schedules C and E, the Subsidiary does not have any outstanding bonds, debentures, mortgages, notes or other indebtedness and the Subsidiary is not under any agreement to create or issue any bonds, debentures, mortgages, notes or other indebtedness, except liabilities incurred in the ordinary course of business.
- (q) Except as disclosed in Schedule E, the Subsidiary is not the owner, lessee or under any agreement to own or lease any real property.
- (r) Except as disclosed in Schedule C, the Subsidiary owns, possesses and has good and marketable title to its undertaking, property and assets, and without restricting the generality of the foregoing, all those assets described in the balance sheet included in the the Subsidiary Financial Statements are free and clear of any and all mortgages, liens, pledges, charges, security interests, encumbrances, actions, claims or demands of any nature whatsoever or howsoever arising.
- (s) The Subsidiary has its property insured against loss or damage by all insurable hazards or risks on a replacement cost basis and such insurance coverage will be continued in full force and effect to and including the Closing Date; to the best of the knowledge of THC Bank and the Selling Shareholders, the Subsidiary is not in default with respect to any of the provisions contained in any such insurance policy and has not failed to give any notice or present any claim under any such insurance policy in due and timely fashion.
- (t) Except as disclosed in Schedule E, the Subsidiary does not have any outstanding material agreements, contracts or commitments, whether written or oral, of any nature or kind whatsoever, including, but not limited to, employment agreements, agreements, contracts and commitments in the ordinary course of business and service contracts on office equipment and leases.
- (u) Except as provided in Schedule F and to the best of their knowledge, there are no actions, suits or proceedings (whether or not purportedly on behalf of the Subsidiary), pending or threatened against or affecting the Subsidiary or affecting the Subsidiary Business, at law or in equity, or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, and neither the THC Bank nor the Selling Shareholders is aware of any existing ground on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success.
- (v) Except as disclosed in the Subsidiary Financial Statements, the Subsidiary is not in material default or breach of any contracts, agreements, written or oral, indentures or other instruments to which they are a party and there are no facts, which after notice or lapse of time or both, that would constitute such a default or breach, and all such contracts, agreements, indentures or other instruments are now in good standing and the Subsidiary is entitled to all benefits thereunder.
- (w) the Subsidiary has the right to use all of the registered trademarks, trade names and patents, both domestic and foreign, in relation to the Subsidiary Business as set out in Schedule H.

- (x) To the best of the knowledge of the THC Bank and the Selling Shareholders, the conduct of the Subsidiary Business does not infringe upon the patents, trademarks, trade names or copyrights, domestic or foreign, of any other person, firm or corporation.
- (y) To the best of the knowledge of the THC Bank and the Selling Shareholders, the Subsidiary is conducting and will conduct the Subsidiary Business in compliance with all applicable laws, rules and regulations of each jurisdiction in which the Subsidiary Business is or will be carried on, the Subsidiary is not in material breach of any such laws, rules or regulations and is, or will be on the Closing Date, fully licensed, registered or qualified in each jurisdiction in which the Subsidiary owns or leases property or carries on or proposes to carry on the Subsidiary Business to enable the Subsidiary Business to be carried on as now conducted and its property and assets to be owned, leased and operated, and all such licenses, registrations and qualifications are or will be on the Closing Date valid and subsisting and in good standing and that none of the same contains or will contain any provision, condition or limitation which has or may have a materially adverse effect on the operation of the Subsidiary Business.
- (z) All facilities and equipment owned or used by the Subsidiary in connection with the Subsidiary Business are in good operating condition and are in a state of good repair and maintenance, reasonable wear and tear excluded.
- (aa) Except as disclosed in the Subsidiary Financial Statements attached hereto as Schedule B and salaries incurred in the ordinary course of business since the date thereof, the Subsidiary has no loans or indebtedness outstanding which have been made to or from directors, former directors, officers, shareholders and employees of the Subsidiary or to any person or corporate body not dealing at arm's length with any of the foregoing, and will not, prior to closing, pay any such indebtedness unless in accordance with budgets agreed to in writing by Infinity.
- (bb) The Subsidiary has made full disclosure to Infinity of all aspects of the Subsidiary Business and has made all of its books and records available to the representatives of Infinity in order to assist Infinity in the performance of its due diligence searches and no material facts in relation to the Subsidiary Business have been concealed by the THC Bank or the Selling Shareholders.
- (cc) All of the Subsidiary's credit facilities are in good standing, other than as disclosed in the Subsidiary Financial Statements as attached hereto as Schedule B, and THC Bank has not received any notices of default or acceleration requests from any bank or other creditor respecting the Subsidiary's credit facilities.
- (dd) The articles, bylaws and other constating documents of the Subsidiary in effect with the appropriate corporate authorities as at the date of this Agreement will remain in full force and effect without any changes thereto as at the Closing Date.
- (ee) The directors and officers of the Subsidiary are as follows:

Name	Position
Barry Kuypers	CEO and President
David Hutchinson	Director of Communications

5. Covenants, Representations and Warranties of Infinity

5.1 Infinity covenants with and represents and warrants to THC Bank and the Selling Shareholders as of the date of this Agreement and at the Closing Date as follows, and acknowledges that the Selling Shareholders and THC Bank are relying upon such covenants, representations and warranties in entering into this Agreement:

- (a) Infinity has been duly incorporated and organized and is validly subsisting under the laws of British Columbia; it is a reporting issuer in the Provinces of British Columbia, Ontario, and Alberta and is in good standing with respect to all filings required to be made under the laws of British Columbia and the securities regulations of British Columbia, Ontario, and Alberta; it has the corporate power to own or lease its properties and to carry on its business as now being conducted by it; and it is duly qualified as a corporation to do business and is in good standing with respect thereto in each jurisdiction in which the nature of its business or the property owned or leased by it makes such qualification necessary.
- (b) The authorized capital of Infinity consists of an unlimited number of Common Shares without par value per share and of which 20,484,200 shares of common stock are currently issued and outstanding as fully paid and non-assessable, and no other shares of any other class of Infinity are issued and outstanding.
- (c) No person, firm or corporation has any agreement or option, including convertible securities, warrants or convertible obligations of any nature, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option for the purchase, subscription, allotment or issuance of any of the unissued shares in the capital of Infinity except as disclosed in "Schedule I".
- (d) The directors and officers of Infinity are currently as follows:

Name	Position
Ron Shenton	President and Director
Brian Roberts	Secretary and Director
Luca Riccio	Director

- (e) The Infinity Financial Statements attached hereto as Schedule D present fairly the assets, liabilities (whether accrued, absolute, contingent or otherwise) and the financial condition of Infinity as at the date thereof.
- (f) The books and records of Infinity fairly and correctly set out and disclose in all material respects, in accordance with IFRS, the financial position of Infinity as at the date of this Agreement, and all material financial transactions of Infinity relating to the business have been accurately recorded in such books and records.
- (g) Infinity has made full disclosure to THC Bank of all material aspects of Infinity's business and has made all of its books and records available to the representatives of THC Bank in order to assist THC Bank in the performance of its due diligence searches and no material facts in relation to Infinity's business have been concealed by Infinity or its representatives.

- (h) Infinity is not a party to or bound by any agreement or guarantee, warranty, indemnification, assumption or endorsement or any other like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person, firm or corporation.
- (i) Except as disclosed in Schedule G, there are no actions, suits or proceedings pending or threatened against or affecting Infinity or affecting Infinity's business, at law or in equity, or before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign and Infinity is not aware of any existing ground on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success.
- (j) The articles of incorporation and bylaws and any other constating documents of Infinity in effect with the appropriate corporate authorities as at the date of this Agreement will not have been materially changed as at the Closing Date, except for changes made in furtherance of the transactions contemplated under this Agreement.
- (k) The entry into this Agreement and the consummation of the Transaction will not result in the violation of any of the terms and provisions of the constating documents or bylaws of Infinity or of any indenture, instrument or agreement, written or oral, to which Infinity may be a party.
- (l) The entry into this Agreement and the consummation of the Transaction will not, to the knowledge of Infinity, result in the violation of any law or regulation of Canada or the Provinces of British Columbia, Ontario, or Alberta, or of any local government bylaw or ordinance to which Infinity's business maybe subject.
- (m) This Agreement has been duly authorized, validly executed and delivered by Infinity.
- (n) No agreement has been made with Infinity in respect of the purchase and sale contemplated by this Agreement that could give rise to any valid claim by any person against THC Bank or the Selling Shareholders for a finder's fee, brokerage commission or similar payment.

6. Closing Conditions

6.1 **Conditions Precedent to Closing for Infinity.** The obligation of Infinity to consummate the Transaction is subject to the satisfaction or waiver of the conditions set forth below on or before the Closing Date or such earlier date as hereinafter specified. The Closing of the Transaction contemplated by this Agreement will be deemed to mean the satisfaction or waiver of all conditions to Closing. These conditions to closing are for the benefit of Infinity and may be waived by Infinity in its sole discretion.

- (a) **Representations and Warranties.** The representations and warranties of THC Bank and the Selling Shareholders contained in this Agreement or in any Schedule to this Agreement or certificate or other document delivered to Infinity pursuant to this Agreement will be true, correct and complete in all material respects as of the date of this Agreement and as of the Closing Date with the same force and effect as though such representations and warranties had been made on and as of such date, regardless of the date as of which the information in this Agreement or any Schedule or certificate is

given, and Infinity will have received on the Closing Date certificates dated as of the Closing Date, in forms satisfactory to Infinity acting reasonably and signed by a senior officer of THC Bank and the Subsidiary to the effect that its representations and warranties referred to above are true, correct and complete on and as of the Closing Date with the same force and effect as though made on and as of such date, provided that the acceptance of such certificate and the closing of the Transaction provided for in this Agreement will not be a waiver of the respective representations and warranties contained in this Agreement or in any Schedule to this Agreement or in any certificate or document given pursuant to this Agreement which covenants, representations and warranties will continue in full force and effect for the benefit of Infinity.

- (b) **Performance.** All of the covenants and obligations that THC Bank and the Selling Shareholders are required to perform or to comply with pursuant to this Agreement at or prior to the Closing will have been performed and complied with in all material respects.
- (c) **Transaction Documents.** This Agreement and all other documents necessary or reasonably required to consummate the Transaction and the transactions contemplated under this Agreement, all in form and substance reasonably satisfactory to Infinity, will have been executed and delivered to Infinity by THC Bank and the Selling Shareholders.
- (d) **Approvals.** THC Bank will have delivered to Infinity minutes of meetings, written consents or other evidence reasonably satisfactory to Infinity that the board of directors of THC Bank have approved this Agreement and the Transaction.
- (e) **President's Certificate.** THC Bank will have delivered to Infinity a certificate from the President of THC Bank attaching:
 - (i) copies of THC Bank's and the Subsidiary's articles, bylaws and all other constating documents, as amended through the Closing Date; and
 - (ii) copies of resolutions duly adopted by the board of directors of THC Bank approving the execution and delivery of this Agreement and the consummation of the transactions contemplated herein.
- (f) **Third Party Consents.** THC Bank will have delivered to Infinity duly executed copies of all third party consents and approvals required by this Agreement to be obtained by THC Bank, in form and substance reasonably satisfactory to Infinity.
- (g) **Regulatory Approvals and Consents.** THC Bank will have obtained any required regulatory approvals and consents required to carry out this Agreement and the Transaction, in form and substance reasonably satisfactory to Infinity.
- (h) **No Material Adverse Effect.** At the Closing Date, there will have been no Material Adverse Effect to the affairs, assets, liabilities, or financial condition of THC Bank or the Subsidiary or the THC Bank Business (financial or otherwise) from that shown on or reflected in the THC Bank Financial Statements.

- (i) **No Damage.** No substantial damage by fire or other hazard to the THC Bank Business will have occurred prior to or on the Closing Date.
- (j) **No Action.** No suit, action, or proceeding will be pending or threatened which would:
 - (i) prevent the consummation of the Transactions contemplated by this Agreement; or
 - (ii) cause the Transaction to be rescinded following consummation.
- (k) **Outstanding Securities.** THC Bank will have no more than 28,750,000 Common Shares and no shares of any other classes issued and outstanding on the Closing Date.
- (l) **Public Disclosure.** THC Bank will have delivered substantive information about its assets and personnel reasonably satisfactory to Infinity for completion of any required public disclosure of the Transaction details.
- (m) **Financial Statements.** THC Bank will have delivered all financial statements of THC Bank prepared in accordance with IFRS required to be filed by Infinity under Applicable Securities Legislation.
- (n) **Share Certificates of Selling Shareholders.** The Selling Shareholders will deliver to Infinity certificates representing their THC Bank Shares duly executed for transfer, together with all other documentation required to transfer title to their THC Bank Shares to Infinity and the Selling Shareholders will each deliver to Infinity an executed stock power of attorney or other document evidencing the transfer of the THC Bank Shares from the Selling Shareholders to Infinity.

6.2 In the event any of the foregoing conditions contained in Subsection 6.1 are not fulfilled or performed at or before the Closing Date to the reasonable satisfaction of Infinity, Infinity may terminate this Agreement by written notice to THC Bank and the Selling Shareholders and in such event Infinity will be released from all further obligations hereunder. Any of the foregoing conditions contained in Subsection 5.1 may be waived in writing in whole or in part by Infinity without prejudice to each entity's respective rights of termination in the event of the non-fulfillment of any other conditions.

6.3 **Conditions Precedent to Closing by THC Bank and the Selling Shareholders.** The obligation of THC Bank and the Selling Shareholders to consummate the Transaction is subject to the satisfaction or waiver of the conditions set forth below on or before the Closing Date or such earlier date as hereinafter specified. The Closing of the Transaction will be deemed to mean the satisfaction or waiver of all conditions to Closing. These conditions precedent are for the benefit of THC Bank and the Selling Shareholders and may be waived by unanimous consent of THC Bank and the Selling Shareholders in their discretion.

- (a) **Representations and Warranties.** The representations and warranties of Infinity contained in this Agreement or in any Schedule to this Agreement or certificate or other document delivered to THC Bank and the Selling Shareholders pursuant to this Agreement will be true, correct and complete in all material respects as of the date of this Agreement and as of the Closing Date with the same force and effect as though such representations and warranties had been made on and as of such date, regardless of the

date as of which the information in this Agreement or any such Schedule or certificate is given, and THC Bank and the Selling Shareholders will have received on the Closing Date a certificate dated as of the Closing Date from Infinity, in a form reasonably satisfactory to THC Bank, signed by a senior officer of Infinity, to the effect that such representations and warranties referred to above are true, correct and complete on and as of the Closing Date with the same force and effect as though made on and as of such date, provided that the acceptance of such certificate and the closing of the Transaction provided for in this Agreement will not be a waiver of the representations and warranties contained in this Agreement or in any Schedule to this Agreement or in any certificate or document given pursuant to this Agreement which covenants, representations and warranties will continue in full force and effect for the benefit of THC Bank and the Selling Shareholders.

- (b) **Performance.** All of the covenants and obligations that Infinity is required to perform or to comply with pursuant to this Agreement at or prior to the Closing will have been performed and complied with in all material respects. Infinity will have delivered each of the documents respectively required to be delivered by it pursuant to this Agreement.
- (c) **Transaction Documents.** This Agreement and all other documents necessary or reasonably required to consummate the Transaction, all in form and substance reasonably satisfactory to THC Bank, will have been executed and delivered to THC Bank and the Selling Shareholders by Infinity.
- (d) **President's Certificate.** Infinity will have delivered to THC Bank a certificate from its President attaching:
 - (i) copies of its articles of incorporation, bylaws and other constating documents, as amended through the Closing Date; and
 - (ii) copies of resolutions duly adopted by the board of directors of Infinity approving the execution and delivery of this Agreement and the consummation of the transactions contemplated herein.
- (e) **Approvals.** Infinity will have delivered to THC Bank minutes of meetings, written consents or other evidence reasonably satisfactory to THC Bank that its board of directors has approved this Agreement and the Transaction.
- (f) **No Material Adverse Effect.** At the Closing Date, there will have been no Material Adverse Effect to the affairs, assets, liabilities, financial condition or business (financial or otherwise) of Infinity from that shown on, or reflected in, the Infinity Financial Statements.
- (g) **No Action.** No suit, action, or proceeding will be pending or threatened before any governmental or regulatory authority wherein an unfavourable judgment, order, decree, stipulation, injunction or charge would:
 - (i) prevent the consummation of the Transaction contemplated by this Agreement; or
 - (ii) cause the Transaction to be rescinded following consummation.

- (h) **Outstanding Securities.** Other than the Infinity Common Shares to be issued by Infinity pursuant to this Agreement, Infinity will have issued and outstanding no more than 20,484,200 Infinity Shares.
- (i) **Approvals and Consents.** Infinity will have obtained all necessary regulatory and stock exchange approvals and consents to carry out the Transaction, in form and substance reasonably satisfactory to THC Bank.
- (j) **Public Market.** On the Closing Date, the Infinity Shares will be listed and posted for trading on the CSE.
- (k) **Financing.** Infinity shall have closed a private placement financing in an amount not less than \$1,000,000.

6.4 In the event that any of the conditions contained in Subsection 6.3 will not be fulfilled or performed by Infinity at or before the Closing Date to the reasonable satisfaction of THC Bank and the Selling Shareholders, then THC Bank or the Selling Shareholders may terminate this Agreement by written notice to Infinity and in such event THC Bank and the Selling Shareholders will be released from all further obligations hereunder. Any of the foregoing conditions contained in Subsection 6.3 may be waived in writing in whole or in part by THC Bank and the Selling Shareholders without prejudice to the respective rights of termination of THC Bank or the Selling Shareholders in the event of the non-fulfillment of any other conditions.

7. Closing

7.1 **Time and Place.** The closing will take place at 10:00 am on the Closing Date at the offices of Tupper Jonsson & Yeadon at Suite 1710 – 1177 West Hastings St., Vancouver, British Columbia, Canada, or at such other time and place as the parties may mutually agree.

8. Covenants

8.1 **Notification of Financial Liabilities.** THC Bank will immediately notify Infinity in accordance with Subsection 12.6, if THC Bank receives any advice or notification from its independent certified public accounts that THC Bank has used any improper accounting practice that would have the effect of not reflecting or incorrectly reflecting in the books, records, and accounts of THC Bank, any properties, assets, liabilities, revenues, or expenses. Notwithstanding any statement to the contrary in this Agreement, this covenant will survive closing and continue in full force and effect.

8.2 **Access and Investigation.** Between the date of this Agreement and the Closing Date, THC Bank and Infinity will cause each of their respective representatives to:

- (a) afford the other and its representatives full and free access to its personnel, properties, assets, contracts, books and records and other documents and data;
- (b) furnish the other and its representatives with copies of all such contracts, books and records, and other existing documents and data as required by this Agreement and as the other may otherwise reasonably request; and

- (c) furnish the other and its representatives with such additional financial, operating, and other data and information as the other may reasonably request.

All such access, investigation and communication by a party and its representatives will be conducted during normal business hours and in a manner designed not to interfere unduly with the normal business operations of the other party. Each party will instruct its auditors to co-operate with the other party and its representatives in connection with such investigations.

- 8.3 **Notification of Breach.** Between the date of this Agreement and the Closing Date, each of the parties to this Agreement will promptly notify the other parties in writing if it becomes aware of any fact or condition that causes or constitutes a material breach of any of its representations and warranties as of the date of this Agreement, if it becomes aware of the occurrence after the date of this Agreement of any fact or condition that would cause or constitute a material breach of any such representation or warranty had such representation or warranty been made as of the time of occurrence or discovery of such fact or condition. Should any such fact or condition require any change in the Schedules relating to such party, such party will promptly deliver to the other parties a supplement to the Schedules specifying such change. During the same period, each party will promptly notify the other parties of the occurrence of any material breach of any of its covenants in this Agreement or of the occurrence of any event that may make the satisfaction of such conditions impossible or unlikely.
- 8.4 **Conduct of THC Bank and Infinity Business Prior to Closing.** Except as expressly contemplated by this Agreement or for purposes in furtherance of this Agreement, from the date of this Agreement to the Closing Date, and except to the extent that Infinity otherwise consents in writing, THC Bank will operate its business substantially as presently operated and in compliance with all applicable laws, and use its best efforts to preserve intact its good reputation and present business organization and to preserve its relationships with persons having business dealings with it. Likewise, from the date of this Agreement to the Closing Date, and except to the extent that THC Bank otherwise consents in writing, Infinity will operate its business substantially as presently operated and only in the ordinary course and in compliance with all applicable laws, and use its best efforts to preserve intact its good reputation and present business organization and to preserve its relationships with persons having business dealings with it.
- 8.5 **Public Announcements.** Until the Closing Date, Infinity and THC Bank each agree that they will not release or issue any reports or statements or make any public announcements relating to this Agreement or the Transaction without the prior written consent of the other party, except as may be required upon written advice of counsel to comply with applicable laws, regulatory requirements or CSE policies after consulting with Infinity or THC Bank, as applicable, and seeking their reasonable consent to such announcement. THC Bank acknowledges that Infinity must comply with Applicable Securities Legislation requiring full disclosure of material facts and agreements in which it is involved, and will co-operate to assist Infinity in meeting its obligations.

9. **Confidentiality**

- 9.1 All information regarding the THC Bank Business including but without limitation, financial information that THC Bank has provided to Infinity, will be kept in strict confidence by Infinity and will not be given to any other person or party or used (except in connection with due diligence carried out under this Agreement in accordance with Subsection 8.2 and except as required to file a news release regarding the transaction to the public after the Closing), dealt

with, exploited or commercialized by Infinity or disclosed to any third party (other than Infinity's professional accounting and legal advisors) without the prior written consent of THC Bank. If the Transaction contemplated by this Agreement does not proceed for any reason, then upon receipt of a written request from THC Bank, Infinity will immediately return to THC Bank (or as directed by THC Bank) all information received regarding the THC Bank Business.

- 9.2 All information regarding the business of Infinity including but without limitation, financial information that Infinity provides to THC Bank during its due diligence investigation of Infinity will be kept in strict confidence by THC Bank and will not be used (except in connection with due diligence carried out under this Agreement in accordance with Subsection 8.2), dealt with, exploited or commercialized by THC Bank or disclosed to any third party (other than THC Bank's professional accounting and legal advisors) without Infinity's prior written consent. If the Transaction contemplated by this Agreement does not proceed for any reason, then upon receipt of a written request from Infinity, THC Bank will immediately return to Infinity (or as directed by Infinity) all information received regarding Infinity's business.
- 9.3 Upon request, each party will provide an affidavit to the other that all documents, including all copies thereof, were returned to the other party or as directed by the other party in accordance with this Section 9.
- 9.4 Infinity and THC Bank acknowledge and agree, subject to disclosure obligations under Applicable Securities Legislations CSE policies or other laws or regulations, that neither party will make any public pronouncements concerning the terms of this Agreement without the express written consent of the other party and such consent will not to be unreasonably withheld, conditioned or delayed.
- 9.5 THC Bank acknowledges and agrees that, while in possession of material information about Infinity that has not been publicly disclosed, it will not trade and will take all reasonable steps to prevent any of its employees or agents from trading in the securities of Infinity prior to Closing.
- 9.6 Notwithstanding anything to the contrary in this Agreement, the provisions of this Section 9 will survive termination of this Agreement.

10. Termination

- 10.1 **Termination.** This Agreement may be terminated at any time prior to the Closing Date by:
- (a) mutual agreement of Infinity and THC Bank, without the consent of the Selling Shareholders;
 - (b) Infinity, if there has been a material breach by THC Bank or any of the Selling Shareholders of any material representation, warranty, covenant, or agreement set forth in this Agreement on the part of THC Bank or the Selling Shareholders that is not cured by the breaching party, to the reasonable satisfaction of Infinity, within ten (10) business days after notice of such breach is given by Infinity unless such breach cannot reasonably be cured within ten (10) business days and the breaching party is pursuing such cure with diligence;

- (c) THC Bank or any of the Selling Shareholders, if there has been a material breach by Infinity of any material representation, warranty, covenant or agreement set forth in this Agreement on the part of Infinity that is not cured by Infinity, to the reasonable satisfaction of THC Bank or such Selling Shareholder(s), within ten (10) business days after notice of such breach is given by THC Bank or the Selling Shareholder(s) unless such breach cannot reasonably be cured within ten (10) business days and the breaching party is pursuing such cure with diligence);
- (d) Infinity or THC Bank, if any permanent injunction or other order of a governmental entity of competent authority preventing the consummation of the Transaction contemplated by this Agreement has become final and non-appealable; or
- (e) Infinity or THC Bank, if the Transaction has not been consummated prior to August 6, 2014, or such other date as may be agreed to in writing by Infinity and THC Bank.

10.2 **Effect of Termination.** In the event of the termination of this Agreement as provided for in Subsection 10.1, this Agreement will be of no further force or effect, except for those provisions in this Agreement which expressly survive termination, and provided that no termination of this Agreement will relieve any party of liability for any breaches of this Agreement that are based on a wrongful refusal or failure to perform any obligations.

11. **Indemnification**

11.1 **Certain Definitions.** For the purposes of this Section 11, the terms "Loss" and "Losses" mean any and all demands, claims, actions or causes of action, assessments, losses, damages, liabilities, costs, and expenses, including without limitation, interest, penalties, fines and reasonable attorneys, accountants and other professional fees and expenses, but excluding any indirect, consequential or punitive damages suffered by Infinity or THC Bank including damages for lost profits or lost business opportunities.

11.2 **Agreement of THC Bank to Indemnify.** THC Bank will indemnify, defend, and hold harmless, to the full extent of the law, Infinity and its directors, officers, employees, agents, advisers and shareholders from, against, and in respect of any and all Losses asserted against, relating to, imposed upon, or incurred by Infinity and its directors, officers, employees, agents, advisers and shareholders by reason of, resulting from, based upon or arising out of:

- (a) a material breach by THC Bank of any representation or warranty of THC Bank contained in or made pursuant to this Agreement, any THC Bank document or any certificate or other instrument delivered pursuant to this Agreement; or
- (b) a material breach or partial breach by THC Bank of any covenant or agreement of THC Bank made in or pursuant to this Agreement, any document or any certificate or other instrument delivered pursuant to this Agreement.

11.3 **Agreement of Selling Shareholders to Indemnify.** The Selling Shareholders will each, severally, and not jointly and severally, indemnify, defend, and hold harmless, to the full extent of the law, Infinity and its directors, officers, employees, agents, advisers and shareholders from, against, and in respect of any and all Losses asserted against, relating to, imposed upon, or

incurred by Infinity and its directors, officers, employees, agents, advisers and shareholders by reason of, resulting from, based upon or arising out of:

- (a) any breach by such Selling Shareholder of this Agreement; or
- (b) any misstatement, misrepresentation or breach of the representations and warranties made by such Selling Shareholder contained in or made pursuant to the representations or warranties or certificates executed by the Selling Shareholder as part of the share exchange procedure detailed in Sections 2, 3, 4 and 5 of this Agreement.

11.4 **Agreement of Infinity to Indemnify.** Infinity will indemnify, defend, and hold harmless, to the full extent of the law, THC Bank and the Selling Shareholders from, against, for, and in respect of any and all Losses asserted against, relating to, imposed upon, or incurred by THC Bank and the Selling Shareholders by reason of, resulting from, based upon or arising out of:

- (a) a material breach by Infinity of any representation or warranty of Infinity contained in or made pursuant to this Agreement, any Infinity document or any certificate or other instrument delivered pursuant to this Agreement; or
- (b) a material breach or partial breach by Infinity of any covenant or agreement of Infinity made in or pursuant to this Agreement, any Infinity document or any certificate or other instrument delivered pursuant to this Agreement.

11.5 **Limitation on Indemnity.** Any party entitled to indemnification under this Section will only be entitled to indemnification in respect of any Losses after the aggregate amount of such Losses exceeds \$50,000, at which point the indemnified party will be entitled to recover the entire amount of such Losses from the first dollar (including the first \$50,000).

11.6 **Additional Indemnity from Selling Shareholders.** In addition to the indemnification provisions set out in Subsection 11.3, and for a period of one (1) year from the Closing Date, the Selling Shareholders will each, severally, and not jointly and severally, indemnify, defend, and hold harmless, to the full extent of the law, Infinity from, against, for, and in respect of any and all known or unknown liabilities, excluding those set out in Schedule H, incurred and brought forth after the Closing Date, including legal proceedings brought against THC Bank, which liabilities were incurred, arose or relate to any matter that occurred prior to the Closing Date to the extent that such liabilities exceed \$50,000 in any given year; provided, however, the aggregate indemnification obligations of the Selling Shareholders will be limited to \$500,000.

11.7 **Indemnification Procedures.** If any action will be brought against any party in respect of which indemnity may be sought pursuant to this Agreement (the "**Indemnified Party**"), such Indemnified Party will promptly notify the party from whom indemnity is being sought (the "**Indemnifying Party**") in writing, and the Indemnifying Party will have the right to assume the defence thereof with counsel of its own choosing. Any Indemnified Party will have the right to employ separate counsel in any such action and participate in the defence thereof, but the fees and expenses of such counsel will be at the expense of such Indemnified Party except to the extent that the employment thereof has been specifically authorized by the Indemnifying Party in writing, the Indemnifying Party has failed after a reasonable period of time to assume such defence and to employ counsel or in such action there is, in the reasonable opinion of such separate counsel, a material conflict on any material issue between the position of the Indemnifying Party and the position of such Indemnified Party. The Indemnifying Party will not

be liable to any Indemnified Party under this Section 11 for any settlement by an Indemnified Party effected without the Indemnifying Party's prior written consent, which consent will not be unreasonably withheld, conditioned or delayed; or to the extent, but only to the extent that a loss, claim, damage or liability is attributable to any Indemnified Party's indemnification pursuant to this Section 11.

12. Miscellaneous Provisions

- 12.1 **Effectiveness of Representations and Survival.** Each party is entitled to rely on the representations, warranties and agreements of each of the other parties and all such representation, warranties and agreement will be effective regardless of any investigation that any party has undertaken or failed to undertake. Unless otherwise stated in this Agreement, and except for instances of fraud, the representations, warranties and agreements will survive the Closing Date and continue in full force and effect until one (1) year after the Closing Date.
- 12.2 **Further Assurances.** Each of the parties hereto will co-operate with the others and execute and deliver to the other parties hereto such other instruments and documents and take such other actions as may be reasonably requested from time to time by any other party hereto as necessary to carry out, evidence, and confirm the intended purposes of this Agreement.
- 12.3 **Amendment.** This Agreement may not be amended except by an instrument in writing signed by each of the parties.
- 12.4 **Expenses.** Infinity and THC Bank will bear their respective costs incurred in connection with the preparation, execution and performance of this Agreement and the Transaction contemplated hereby, including all fees and expenses of their respective agents, representatives and accountants, provided that if the Closing does not occur on or prior to August 6, 2014 solely due to the actions or inactions of Infinity, including but not limited to failure by Infinity to obtain any required regulatory, stock exchange or board approvals, then Infinity will be responsible for the costs incurred by THC Bank in furtherance of and closing of the Transaction after August 6, 2014.
- 12.5 **Entire Agreement.** This Agreement, the Schedules and the other documents in connection with this transaction contain the entire agreement between the parties with respect to the subject matter hereof and supersede all prior arrangements and understandings, both written and oral, expressed or implied, with respect thereto. Any preceding correspondence or offers are expressly superseded and terminated by this Agreement.
- 12.6 **Notices.** All notices and other communications required or permitted under this Agreement must be in writing and will be deemed given if sent by personal delivery, faxed with electronic confirmation of delivery, internationally-recognized express courier or registered or certified mail (return receipt requested), postage prepaid, to the parties at the following addresses (or at such other address for a party as will be specified by like notice):

If to THC Bank:

3683 Berard Road
Kelowna, BC V1W 4A9

Attention: Barry Kuypers

Telephone: 250-870-4437
Email: bkuypers@shaw.ca

With a copy (which will not constitute notice) to:

Farris, Vaughan, Wills & Murphy LLP
1800 – 1631 Dickson Avenue
Kelowna, BC V1Y 0B5

Attention: Peter MacPherson
Telephone: 250-869-3881
Facsimile: 250-861-8772
Email: pmacpherson@farris.com

If to any of the Selling Shareholders to the addresses set forth for such Selling Shareholders in Schedule "A".

If to Infinity:

400 – 409 Granville Street
Vancouver, BC V6C 1T2

Attention: Ron Shenton
Facsimile: 604-689-9925

With a copy (which will not constitute notice) to:

Tupper Jonsson & Yeadon
1710 – 1177 West Hastings Street
Vancouver, BC V6E 2L3

Attention: Lee S. Tupper
Telephone: 604-640-6358
Facsimile: 604-681-0139

All such notices and other communications will be deemed to have been received:

- (a) in the case of personal delivery, on the date of such delivery;
- (b) in the case of a fax, when the party sending such fax has received electronic confirmation of its delivery;
- (c) in the case of delivery by internationally-recognized express courier, on the business day following dispatch; and
- (d) in the case of mailing, on the fifth business day following mailing.

12.7 **Headings.** The headings contained in this Agreement are for convenience only and will not affect in any way the meaning or interpretation of this Agreement.

- 12.8 **Benefits.** This Agreement is and will only be construed as for the benefit of or enforceable by those Persons party to this Agreement.
- 12.9 **Severability.** Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity, illegality or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provisions of this Agreement or of such provisions or part thereof in any other jurisdiction.
- 12.10 **Assignment.** This Agreement may not be assigned (except by operation of law) by any party without the prior consent of the other parties.
- 12.11 **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia applicable to contracts and to be performed therein.
- 12.12 **Construction.** The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction will be applied against any party.
- 12.13 **Gender.** All references to any party will be read with such changes in number and gender as the context or reference requires.
- 12.14 **Business Days.** If the last or appointed day for the taking of any action required or the expiration of any rights granted herein will be a Saturday, Sunday or a legal holiday in the province of British Columbia, then such action may be taken or right may be exercised on the next succeeding day which is not a Saturday, Sunday or such a legal holiday.
- 12.15 **Schedules and Exhibits.** The schedules and exhibits are attached hereto and form part of this Agreement and are incorporated herein.
- 12.16 **Independent Legal Advice.** Each of the parties acknowledge that:
- (a) Tupper Jonsson & Yeadon has acted as counsel only to Infinity, that all other parties to this Agreement acknowledge and confirm that they have been advised to seek, and have sought or have otherwise waived, independent tax and legal advice with respect to this Agreement and the documents delivered pursuant thereto and that Tupper Jonsson & Yeadon is not protecting the rights and interests of any other party to this Agreement; and
 - (b) Farris, Vaughn, Wills & Murphy LLP has acted as counsel only to THC Bank, that all other parties to this Agreement acknowledge and confirm that they have been advised to seek, and have sought or waived, independent tax and legal advice with respect to this Agreement and the documents delivered pursuant thereto and that Farris, Vaughn, Wills & Murphy LLP are not protecting the rights and interests of any other party to the Agreement.
 - (c) To the extent that any Selling Shareholder declines to receive independent legal counsel in respect of this Agreement, such Selling Shareholder hereby waives the right, should a dispute later develop, to rely on its lack of independent legal counsel to avoid its obligations, to seek indulgences from the other parties hereto, or to otherwise attack, in whole or in part, the integrity of this Agreement and the documents related thereto.

12.17 **Counterparts.** This Agreement may be executed in one or more counterparts, all of which will be considered one and the same agreement and will become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart.

12.18 **Facsimile Execution.** Delivery of an executed signature page to this Agreement by any party to this Agreement by facsimile transmission and portable document format (PDF) shall be as effective as delivery of a manually executed copy of this Agreement by such party.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

INFINITY MINERALS CORP.

THE HERBAL CLONE BANK INC.

Authorized Signatory

Name:

Title:

Authorized Signatory

Name:

Title:

SCHEDULE A

**TO THE SHARE EXCHANGE AGREEMENT DATED FOR REFERENCE August 6, 2014,
AMONG INFINITY, THC BANK AND THE SELLING SHAREHOLDERS**

Selling Shareholders

Name and Address of THC Bank Shareholder	Cert. No.	Number of THC Bank Shares held as of the date of this Agreement	Number of Infinity Shares to be received
Kuypers Holdings Ltd.	A3	16,000,000	16,000,000
David Hutchinson	A4	4,000,000	4,000,000
Kuypers Holdings Ltd.	A5	1,675,000	1,675,000
David Hutchinson	A6	1,050,000	1,050,000
0949453 B.C. Ltd.	A7	2,525,000	2,525,000
Kuypers Holdings Ltd.	A8	3,500,000	3,500,000

Total Common Shares Issued: 28,750,000

SCHEDULE B

**TO THE SHARE EXCHANGE AGREEMENT DATED FOR REFERENCE August 6, 2014,
AMONG INFINITY, THC BANK AND THE SUBSIDIARIES
AND THE SELLING SHAREHOLDERS**

THC Bank Consolidated Financial Statements

The Herbal Clone Bank Inc.

Consolidated Financial Statements

For the period from inception on November 8, 2013 to May 31, 2014

Expressed in Canadian Dollars



Tel: 604 688 5421
Fax: 604 688 5132
www.bdo.ca

BDO Canada LLP
600 Cathedral Place
925 West Georgia Street
Vancouver BC V6C 3L2 Canada

Independent Auditor's Report

To the Directors of The Herbal Clone Bank Inc.

We have audited the accompanying consolidated financial statements of The Herbal Clone Bank Inc., which comprise the consolidated statement of financial position as at May 31, 2014 and the consolidated statements of loss and comprehensive loss, changes in deficit and cash flows for the period from inception on November 8, 2013 to May 31, 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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.

Auditor's 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 consolidated 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 in our audit 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 The Herbal Clone Bank Inc. as at May 31, 2014 and its financial performance and its cash flows for the period from inception on November 8, 2013 to May 31, 2014 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 in the financial statements, which indicates that as at May 31, 2014, the Company had an accumulated deficit of \$159,670. These conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

/s/ "BDO Canada LLP"

Vancouver, British Columbia
August 26, 2014

The Herbal Clone Bank Inc.
 Consolidated Statement of Financial Position
 Expressed in Canadian dollars

	Notes	May 31, 2014
ASSETS		
Current assets		
Cash		\$ 23,617
GST receivable		2,506
Prepaid expenses		4,275
		<u>30,398</u>
Non-current assets		
Equipment		1,322
TOTAL ASSETS		\$ 31,720
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current liabilities		
Trade payables and accrued liabilities		\$ 23,978
Deposits	5	76,413
Loans payable	6	70,034
Due to related parties	7	203,443
TOTAL LIABILITIES		<u>373,868</u>
SHAREHOLDERS' DEFICIT		
Share capital	8,13	30,015
Other equity reserve	8,9	(212,493)
Accumulated deficit		(159,670)
TOTAL SHAREHOLDERS' DEFICIT		<u>(342,148)</u>
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT		\$ 31,720

Signed on behalf of the Board of Directors by: *"BARRY KUYPERS"*

The Herbal Clone Bank Inc.
Consolidated Statement of Comprehensive Loss
Expressed in Canadian dollars

	Notes	For the period from inception on November 8, 2013 to May 31, 2014
Revenue		
Consulting		\$ 4,500
Cost of sales		(1,250)
		3,250
Operating expenses		
Contract labor	7	49,552
Depreciation		566
Legal and professional fees		3,195
Management fees	7	93,143
Office and general		10,692
Travel and promotion		5,772
		(162,920)
Loss and comprehensive loss for the period		\$ 159,670
Loss per share – basic and diluted	8	\$ (0.01)
Weighted average number of shares outstanding – basic and diluted	8	21,286,768

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

The Herbal Clone Bank Inc.
Consolidated Statement of Changes in Deficit
Expressed in Canadian dollars

	Note	Share capital		Other equity reserve	Accumulated deficit	Total
		Number of shares	Amount			
Incorporation on November 8, 2013	8	20,000,000	\$ 10	\$ -	\$ -	\$ 10
Share issuance to founders	8	3,027,778	2	-	-	2
Share issuance for proceeds	8	1,111,111	1	-	-	1
Share issuance on exercise of Share option	8,13	1,111,111	30,000	-	-	30,000
Share issuance on acquisition of subsidiary	8	3,500,000	2	(212,493)	-	(212,491)
Comprehensive loss for the period		-	-	-	(159,670)	(159,670)
Balance at May 31, 2014		28,750,000	\$ 30,015	\$ (212,493)	\$ (159,670)	\$ (342,148)

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

The Herbal Clone Bank Inc.
Statement of Consolidated Cash Flows
Expressed in Canadian dollars

	For the period from inception on November 8, 2013 to May 31, 2014
Operating activities	
Loss for the period	\$ (159,670)
Adjustments for:	
Depreciation	566
Changes in non-cash working capital items:	
GST receivable	31
Prepaid expense	(4,250)
Trade payables and accrued liabilities	31,714
Customer deposits	76,313
Net cash flows used in operating activities	(55,296)
Investing activity	
Bank indebtedness - acquisition of subsidiary (Note 4)	(662)
Net cash flows used in investing activity	(662)
Financing activities	
Proceeds on issuance of common shares	10
Proceeds from related parties	79,564
Net cash flows from financing activities	79,574
Change in cash during the period	23,616
Cash, beginning of period	-
Cash, end of period	\$ 23,616

See Note 9 for cash flow adjustments relating to the acquisition of Advanced Greenhouse Technologies Ltd.

1. Corporate information

The Herbal Clone Bank Inc. (the "Company") was incorporated on November 8, 2013, under the laws of the province of British Columbia, Canada, and its principal activity is organizing the construction of specialty greenhouses and services to licensed producers ("LP"s) in the medicinal marijuana sector, with the goal of enhancing profit margins and the LP's bottom line. The Herbal Clone Bank Inc. is a science-based, production-focused company which plans to establish a state-of-the-art greenhouse operation in the Okanagan Falls area of the British Columbia. Its objective is to supply starting plant material to LP's across Canada. Specific planned service offerings include propagation, direct cultivation and sale of purebred cultivars; cloning; and marijuana strain storage.

The address of the Company's corporate office and principal place of business is 3683 Berard Road, Kelowna, British Columbia, Canada.

2. Basis of preparation

a) *Statement of compliance*

These consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

These financial statements were authorized for issue on August 26, 2014 by the directors of the Company.

b) *Basis of preparation*

The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency.

c) *Going concern of operations*

These consolidated financial statements have been prepared on the assumption that the Company and its subsidiary will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. For the period ended May 31, 2014, the Company generated a loss of \$159,670 and, as at that date, the Company has a working capital deficiency of \$343,470, has not advanced its business to commercial production and is not able to finance day to day activities through operations. The Company believes that the current liquidity position is not sufficient to fund next year's cash commitments and other expenses to be incurred until May 31, 2015.

These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon management's ability to raise equity capital or borrowings sufficient to meet current and future obligations until such time that the Company is able to generate funds from operations. Management intends to finance operating costs over the next twelve months using existing cash, loans or private placement of common shares although there is no assurance that it will manage to obtain additional financing in the future and no guarantees that the financing sources or initiatives will be accessible to the Company or that they will be available under such conditions acceptable for the Company.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of revenues and expenses and the classification of statement of financial position items if the going concern assumption was deemed inappropriate, and these adjustments could be material. Management did not take these adjustments into account as it believes in the validity of the going concern assumption.

3. Significant accounting policies

a) Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Advanced Greenhouse Technologies Ltd. ("AGT"). A wholly owned subsidiary is an entity in which the Company has control, directly or indirectly, where control is defined as the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. All material intercompany transactions and balances have been eliminated on consolidation. Subsidiaries are deconsolidated from the date control ceases.

b) Business combinations under common control

Business combinations under common control are accounted for prospectively from the date the Company obtains the ownership interest using the predecessor values method (carrying amounts), whereby assets and liabilities are recognized upon consolidation at their carrying amount recorded in the books of the acquired company.

c) Equipment

Recognition and Measurement

On initial recognition, equipment is valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions.

Equipment is subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses, with the exception of land which is not depreciated.

Subsequent Costs

The cost of replacing part of an item of equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Major Maintenance and Repairs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Gains and Losses

Gains and losses on disposal of an item of equipment are determined by comparing the proceeds from disposal with the carrying amount, and are recognized net within other income in profit or loss.

Depreciation

Depreciation is recognized in profit or loss and is provided on the declining balance method over the estimated useful life of the assets as follows:

Computer equipment	30% declining balance
--------------------	-----------------------

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3. Significant accounting policies (cont'd)

d) Impairment of non-financial assets

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

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

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. Any reversal of impairment cannot increase the carrying value of the asset to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

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

e) Financial instruments

Financial assets

Financial assets are classified based on the purpose for which the asset was acquired. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

Loans and receivables

These assets are non-derivative financial assets resulting from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, or on demand. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process. The Company's loans and receivables are comprised of cash.

Impairment of financial assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

3. Significant accounting policies (cont'd)

Financial liabilities

Financial liabilities are classified as other financial liabilities, based on the purpose for which the liability was incurred. These liabilities are initially recognized at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the effective interest rate method. This ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. Interest expense in this context includes initial transaction costs and premiums payable on redemption, as well as any interest or coupon payable while the liability is outstanding. The Company's financial liabilities are comprised of trade payables and accrued liabilities, loans payable and due to related parties.

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of the year which are unpaid.

f) Provisions

Provisions are recognized for liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

g) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting year the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

h) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

3. Significant accounting policies (cont'd)

i) Loss per share

Basic loss per share is computed by dividing the net loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted loss per common share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted.

j) Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive loss/income over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive loss/income over the remaining vesting period.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in comprehensive loss/income over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of comprehensive loss/income. Options or warrants granted related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

3. Significant accounting policies (cont'd)

k) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances and rebates.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

Consulting Revenue:

The Company provides professional services under fee-for-service, cost-based and fixed price contracts. Where the outcome of a transaction can be estimated reliably, revenue associated with the transaction is recognized in the income statement by reference to the stage of completion at the year end, provided that a right to consideration has been obtained through performance.

l) Adoption of new and amended IFRS pronouncements

Effective November 8, 2013, the Company adopted the following new and revised International Financial Reporting Standards that were issued by the International Accounting Standards Board.

IAS 1 Presentation of Financial Statements (Amendment)

The amendments to IAS 1 require the grouping of items within other comprehensive income that may be reclassified to profit or loss and those that will not be reclassified. The application of this IFRS did not have a material impact on the amounts reported for the current period but may affect the accounting for future transactions or arrangements.

IFRS 7 Financial Statements: Disclosures

The amendment to IFRS 7 enhances the disclosure required when offsetting financial assets and liabilities. The application of this IFRS did not have a material impact on the amounts reported for the current period but may affect the accounting for future transactions or arrangements.

IFRS 10 Consolidated Financial Statements

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation - Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements. The application of the IFRS did not have a material impact on the amounts reported for the current period but may affect the accounting for future transactions or arrangements.

IFRS 11 Joint Arrangements

IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. The application of the IFRS did not have a material impact on the amounts reported for the current period but may affect the accounting for future transactions or arrangements.

3. Significant accounting policies (cont'd)

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities. The application of the IFRS did not have a material impact on the amounts reported for the current period but may affect the accounting for future transactions or arrangements.

IFRS 13 Fair Value Measurement

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. The application of the IFRS did not have a material impact on the amounts reported for the current period but may affect the accounting for future transactions or arrangements.

m) Standards, amendments and interpretations not yet effective

The following new standards have been issued by the IASB but are not yet effective:

IFRS 9 Financial Instruments

IFRS 9 is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2015. The Company is in the process of evaluating the impact of the new standard.

IAS 24 Related Party Disclosures

The amendments to IAS 24 clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendments will only affect disclosure and are effective for annual periods beginning on or after January 1, 2014. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

IFRIC 21 Levies

The IASB issued IFRIC 21 – Levies (“IFRIC 21”), an interpretation of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets (“IAS 37”), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (“Obligating Event”). IFRIC 21 clarifies that the Obligating Event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

4. Critical accounting judgments and estimates

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Judgments

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to a different basis of accounting.
- The assessment that Advanced Greenhouse Technologies Ltd. constitutes a business as at May 1, 2014, thus supporting its acquisition as a business combination under common control.

Estimates

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the fiscal period are discussed below.

- An estimate was applied by management in determining a nominal value for the shares issued in the acquisition of Advanced Greenhouse Technologies Ltd.
- An estimate was applied by management in determining the nominal value for the share purchase option provided to the Company's chief financial officer.

5. Deposits

	May 31, 2014
Greenhouse Customer deposit (non refundable) (i)	\$ 60,000
Infinity Minerals Corp. deposit (refundable) (ii)	10,000
Other Customer deposit (non-refundable) (iii)	6,413
	\$ 76,413

- (i) The Company received a non-refundable customer deposit of \$60,000 for the construction of a greenhouse. As at May 31, 2014, work and delivery has not commenced.
- (ii) The Company received a \$10,000 refundable deposit from Infinity Minerals Corp., in relation to a Share Exchange Agreement (Note 11). If this share exchange is not completed, the entire amount will become an unsecured loan with a thirty day demand feature.
- (iii) The Company received a non-refundable deposit for \$6,413 for specialty plants. As at May 31, 2014, delivery of those plants has not been completed.

6. Loans payable

All loans payable are unsecured, non-interest bearing, have no specific terms of repayment and are due on demand.

7. Related party transactions

Related party balances

The following amounts are due to related parties:

	May 31, 2014
Amount due to 0949453 BC Ltd, a connected company of the Company's chief financial officer	\$ 1,299
Due to David Hutchinson, a director and shareholder of the Company	22,330
Due to Kuypers Holdings Ltd., a company controlled by an executive officer and director of the Company	103,008
Due to Kelowna Flower Farm Ltd. a company controlled by an executive officer and director of the Company	76,806
	<u>\$ 203,443</u>

These amounts are unsecured, non-interest bearing, have no fixed terms of repayment and are due on demand.

Key Management Compensation

	May 31, 2014
Key management compensation	\$ 115,000

Remuneration to CFO has been included in contract labor costs and remuneration to CEO and Director of Communication has been included as management fees.

8. Share capital

a) Common shares

The Company is authorized to issue an unlimited number of common shares without par value.

At May 31, 2014 there were 28,750,000 issued and fully paid common shares.

On November 8, 2013, inception, 20,000,000 common shares were issued to two founders for proceeds of \$10.

On May 1, 2014, 3,027,778 common shares were issued to key management in connection with a corporate reorganization. These common shares were recorded at a nominal value

On May 1, 2014, 1,111,111 common shares were issued to 0949453 BC Ltd, the management company which employs the chief financial officer of the Company. The common shares were recorded at a nominal value.

On May 1, 2014, 0949453 BC Ltd. exercised its share option to purchase 1,111,111 common shares of the Company. The Company and 0949453 BC Ltd. agreed to settle \$30,000 accrued as a payable to 0949453 BC Ltd. as the payment for the exercise of the share option. The Company recorded the exercise of the share option of \$30,000 in share capital for the period ended May 1, 2014 (Note 13).

On May 1, 2014, 3,500,000 common shares were issued to Advanced Greenhouse Technologies Ltd. in connection with the share exchange agreement, at a nominal value of \$2. (Note 9)

8. Share capital (cont'd)

a) Common shares (cont'd)

On May 1, 2014, the Company's common shares were split by a factor of 200,000 common shares to 1 common share, increasing the common shares from 100 shares to 20,000,000 as at that date. The common shares presented in these consolidated financial statements reflect this split as if it had occurred at inception.

b) Basic and diluted loss per share

The calculation of basic and diluted loss per share for the period ended May 31, 2014 was based on the loss attributable to common shareholders of \$159,670 and the weighted average number of common shares outstanding of 21,286,768.

c) Nature and purpose of equity and reserves

The reserves recorded in equity on the Company's consolidated statement of financial position include 'Other equity reserve' and 'Accumulated deficit'.

'Other equity reserve' is used to recognize book value differential upon the acquisition of Advanced Greenhouse Technologies Ltd. (Note 9).

'Accumulated Deficit' is used to record the Company's change in deficit from earnings from year to year.

9. Acquisition of Advanced Greenhouse Technologies Ltd.

On May 1, 2014, the Company issued 3,500,000 common shares in exchange for 100% of the outstanding shares of Advanced Greenhouse Technologies Ltd. ("AGT") with an estimated fair value of \$2 (the "Acquisition"). As the two entities were under common control as at the date of the Acquisition, this transaction has been accounted for as a business combination, prospectively from the date the ownership interest was acquired. All assets and liabilities of AGT have been recognized upon consolidation at their carrying amounts.

The information in the following table summarizes the consideration provided in exchange for AGT and the amounts of the assets acquired and liabilities assumed that were recorded at the acquisition date carrying amounts.

	May 1, 2014
Total consideration provided	
3,500,000 common shares	\$ 2
Recognized amounts (predecessor carrying amounts)	
Assets acquired:	
GST receivable	2,537
Prepaid expenses	25
Equipment	1,888
	<u>4,450</u>
Liabilities assumed:	
Cheques in excess of cash on hand	664
Trade payables and accrued liabilities	22,263
Deposit	100
Loans payable	70,034
Due to related party	123,880
	<u>216,941</u>

The Herbal Clone Bank Inc.
Statement of Consolidated Cash Flows
Expressed in Canadian dollars

Net liabilities recognized	212,491
Total recognized within equity	\$ 212,493

9. Acquisition of Advanced Greenhouse Technologies Ltd. (cont'd)

The total expenses recognized for the 1 month period ended May 31, 2014 in AGT is \$5,060. There was no revenue or material assets purchased in AGT during this period.

10. Income taxes

A reconciliation of income taxes at statutory rates with reported taxes is as follows:

	May 31, 2014
Loss before income taxes	\$ (159,670)
Expected income tax recovery	\$ (39,900)
Permanent differences and other items	600
Effect of change in statutory tax rates	(1,600)
Unrecognized benefit of non-capital losses	40,900
Net income tax recovery	\$ -

The significant components of the Company's deferred tax assets are as follows:

	May 31, 2014
Deferred tax assets:	
Non-capital loss carry forwards	\$ 40,800
Equipment	100
Unrecognized deferred tax assets	\$ 40,900

The Company has non-capital losses carried forward for income tax purposes of approximately \$155,000 which can be applied against future years' taxable income. These losses will expire through to 2034. Future tax benefits which may arise as a result of these non-capital losses have not been recognized in these financial statements.

11. Financial instruments and financial risk management

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

11. Financial instruments and financial risk management (cont'd)

General Objectives, Policies and Processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of four types of risk: foreign currency risk, interest rate risk, commodity price risk and equity price risk.

Foreign currency risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and other foreign currencies will affect the Company's operations and financial results. The company does not have significant exposure to foreign exchange rate fluctuation.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company's borrowings are non-interest bearing. Interest rate risk is limited to potential decreases on the interest rate offered on cash held with chartered Canadian financial institutions. The Company considers this risk to be immaterial.

Equity price risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The Company holds no such assets and is thus not exposed to equity price risk.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consist primarily of cash. Cash is maintained with financial institutions of reputable credit and may be redeemed upon demand.

The carrying amount of financial assets represents the maximum credit exposure. Credit risk exposure is limited through maintaining cash with high-credit quality financial institutions and management considers this risk to be minimal for all cash assets based on changes that are reasonably possible at each reporting date.

c) 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 ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is invested in business accounts and is available on demand. Funding risk is the risk that the Company may not be able to raise appropriate financing in a timely manner and on terms acceptable to management. There are no assurances that such financing will be available when, and if, the Company requires additional equity financing.

11. Financial instruments and financial risk management (cont'd)

The following is an analysis of the contractual maturities of the Company's non-derivative financial liabilities as at May 31, 2014:

	Within one year	Between one and five years	More than five years
Trade payables and accrued liabilities	\$ 23,978	\$ -	\$ -
Loans payable	\$ 70,034	\$ -	\$ -
Due to related parties	\$ 203,443	\$ -	\$ -

Fair value hierarchy

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

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

The Company did not have any financial instruments in Level 2 or 3 nor were there any transfers between Level 1, 2 or 3 in the year.

12. Capital management

The Company monitors its cash, common shares, and debt obligations as capital. The Company's objectives when maintaining capital are to maintain sufficient capital base in order to meet its short-term obligations and at the same time preserve investor's confidence required to sustain future development and production of the business.

The Company is not exposed to any externally imposed capital requirements.

13. Commitments

- (i) The Company entered a management service agreement on January 1, 2014 with the chief executive officer ("CEO") where the officer is to be compensated \$12,000 a month until June 1, 2014, when the monthly compensation would be reduced to \$8,000 a month until such time as the party or the Board of Directors terminates the agreement. The agreement permits the Company to settle any payment in shares at any time. The CEO is also entitled to participate in a stock option arrangement when the Board announces its stock option plan.
- (ii) The Company entered a management service agreement on January 1, 2014 with the director of communication ("DOC") where the party is to be compensated \$5,000 a month until June 1, 2014, when the monthly compensation would be increased to \$8,000 a month until such time as the party or the Board of Directors terminates the agreement. The agreement permits the Company to settle any payment in shares at any time. The party is also entitled to participate in a stock option arrangement when the Board announces its stock option plan.

13. Commitments (cont'd)

(iii) The Company entered into a management service agreement with a 0949453 BC Ltd., ("ManagementCo") a connected company of the chief financial officer. The ManagementCo received shares and a share option which was exercised during the period (Note 8). The parties agreed to pay a rate of \$60 per hour until May 31, 2014. The ManagementCo is permitted to accrue any amounts owing and use it to purchase the share option above, as noted above. On June 1, 2014, an addendum agreement was signed replacing the hourly rate with a monthly rate of \$8,000. The ManagementCo is also entitled to participate in a stock option arrangement when the Board announces its stock option plan.

14. Events after the reporting date

On August 6, the Company and Infinity Minerals Corp. ("Infinity"), a company listed on the Canadian Securities Exchange (CSE) under the trading symbol ("IFN"), signed a Share Exchange Agreement pursuant to which Infinity will purchase all 28,750,000 outstanding common shares of the Company in exchange for common shares of Infinity. The anticipated exchange ratio is one for one. Concurrent with the closing of the share exchange, Infinity is required to complete a non-brokered private placement of \$1 million at \$0.20 a unit consisting of 5,000,000 units which include 5,000,000 common shares and 5,000,000 one-half share purchase warrant. Each full share purchase warrant can be exercised at a price of \$0.30 for a period of one year. The private placement closed June 24, 2014. The Share Exchange Agreement is subject to shareholder and regulatory approval.

After this transaction, if approved, the shareholders of the Company will control Infinity, holding approximately 58.4% of the common shares of Infinity.

SCHEDULE C

**TO THE SHARE EXCHANGE AGREEMENT DATED FOR REFERENCE August 6, 2014,
AMONG INFINITY, THC BANK AND THE SUBSIDIARIES
AND THE SELLING SHAREHOLDERS**

**THC Bank and the Subsidiary Creditors and Encumbrances on THC Bank's
and the Subsidiary's Assets**

There are no encumbrances on THC Bank's or its Subsidiary's Assets.

SCHEDULE D

TO THE SHARE EXCHANGE AGREEMENT DATED FOR REFERENCE August 6, 2014, AMONG INFINITY, THC BANK AND THE SELLING SHAREHOLDERS

Infinity Financial Statements

The Infinity Minerals Corp audited annual financial statements as at August 31, 2013 have been filed on SEDAR and are publicly available thereon.

The Infinity Minerals Corp unaudited financial statements for the three and nine month periods ended May 31, 2014 have been filed on SEDAR and are publicly available thereon. Such statements are also included on the Canadian Stock Exchange website and also attached to the Infinity Form 2A listing statements filed in May 2014 on the CSE website.

SCHEDULE E

TO THE SHARE EXCHANGE AGREEMENT DATED FOR REFERENCE August 6, 2014, AMONG INFINITY, THC BANK AND THE SUBSIDIARY AND THE SELLING SHAREHOLDERS

Material Agreements of THC Bank and the Subsidiary

The following attachments accompany this document:

- Letter agreement dated November 14, 2012 between Advanced Greenhouse Technologies Ltd's predecessor name and Les Industries Harnois Inc of St Thomas (Joliette), Quebec whereby AGT has exclusive marketing and distribution rights for Harnois greenhouses in British Columbia for units designated for the medicinal marihuana industry and also for any other greenhouse applications requiring black out curtain designs
- Executive Consulting Services Agreement with Kuypers Holdings Ltd dated January 1, 2014
- Executive Consulting Services Agreement David Hutchinson dated January 1, 2014
- Executive Consulting Services Agreement with 0949453 BC Ltd. dated June 1, 2014

SCHEDULE F

**TO THE SHARE EXCHANGE AGREEMENT DATED FOR REFERENCE August 6, 2014,
AMONG INFINITY, THC BANK AND THE SUBSIDIARY
AND THE SELLING SHAREHOLDERS**

THC Bank and the Subsidiary Litigation

THC Bank and the Subsidiary have no outstanding or current litigation.

SCHEDULE G

TO THE SHARE EXCHANGE AGREEMENT DATED FOR REFERENCE August 6, 2014, AMONG INFINITY, THC BANK AND THE SELLING SHAREHOLDERS

Infinity Litigation

A Calgary law firm, Heenan Blaikie LLP (now no longer in business), billed the Company for services which were ultimately used without our approval by a former Heenan Blaikie partner who had transferred to another law firm prior to the dissolution of Heenan Blaikie. The total outstanding amount claimed to be owed by the Company to Heenan Blaikie is \$ 26,678 which the Company has refused to pay and is awaiting a response from Heenan Blaikie's receiver.

SCHEDULE H

**TO THE SHARE EXCHANGE AGREEMENT DATED FOR REFERENCE August 6, 2014,
AMONG INFINITY, THC BANK AND THE SUBSIDIARY
AND THE SELLING SHAREHOLDERS**

THC Bank and the Subsidiary Intellectual Property

THC Bank and the Subsidiary currently have no intellectual property.

SCHEDULE I

**TO THE SHARE EXCHANGE AGREEMENT DATED FOR REFERENCE August 6, 2014,
AMONG INFINITY, THC BANK AND THE SELLING SHAREHOLDERS**

Infinity Options and Warrants

WARRANTS

As at August 11, 2014, the Company had a total of 3,458,950 warrants outstanding which granted holders the right to acquire common shares of the Company on a one share for one warrant basis, at a price of \$0.30 for a period ending June 23, 2015

OPTIONS

The following table summarizes the options, granted under the Company's stock option plan, outstanding as of August 11, 2014:

Group	No. of Options	Securities under Option	Grant Date	Expiry Date	Exercise Price per Common Share	Market Value of the Common Shares On the date of Grant	Market Value of the Common Shares as of May 31, 2014
Executive Officers (2 persons)	470,000	470,000	November 15, 2010	April 16, 2017	\$0.15	Nil	\$0.20
Directors & Non-executive Officers (1 person)	195,000	195,000	November 15, 2010	April 16, 2017	\$0.15	Nil	\$0.20
Consultants (2 person)	400,000	400,000	April 11, 2014	April 11, 2019	\$0.125	\$0.125	\$0.20
Consultants (1 person)	100,000	100,000	June 10, 2014	June 10, 2019	\$0.27	\$0.27	\$0.20
Consultant (1person)	100,000	100,000	November 19, 2012	November 19, 2017	\$0.20	\$0.20	\$0.20
Consultants (2 persons)	150,000	150,000	June 23, 2014	June 23, 2017	\$0.42	\$0.42	\$0.20

Consultant (1 person)	100,000	100,000	July 11, 2014	July 11, 2017	\$0.40	\$0.40	\$0.20
TOTAL	1,515,000	1,515,000					

SCHEDULE J

**TO THE SHARE EXCHANGE AGREEMENT DATED FOR REFERENCE AUGUST 6, 2014,
AMONG INFINITY, THC BANK AND THE SUBSIDIARY
AND THE SELLING SHAREHOLDERS**

THC Bank and Subsidiary Valuation

Not applicable

**APPENDIX C: Audited Financial Statement as at May 31, 2014 for The Herbal Clone Bank Inc.
and for Advanced Greenhouse Technologies Ltd.**

**The Herbal Clone Bank Inc.
Consolidated Financial Statements
For the period from inception on November 8, 2013 to May 31, 2014**

Expressed in Canadian Dollars



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BDO Canada LLP
600 Cathedral Place
925 West Georgia Street
Vancouver BC V6C 3L2 Canada

Independent Auditor's Report

To the Directors of The Herbal Clone Bank Inc.

We have audited the accompanying consolidated financial statements of The Herbal Clone Bank Inc., which comprise the consolidated statement of financial position as at May 31, 2014 and the consolidated statements of loss and comprehensive loss, changes in deficit and cash flows for the period from inception on November 8, 2013 to May 31, 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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.

Auditor's 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 consolidated 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 in our audit 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 The Herbal Clone Bank Inc. as at May 31, 2014 and its financial performance and its cash flows for the period from inception on November 8, 2013 to May 31, 2014 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 in the financial statements, which indicates that as at May 31, 2014, the Company had an accumulated deficit of \$159,670. These conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

/s/ "BDO Canada LLP"

Vancouver, British Columbia
August 26, 2014

The Herbal Clone Bank Inc.
 Consolidated Statement of Financial Position
 Expressed in Canadian dollars

	Notes	May 31, 2014
ASSETS		
Current assets		
Cash		\$ 23,617
GST receivable		2,506
Prepaid expenses		4,275
		<u>30,398</u>
Non-current assets		
Equipment		1,322
		<u>31,720</u>
TOTAL ASSETS		
		\$ 31,720
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current liabilities		
Trade payables and accrued liabilities		\$ 23,978
Deposits	5	76,413
Loans payable	6	70,034
Due to related parties	7	203,443
		<u>373,868</u>
TOTAL LIABILITIES		
		<u>373,868</u>
SHAREHOLDERS' DEFICIT		
Share capital	8,13	30,015
Other equity reserve	8,9	(212,493)
Accumulated deficit		(159,670)
		<u>(342,148)</u>
TOTAL SHAREHOLDERS' DEFICIT		
		<u>(342,148)</u>
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT		
		\$ 31,720

Signed on behalf of the Board of Directors by: *"BARRY KUYPERS"*

The Herbal Clone Bank Inc.
Consolidated Statement of Comprehensive Loss
Expressed in Canadian dollars

	Notes	For the period from inception on November 8, 2013 to May 31, 2014
Revenue		
Consulting		\$ 4,500
Cost of sales		(1,250)
		3,250
Operating expenses		
Contract labor	7	49,552
Depreciation		566
Legal and professional fees		3,195
Management fees	7	93,143
Office and general		10,692
Travel and promotion		5,772
		(162,920)
Loss and comprehensive loss for the period		\$ 159,670
Loss per share – basic and diluted	8	\$ (0.01)
Weighted average number of shares outstanding – basic and diluted	8	21,286,768

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

The Herbal Clone Bank Inc.
Consolidated Statement of Changes in Deficit
Expressed in Canadian dollars

	Note	Share capital		Other equity reserve	Accumulated deficit	Total
		Number of shares	Amount			
Incorporation on November 8, 2013	8	20,000,000	\$ 10	\$ -	\$ -	\$ 10
Share issuance to founders	8	3,027,778	2	-	-	2
Share issuance for proceeds	8	1,111,111	1	-	-	1
Share issuance on exercise of Share option	8,13	1,111,111	30,000	-	-	30,000
Share issuance on acquisition of subsidiary	8	3,500,000	2	(212,493)	-	(212,491)
Comprehensive loss for the period		-	-	-	(159,670)	(159,670)
Balance at May 31, 2014		28,750,000	\$ 30,015	\$ (212,493)	\$ (159,670)	\$ (342,148)

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

The Herbal Clone Bank Inc.
Statement of Consolidated Cash Flows
Expressed in Canadian dollars

	For the period from inception on November 8, 2013 to May 31, 2014
Operating activities	
Loss for the period	\$ (159,670)
Adjustments for:	
Depreciation	566
Changes in non-cash working capital items:	
GST receivable	31
Prepaid expense	(4,250)
Trade payables and accrued liabilities	31,714
Customer deposits	76,313
Net cash flows used in operating activities	(55,296)
Investing activity	
Bank indebtedness - acquisition of subsidiary (Note 4)	(662)
Net cash flows used in investing activity	(662)
Financing activities	
Proceeds on issuance of common shares	10
Proceeds from related parties	79,564
Net cash flows from financing activities	79,574
Change in cash during the period	23,616
Cash, beginning of period	-
Cash, end of period	\$ 23,616

See Note 9 for cash flow adjustments relating to the acquisition of Advanced Greenhouse Technologies Ltd.

3. Corporate information

The Herbal Clone Bank Inc. (the "Company") was incorporated on November 8, 2013, under the laws of the province of British Columbia, Canada, and its principal activity is organizing the construction of specialty greenhouses and services to licensed producers ("LP"s) in the medicinal marijuana sector, with the goal of enhancing profit margins and the LP's bottom line. The Herbal Clone Bank Inc. is a science-based, production-focused company which plans to establish a state-of-the-art greenhouse operation in the Okanagan Falls area of the British Columbia. Its objective is to supply starting plant material to LP's across Canada. Specific planned service offerings include propagation, direct cultivation and sale of purebred cultivars; cloning; and marijuana strain storage.

The address of the Company's corporate office and principal place of business is 3683 Berard Road, Kelowna, British Columbia, Canada.

4. Basis of preparation

a) Statement of compliance

These consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

These financial statements were authorized for issue on August 26, 2014 by the directors of the Company.

b) Basis of preparation

The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency.

c) Going concern of operations

These consolidated financial statements have been prepared on the assumption that the Company and its subsidiary will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. For the period ended May 31, 2014, the Company generated a loss of \$159,670 and, as at that date, the Company has a working capital deficiency of \$343,470, has not advanced its business to commercial production and is not able to finance day to day activities through operations. The Company believes that the current liquidity position is not sufficient to fund next year's cash commitments and other expenses to be incurred until May 31, 2015.

These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon management's ability to raise equity capital or borrowings sufficient to meet current and future obligations until such time that the Company is able to generate funds from operations. Management intends to finance operating costs over the next twelve months using existing cash, loans or private placement of common shares although there is no assurance that it will manage to obtain additional financing in the future and no guarantees that the financing sources or initiatives will be accessible to the Company or that they will be available under such conditions acceptable for the Company.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of revenues and expenses and the classification of statement of financial position items if the going concern assumption was deemed inappropriate, and these adjustments could be material. Management did not take these adjustments into account as it believes in the validity of the going concern assumption.

3. Significant accounting policies

a) Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Advanced Greenhouse Technologies Ltd. ("AGT"). A wholly owned subsidiary is an entity in which the Company has control, directly or indirectly, where control is defined as the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. All material intercompany transactions and balances have been eliminated on consolidation. Subsidiaries are deconsolidated from the date control ceases.

b) Business combinations under common control

Business combinations under common control are accounted for prospectively from the date the Company obtains the ownership interest using the predecessor values method (carrying amounts), whereby assets and liabilities are recognized upon consolidation at their carrying amount recorded in the books of the acquired company.

c) Equipment

Recognition and Measurement

On initial recognition, equipment is valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions.

Equipment is subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses, with the exception of land which is not depreciated.

Subsequent Costs

The cost of replacing part of an item of equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Major Maintenance and Repairs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Gains and Losses

Gains and losses on disposal of an item of equipment are determined by comparing the proceeds from disposal with the carrying amount, and are recognized net within other income in profit or loss.

Depreciation

Depreciation is recognized in profit or loss and is provided on the declining balance method over the estimated useful life of the assets as follows:

Computer equipment	30% declining balance
--------------------	-----------------------

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3. Significant accounting policies (cont'd)

d) Impairment of non-financial assets

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

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

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. Any reversal of impairment cannot increase the carrying value of the asset to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

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

e) Financial instruments

Financial assets

Financial assets are classified based on the purpose for which the asset was acquired. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

Loans and receivables

These assets are non-derivative financial assets resulting from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, or on demand. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process. The Company's loans and receivables are comprised of cash.

Impairment of financial assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

3. Significant accounting policies (cont'd)

Financial liabilities

Financial liabilities are classified as other financial liabilities, based on the purpose for which the liability was incurred. These liabilities are initially recognized at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the effective interest rate method. This ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. Interest expense in this context includes initial transaction costs and premiums payable on redemption, as well as any interest or coupon payable while the liability is outstanding. The Company's financial liabilities are comprised of trade payables and accrued liabilities, loans payable and due to related parties.

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of the year which are unpaid.

f) Provisions

Provisions are recognized for liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

g) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting year the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

h) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

3. Significant accounting policies (cont'd)

i) Loss per share

Basic loss per share is computed by dividing the net loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted loss per common share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted.

j) Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive loss/income over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive loss/income over the remaining vesting period.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in comprehensive loss/income over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of comprehensive loss/income. Options or warrants granted related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

3. Significant accounting policies (cont'd)

k) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances and rebates.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below.

Consulting Revenue:

The Company provides professional services under fee-for-service, cost-based and fixed price contracts. Where the outcome of a transaction can be estimated reliably, revenue associated with the transaction is recognized in the income statement by reference to the stage of completion at the year end, provided that a right to consideration has been obtained through performance.

l) Adoption of new and amended IFRS pronouncements

Effective November 8, 2013, the Company adopted the following new and revised International Financial Reporting Standards that were issued by the International Accounting Standards Board.

IAS 1 Presentation of Financial Statements (Amendment)

The amendments to IAS 1 require the grouping of items within other comprehensive income that may be reclassified to profit or loss and those that will not be reclassified. The application of this IFRS did not have a material impact on the amounts reported for the current period but may affect the accounting for future transactions or arrangements.

IFRS 7 Financial Statements: Disclosures

The amendment to IFRS 7 enhances the disclosure required when offsetting financial assets and liabilities. The application of this IFRS did not have a material impact on the amounts reported for the current period but may affect the accounting for future transactions or arrangements.

IFRS 10 Consolidated Financial Statements

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation - Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements. The application of the IFRS did not have a material impact on the amounts reported for the current period but may affect the accounting for future transactions or arrangements.

IFRS 11 Joint Arrangements

IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. The application of the IFRS did not have a material impact on the amounts reported for the current period but may affect the accounting for future transactions or arrangements.

3. Significant accounting policies (cont'd)

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities. The application of the IFRS did not have a material impact on the amounts reported for the current period but may affect the accounting for future transactions or arrangements.

IFRS 13 Fair Value Measurement

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. The application of the IFRS did not have a material impact on the amounts reported for the current period but may affect the accounting for future transactions or arrangements.

m) Standards, amendments and interpretations not yet effective

The following new standards have been issued by the IASB but are not yet effective:

IFRS 9 Financial Instruments

IFRS 9 is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2015. The Company is in the process of evaluating the impact of the new standard.

IAS 24 Related Party Disclosures

The amendments to IAS 24 clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendments will only affect disclosure and are effective for annual periods beginning on or after January 1, 2014. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

IFRIC 21 Levies

The IASB issued IFRIC 21 – Levies (“IFRIC 21”), an interpretation of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets (“IAS 37”), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (“Obligating Event”). IFRIC 21 clarifies that the Obligating Event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

4. Critical accounting judgments and estimates

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Judgments

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to a different basis of accounting.
- The assessment that Advanced Greenhouse Technologies Ltd. constitutes a business as at May 1, 2014, thus supporting its acquisition as a business combination under common control.

Estimates

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the fiscal period are discussed below.

- An estimate was applied by management in determining a nominal value for the shares issued in the acquisition of Advanced Greenhouse Technologies Ltd.
- An estimate was applied by management in determining the nominal value for the share purchase option provided to the Company's chief financial officer.

5. Deposits

	May 31, 2014
Greenhouse Customer deposit (non refundable) (i)	\$ 60,000
Infinity Minerals Corp. deposit (refundable) (ii)	10,000
Other Customer deposit (non-refundable) (iii)	6,413
	\$ 76,413

- (iv) The Company received a non-refundable customer deposit of \$60,000 for the construction of a greenhouse. As at May 31, 2014, work and delivery has not commenced.
- (v) The Company received a \$10,000 refundable deposit from Infinity Minerals Corp., in relation to a Share Exchange Agreement (Note 11). If this share exchange is not completed, the entire amount will become an unsecured loan with a thirty day demand feature.
- (vi) The Company received a non-refundable deposit for \$6,413 for specialty plants. As at May 31, 2014, delivery of those plants has not been completed.

6. Loans payable

All loans payable are unsecured, non-interest bearing, have no specific terms of repayment and are due on demand.

7. Related party transactions

Related party balances

The following amounts are due to related parties:

	May 31, 2014
Amount due to 0949453 BC Ltd, a connected company of the Company's chief financial officer	\$ 1,299
Due to David Hutchinson, a director and shareholder of the Company	22,330
Due to Kuypers Holdings Ltd., a company controlled by an executive officer and director of the Company	103,008
Due to Kelowna Flower Farm Ltd. a company controlled by an executive officer and director of the Company	76,806
	\$ 203,443

These amounts are unsecured, non-interest bearing, have no fixed terms of repayment and are due on demand.

Key Management Compensation

	May 31, 2014
Key management compensation	\$ 115,000

Remuneration to CFO has been included in contract labor costs and remuneration to CEO and Director of Communication has been included as management fees.

8. Share capital

a) Common shares

The Company is authorized to issue an unlimited number of common shares without par value.

At May 31, 2014 there were 28,750,000 issued and fully paid common shares.

On November 8, 2013, inception, 20,000,000 common shares were issued to two founders for proceeds of \$10.

On May 1, 2014, 3,027,778 common shares were issued to key management in connection with a corporate reorganization. These common shares were recorded at a nominal value

On May 1, 2014, 1,111,111 common shares were issued to 0949453 BC Ltd, the management company which employs the chief financial officer of the Company. The common shares were recorded at a nominal value.

On May 1, 2014, 0949453 BC Ltd. exercised its share option to purchase 1,111,111 common shares of the Company. The Company and 0949453 BC Ltd. agreed to settle \$30,000 accrued as a payable to 0949453 BC Ltd. as the payment for the exercise of the share option. The Company recorded the exercise of the share option of \$30,000 in share capital for the period ended May 1, 2014 (Note 13).

On May 1, 2014, 3,500,000 common shares were issued to Advanced Greenhouse Technologies Ltd. in connection with the share exchange agreement, at a nominal value of \$2. (Note 9)

8. Share capital (cont'd)

a) Common shares (cont'd)

On May 1, 2014, the Company's common shares were split by a factor of 200,000 common shares to 1 common share, increasing the common shares from 100 shares to 20,000,000 as at that date. The common shares presented in these consolidated financial statements reflect this split as if it had occurred at inception.

b) Basic and diluted loss per share

The calculation of basic and diluted loss per share for the period ended May 31, 2014 was based on the loss attributable to common shareholders of \$159,670 and the weighted average number of common shares outstanding of 21,286,768.

c) Nature and purpose of equity and reserves

The reserves recorded in equity on the Company's consolidated statement of financial position include 'Other equity reserve' and 'Accumulated deficit'.

'Other equity reserve' is used to recognize book value differential upon the acquisition of Advanced Greenhouse Technologies Ltd. (Note 9).

'Accumulated Deficit' is used to record the Company's change in deficit from earnings from year to year.

9. Acquisition of Advanced Greenhouse Technologies Ltd.

On May 1, 2014, the Company issued 3,500,000 common shares in exchange for 100% of the outstanding shares of Advanced Greenhouse Technologies Ltd. ("AGT") with an estimated fair value of \$2 (the "Acquisition"). As the two entities were under common control as at the date of the Acquisition, this transaction has been accounted for as a business combination, prospectively from the date the ownership interest was acquired. All assets and liabilities of AGT have been recognized upon consolidation at their carrying amounts.

The information in the following table summarizes the consideration provided in exchange for AGT and the amounts of the assets acquired and liabilities assumed that were recorded at the acquisition date carrying amounts.

	May 1, 2014
Total consideration provided	
3,500,000 common shares	\$ 2
Recognized amounts (predecessor carrying amounts)	
Assets acquired:	
GST receivable	2,537
Prepaid expenses	25
Equipment	1,888
	<u>4,450</u>
Liabilities assumed:	
Cheques in excess of cash on hand	664
Trade payables and accrued liabilities	22,263
Deposit	100
Loans payable	70,034
Due to related party	123,880
	<u>216,941</u>

The Herbal Clone Bank Inc.
Statement of Consolidated Cash Flows
Expressed in Canadian dollars

Net liabilities recognized	212,491
Total recognized within equity	\$ 212,493

9. Acquisition of Advanced Greenhouse Technologies Ltd. (cont'd)

The total expenses recognized for the 1 month period ended May 31, 2014 in AGT is \$5,060. There was no revenue or material assets purchased in AGT during this period.

10. Income taxes

A reconciliation of income taxes at statutory rates with reported taxes is as follows:

	May 31, 2014
Loss before income taxes	\$ (159,670)
Expected income tax recovery	\$ (39,900)
Permanent differences and other items	600
Effect of change in statutory tax rates	(1,600)
Unrecognized benefit of non-capital losses	40,900
Net income tax recovery	\$ -

The significant components of the Company's deferred tax assets are as follows:

	May 31, 2014
Deferred tax assets:	
Non-capital loss carry forwards	\$ 40,800
Equipment	100
Unrecognized deferred tax assets	\$ 40,900

The Company has non-capital losses carried forward for income tax purposes of approximately \$155,000 which can be applied against future years' taxable income. These losses will expire through to 2034. Future tax benefits which may arise as a result of these non-capital losses have not been recognized in these financial statements.

11. Financial instruments and financial risk management

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

11. Financial instruments and financial risk management (cont'd)

General Objectives, Policies and Processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of four types of risk: foreign currency risk, interest rate risk, commodity price risk and equity price risk.

Foreign currency risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and other foreign currencies will affect the Company's operations and financial results. The company does not have significant exposure to foreign exchange rate fluctuation.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company's borrowings are non-interest bearing. Interest rate risk is limited to potential decreases on the interest rate offered on cash held with chartered Canadian financial institutions. The Company considers this risk to be immaterial.

Equity price risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The Company holds no such assets and is thus not exposed to equity price risk.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consist primarily of cash. Cash is maintained with financial institutions of reputable credit and may be redeemed upon demand.

The carrying amount of financial assets represents the maximum credit exposure. Credit risk exposure is limited through maintaining cash with high-credit quality financial institutions and management considers this risk to be minimal for all cash assets based on changes that are reasonably possible at each reporting date.

c) 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 ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is invested in business accounts and is available on demand. Funding risk is the risk that the Company may not be able to raise appropriate financing in a timely manner and on terms acceptable to management. There are no assurances that such financing will be available when, and if, the Company requires additional equity financing.

11. Financial instruments and financial risk management (cont'd)

The following is an analysis of the contractual maturities of the Company's non-derivative financial liabilities as at May 31, 2014:

	Within one year	Between one and five years	More than five years
Trade payables and accrued liabilities	\$ 23,978	\$ -	\$ -
Loans payable	\$ 70,034	\$ -	\$ -
Due to related parties	\$ 203,443	\$ -	\$ -

Fair value hierarchy

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable marker data (unobservable inputs).

The Company did not have any financial instruments in Level 2 or 3 nor were there any transfers between Level 1, 2 or 3 in the year.

12. Capital management

The Company monitors its cash, common shares, and debt obligations as capital. The Company's objectives when maintaining capital are to maintain sufficient capital base in order to meet its short-term obligations and at the same time preserve investor's confidence required to sustain future development and production of the business.

The Company is not exposed to any externally imposed capital requirements.

13. Commitments

- (iv) The Company entered a management service agreement on January 1, 2014 with the chief executive officer ("CEO") where the officer is to be compensated \$12,000 a month until June 1, 2014, when the monthly compensation would be reduced to \$8,000 a month until such time as the party or the Board of Directors terminates the agreement. The agreement permits the Company to settle any payment in shares at any time. The CEO is also entitled to participate in a stock option arrangement when the Board announces its stock option plan.
- (v) The Company entered a management service agreement on January 1, 2014 with the director of communication ("DOC") where the party is to be compensated \$5,000 a month until June 1, 2014, when the monthly compensation would be increased to \$8,000 a month until such time as the party or the Board of Directors terminates the agreement. The agreement permits the Company to settle any payment in shares at any time. The party is also entitled to participate in a stock option arrangement when the Board announces its stock option plan.

13. Commitments (cont'd)

(vi) The Company entered into a management service agreement with a 0949453 BC Ltd., ("ManagementCo") a connected company of the chief financial officer. The ManagementCo received shares and a share option which was exercised during the period (Note 8). The parties agreed to pay a rate of \$60 per hour until May 31, 2014. The ManagementCo is permitted to accrue any amounts owing and use it to purchase the share option above, as noted above. On June 1, 2014, an addendum agreement was signed replacing the hourly rate with a monthly rate of \$8,000. The ManagementCo is also entitled to participate in a stock option arrangement when the Board announces its stock option plan.

14. Events after the reporting date

On August 6, the Company and Infinity Minerals Corp. ("Infinity"), a company listed on the Canadian Securities Exchange (CSE) under the trading symbol ("IFN"), signed a Share Exchange Agreement pursuant to which Infinity will purchase all 28,750,000 outstanding common shares of the Company in exchange for common shares of Infinity. The anticipated exchange ratio is one for one. Concurrent with the closing of the share exchange, Infinity is required to complete a non-brokered private placement of \$1 million at \$0.20 a unit consisting of 5,000,000 units which include 5,000,000 common shares and 5,000,000 one-half share purchase warrant. Each full share purchase warrant can be exercised at a price of \$0.30 for a period of one year. The private placement closed June 24, 2014. The Share Exchange Agreement is subject to shareholder and regulatory approval.

After this transaction, if approved, the shareholders of the Company will control Infinity, holding approximately 58.4% of the common shares of Infinity.

APPENDIX D: Pro forma Condensed Interim Financial Statements of Infinity Minerals Corp and THC Bank for the nine month period ended May 31, 2014

INFINITY MINERALS CORP.

Pro Forma Consolidated Condensed Interim Financial Statements

Nine Month Period ended May 31, 2014

(Unaudited – Expressed in Canadian Dollars)

INFINITY MINERALS CORP.

**PRO FORMA CONSOLIDATED CONDENSED INTERIM STATEMENT OF
FINANCIAL POSITION
AS OF MAY 31, 2014
(Unaudited – Expressed in Canadian Dollars)**

	INFINITY MINERALS CORP.	THE HERBAL CLONE BANK INC.	PRO FORMA ADJUSTMENTS	Notes (Note 4)	PRO FORMA INFINITY MINERALS CORP.
Assets					
Current Assets					
Cash and cash equivalents	\$ 71,195	\$ 23,617	\$ 1,303,420	a, c	\$ 1,398,232
Amounts receivable	8,921	2,506	—		11,427
Prepaid expenses	13,516	4,275	(10,000)	d	7,791
Total Current Assets	93,632	30,398	1,293,420		1,417,450
Non-current Assets					
Equipment	1,504	1,322	—		2,826
Exploration and evaluation assets	209,979	—	—		209,979
Total Assets	\$ 305,115	\$ 31,720	\$ 1,293,420		\$ 1,630,255
Liabilities					
Current Liabilities					
Accounts payable and accrued liabilities	\$ 113,497	\$ 23,978	\$ 117,000	a, c	\$ 254,475
Customer deposits	—	76,413	(10,000)	d	66,413
Loans payable	—	70,034	—		70,034
Due to related parties	—	203,443	—		203,443
Total Current Liabilities	113,497	373,868	107,000		594,365
Equity					
Share Capital	1,050,324	30,015	3,599,898	a, b,	4,680,237
Share-based Payments Reserve	253,248	—	(253,248)	b	—
Other equity reserve	—	(212,493)	—		(212,493)
Deficit	(1,111,954)	(159,670)	(2,160,230)	b, c	(3,431,854)
Total Equity	191,618	(342,148)	1,186,420		1,035,890
Total Liabilities and Equity	\$ 305,115	\$ 31,720	\$ 1,293,420		\$ 1,630,255

INFINITY MINERALS CORP.

PRO FORMA CONSOLIDATED CONDENSED INTERIM STATEMENT OF LOSS AND COMPREHENSIVE LOSS (Unaudited – Expressed in Canadian Dollars)

NINE MONTH PERIOD ENDED MAY 31, 2014				
	INFINITY MINERALS CORP.	THE HERBAL CLONE BANK INC.	PRO FORMA ADJUSTMENTS	PRO FORMA INFINITY MINERALS CORP. <small>Note 4</small>
Revenue				
Consulting	\$ —	\$ 4,500	\$ —	\$ 4,500
Cost of sales	—	(1,250)	—	(1,250)
	—	3,250	—	3,250
Expenses				
Amortization	508	566	—	1,074
Consulting and contract labour	14,100	49,552	—	63,652
Legal and professional fees	20,922	3,195	117,000	141,117
Listing and filing fees	23,164	—	—	23,164
Management fees	132,000	93,143	—	225,143
Office and general	26,839	10,692	—	37,531
Project evaluation	53,498	—	—	53,498
Stock based compensation	32,966	—	—	32,966
Transfer agent	7,726	—	—	7,726
Travel and promotion	13,266	5,772	—	19,038
	(324,989)	(162,920)	(117,000)	(604,909)
Other (Expenses) Income				
Listing expense	—	—	(4,650,222)	(4,650,222)
Interest expense	(279)	—	—	(279)
Recovery of costs	153,888	—	—	153,888
Interest income	600	—	—	600
	154,209	—	(4,650,222)	(4,496,013)
Loss and Comprehensive Loss For The Period	\$ (170,780)	\$ (159,670)	\$ (4,767,222)	\$ (5,097,672)
Loss per share – basic and diluted	\$ (0.01)	\$ (0.01)		\$ (0.15)
Weighted Average Number Of Common Shares Outstanding – Basic and Diluted	13,716,700	21,286,768		33,114,553

1. BASIS OF PRESENTATION

The accompanying unaudited pro forma consolidated condensed interim statement of financial position of Infinity Minerals Corp. (the “Company” or “Infinity”) as at May 31, 2014 and the unaudited pro forma consolidated condensed interim statement of loss and comprehensive loss for the nine month period ended May 31, 2014 (collectively, the “pro forma consolidated condensed interim financial statements”) have been prepared to reflect the acquisition (the “Transaction”) by the Company of all the issued and outstanding shares of The Herbal Clone Bank Inc. (“THC”).

On a pro forma basis, the Company’s proposed Transaction would result in a reverse take-over (the “RTO”) whereby Infinity acquires all of the issued and outstanding shares of THC. The RTO will result in the shareholders of THC acquiring control of the Company. THC would be considered the acquirer for accounting purposes. The RTO would result in a recapitalization of the Company. The Transaction has been accounted for in accordance with IFRS 2 “*Share-based Payments*” and IFRS 3 “*Business Combinations*”. Consideration has been added to shareholders’ equity.

The pro forma consolidated condensed interim financial statements as at May 31, 2014 and for the nine month period ended May 31, 2014 have been prepared from:

- The unaudited condensed interim statements of financial position of the Company as at May 31, 2014;
- The unaudited condensed interim statements of operations and comprehensive loss of the Company for the nine months ended May 31, 2014;
- The audited consolidated statement of financial position of THC as at May 31, 2014; and
- The audited consolidated statement of comprehensive loss of THC for the period from inception on November 8, 2013 to May 31, 2014.

The unaudited pro forma consolidated condensed interim financial statements do not give effect to the potential impact of current financial conditions, regulatory matters, operating efficiencies or other savings or expenses that may be associated with the Transaction. The unaudited pro forma consolidated condensed interim financial statements do not include any future integration costs. The unaudited pro forma consolidated condensed interim financial statements have been prepared for illustrative purposes only and are not necessarily indicative of the financial position or results of operations in future periods or the results that actually would have been realized had the Company and THC been a consolidated company during the specified periods. The unaudited pro forma consolidated condensed interim financial statements, including the notes thereto, should be read in conjunction with the historical financial statements of the Company as of May 31, 2014 and for the nine months ended May 31, 2014 and the audited financial statements of THC as of May 31, 2014 and for the period from inception on November 8, 2013 to May 31, 2014.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in preparation of these unaudited pro forma consolidated condensed interim financial statements are in accordance with International Financial Reporting Standards as set out in the Company’s audited financial statements for the year ended August 31, 2013 and in the Company’s condensed interim financial report for the nine month period ended May 31, 2014. In preparing the unaudited pro forma consolidated condensed interim financial statements for the nine month period ended May 31, 2014, a review was undertaken to identify any differences between the accounting policies used by THC with those used by the Company to determine where the impact could be potentially material and reasonably estimated. The significant accounting policies of THC are believed to conform in all material respects to those of the Company.

3. THE TRANSACTION

On May 29, 2014, and as amended July 14, 2014, the Company entered into a letter of intent (the "Amended LOI") relating to the arm's length Transaction with THC, pursuant to which the Company proposes to acquire all of the issued and outstanding securities of THC in exchange for issuance of securities of the Company. The Amended LOI was subject to the execution of a definitive Share Exchange Agreement ("the Transaction") between the two parties by July 31, 2014 (executed August 6, 2014). The closing of the Transaction will be subject to a number of other conditions including completing due-diligence to the satisfaction of Infinity management, financing, completion of non-compete agreements and receipt of all necessary shareholder, regulatory and stock exchange approvals. The Transaction is expected to be effected by way of a share exchange agreement whereby the holders of all of the issued and outstanding shares of THC will receive securities in the Company. THC would become a wholly-owned subsidiary of the Company and the Company would change its name to Herbal Clone Bank Canada Inc. to reflect the new business (the "Resulting Issuer").

Pursuant to the Transaction, THC shareholders would receive one Resulting Issuer share for each THC share held by THC shareholders on the date the Transaction is completed (the "Closing"). As such, the Company expects to issue approximately 28,750,000 shares on Closing.

After completion of the Transaction and the Private Placement, an aggregate of approximately 49,234,200 Resulting Issuer Shares would be outstanding. The expected ownership of the Resulting Issuer Shares will be: THC shareholders – 58%; Infinity shareholders - 28%; and the subscribers to the Private Placement – 14%.

	Infinity Minerals Corp.	Pro Forma Adjustments	Notes	Pro Forma Infinity Minerals Corp.	%
For the nine months ended May 31, 2014:					
Common shares outstanding September 1, 2013	13,716,700	—		13,716,700	28%
Common shares issued June 24, 2014 through private placement	6,767,500	—	a	6,767,500	14%
Common shares issued to THC shareholders		28,750,000	b	28,750,000	58%
	20,484,200	28,750,000		49,234,200	100%

4. PRO FORMA ADJUSTMENTS

The following pro forma adjustments are included in the Company's unaudited pro forma consolidated financial statements to reflect the pro forma effects of the Transaction as described in the previous notes:

- e) To record the brokered private placement in Infinity Minerals Corp. completed June 24, 2014 for gross proceeds of \$1,353,500 at a price of \$0.20 for 6,767,500 units, net of broker cash commissions of \$28,080 and legal costs of \$22,000. Each unit is comprised of one Resulting Issuer Share and one-half of one Resulting Issuer share purchase warrant. Each whole warrant is exercisable into one further common share at an exercise price of \$0.30 expiring June 23, 2015. The Company also granted 75,200 agent's warrants exercisable at \$0.30 each and expiring on June 23, 2015, with an estimated fair value of \$18,349, which was estimated at the date of issuance using the Black-Scholes model with the following data and assumptions:

Dividend yield	Nil
Annualized volatility	111%

Risk-free interest rate	1.02%
Expected life	1 year

4. PRO FORMA ADJUSTMENTS (Continued)

- f) To record the acquisition of THC on issuance of 28,750,000 common shares of Infinity. Management has estimated the fair value purchase consideration is \$6,145,260, being the number of Infinity common shares at the acquisition date of August 6, 2014 with a market price of \$0.30, multiplied by the non-THC shareholders' percentage ownership interest in the combined company of 41.6%. (The final purchase consideration will be reflective of the trading price of the Company's common shares as of the closing date of the Transaction which is dependent upon receipt of approval from the Canadian Stock Exchange.) This fair value of estimation is believed to be a more reliable measure of fair value than the value of THC's private company common shares. The estimated fair value purchase consideration of \$6,145,260 reflects the recapitalization of the Company's capital and reserve accounts.

Purchase consideration:

Infinity Minerals Corp. common shares at 41.6%	\$	6,145,260
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Preliminary purchase price allocation:

Cash and cash equivalents	\$	1,374,615
Non-current assets		211,483
Other current assets and liabilities, net		(91,060)
Net assets acquired		1,495,038
Listing expense		4,650,222
Purchase price allocation	\$	6,145,260

- g) To record estimated Transaction costs of \$117,000.
- h) To eliminate the \$10,000 deposit the Company advanced to THC pursuant to the LOI.

5. WARRANTS AND OPTIONS

Stock options outstanding as at May 31, 2014 were as noted below:

Total Number of Options	Exercise price	Expiry Date
665,000	\$0.15	April 11, 2017
100,000	\$0.20	November 19, 2017
400,000	\$0.13	April 11, 2019
1,165,000		

Subsequent to May 31, 2014 the Company issued an additional 350,000 options as noted below:

Total Number of Options	Exercise price	Expiry Date
100,000	\$0.27	June 10, 2019
150,000	\$0.42	June 23, 2017
100,000	\$0.40	July 11, 2017
350,000		

5. **WARRANTS AND OPTIONS** (Continued)

Warrants outstanding as at May 31, 2014 were as noted below:

Warrants	# of Warrants outstanding	Weighted average exercise price	Expiry Date
Issuance of warrants pursuant to June 24, 2014 private placement	3,458,950	\$0.30	June 23, 2015
Ending balance, May 31, 2014	3,458,950	\$0.30	

APPENDIX E: STATEMENT OF EXECUTIVE COMPENSATION

Executive Compensation

There are three main elements of direct compensation, namely base salary, bonuses and equity participation through the Company's stock option plan (the "2013 Plan"). The 2013 Plan is discussed under the heading "Description of Existing Incentive and Stock Compensation Plans" below.

In determining the compensation of NEOs, the Board considers the following goals and objectives of the Company which are:

- to attract and retain qualified and experienced executives in today's market place;
- to encourage and reward outstanding performance by those people who are in the best position to enhance the Company's near-term results and long-term prospects;
- to ensure the compensation paid are competitive with the current market.

Base Salary

Base salary is the principal component of an executive officer's compensation package. The Board also considers an executive officer's performance and levels of responsibility and importance to the Company.

The Company currently has two management service agreements with current NEOs. The Company does not intend to change the current levels of compensation in the coming year.

Bonuses

The Board reviews on a discretionary basis bonuses to be paid by the Company to NEOs in each financial year. The CEO recommends bonuses to be paid by the Company to other eligible employees and consultants. During the year ended August 31, 2013, no bonuses were paid to any NEO. In addition, the management services agreements in place with the CEO and CFO call for certain monthly payments with any unpaid amounts to be accrued. As at August 31, 2013, total accrued balances of \$34,000 were cancelled by the NEOs.

During the nine month period ended May 31, 2014, no bonuses were paid to any NEO. In addition, the management services agreements in place with the CEO and CFO call for certain monthly payments with any unpaid amounts to be accrued. As at May 31, 2014, accrued unpaid management fees balances totaled \$57,000.

Equity Participation through the 2013 Stock Option Plan

The stock option component of the Company's executive compensation program is intended to encourage and reward outstanding performance over the short and long terms, and to align the interests of the Company's NEOs with those of its shareholders. Options are awarded by the Board, which bases its decisions upon the level of responsibility and contribution of the individuals towards the Company's goals and objectives. The Board also takes into consideration the amount and terms of outstanding stock options in determining its recommendations regarding the options to be granted during any fiscal year.

The stock option component of executive compensation acts as an incentive for the Company's NEOs to work to enhance the Company's value over the long term, and to remain with the Company.

The Board is of the view that the Company's compensation structure appropriately takes into account the factors relevant to the resource industry, the Company's performance within that industry, and the individual contributions to the Company's performance made by its NEOs.

During the nine month period ended May 31, 2014, no stock option awards were made to any officer or director.

Option-based awards

Please see “*Equity Participation through the Stock Option Plan*” above for details of the process used by the Company in granting option-based awards to its NEOs.

The stock option grants to directors, officers, other employees and consultants are determined by an assessment of the individual’s current and expected future performance, level of responsibilities, importance of the position held, contribution to the Company and previous option grants and exercise prices including:

- the remuneration paid to the individual as at the grant date in relation to the total remuneration payable by the Company to all of its directors, officers, employees and consultants as at the grant date;
- the length of time that each individual has been employed or engaged by the Company; and
- the quality of work performed by such director, officer, employee or consultant.

Summary Compensation Table

As at the year ended August 31, 2013, the Company had two NEOs: (i) Ron Shenton, the President and CEO of the Company; and (ii) Brian Roberts, the CFO of the Company.

The following table sets forth all compensation for the most recently completed financial year in respect of the individuals who were NEOs of the Company. Ron Shenton the Company’s President and CEO and Brian Roberts, the Company’s CFO and Secretary for the period ended August 31, 2013 directly, for the Company’s three most recently completed financial years since incorporation is as follows:

NEO Name and Principal Position	Year Ended August 31	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All Other Compensation (\$) ⁽⁵⁾	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			

Name and Principal Position	Year	Salary (\$)	Share based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					(a)	(b)			
					Annual incentive plans	Long-term incentive plans			
					(f1)	(f2)			
Ron Shenton President,	August 31, 2013	Nil	Nil	Nil	Nil	Nil	Nil	\$47,500 ⁽⁴⁾	\$47,500

Director	August 31, 2012	Nil	Nil	\$27,906 ⁽³⁾	Nil	Nil	Nil	\$47,500 ⁽⁴⁾	\$75,406
	August 31, 2011 ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	Nil	\$12,500 ⁽⁴⁾	\$12,500
Brian Roberts Chief Financial Officer, Secretary, Director	August 31, 2013	Nil	Nil	Nil	Nil	Nil	Nil	\$47,500 ⁽⁴⁾	\$47,500
	August 31, 2012	Nil	Nil	\$27,906 ⁽³⁾	Nil	Nil	Nil	\$47,500 ⁽⁴⁾	\$75,406
	August 31, 2011 ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	Nil	\$12,500 ⁽⁴⁾	\$12,500

(1) Period from November 12 2010 (date of incorporation) to August 31, 2011.

(2) The options were effective as of the listing date of the Company's shares on the TSX Venture exchange, April 11, 2012, and have a term of 5 years. The options were granted in the quarter ended November 30, 2011, fiscal year 2012.

(3) The figures thus shown are based on the fair value estimated at the date of option grant using the Black-Scholes pricing model under the following assumptions: (i) risk free interest rate of 1.56% (ii) dividend yields of nil; (iii) expected life of four point four (4.4) years; (iv) expected volatility is 110%. The Black-Scholes pricing model was used to estimate the fair value as it is the most accepted methodology. **Note that there was no cash compensation actually paid to any of the NEOs disclosed in the above table in connection with the granting of the incentive stock options in respect of which these "option based awards" were calculated.**

(4) Amounts paid as consulting fees to companies controlled by each NEO.

The benefits listed in the table are subject to the usual statutory deductions for social security and like deductions.

During the nine month period ended May 31, 2014, the following compensation was paid to each NEO.

	Option Based Awards	All Other Compensation	Total Compensation
Ron Shenton	nil	\$91,000	\$91,000
Brian Roberts	nil	\$73,000	\$73,000

As at May 31, 2014, a total of \$57,000 of these fees were unpaid and accrued.

Narrative Discussion

The Company's general compensation strategy for NEO's is discussed above in the first sections of this Appendix C. There is no other plan or arrangement in respect of compensation received by the NEOs.

Outstanding Share-Based Awards and Option-Based Awards

See "Options to Purchase Securities" for details of the Company's stock option plan. The following table sets forth outstanding stock options held by NEOs as at August 31, 2013. The closing price of the Company's shares on August 31, 2013 was \$0.27.

These option numbers are correct as at May 31, 2014 as well.

Name (a)	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#) (b)	Option exercise price (\$) (c)	Option expiration date (d)	Value of unexercised in-the-money options (\$) ⁽¹⁾ (e)	Number of shares or units of shares that have not vested (#) (f)	Market or payout value of share-based awards that have not vested (\$) (g)	Market or payout value of vested share-based awards not paid out or distributed (\$) (h)
Ron Shenton	235,000	\$0.15	11-Apr-17	\$28,000	N/A	N/A	N/A
Brian Roberts	235,000	\$0.15	11-Apr-17	\$28,000	N/A	N/A	N/A

Incentive Plan Awards – Value Vested or Earned During the Year Ended August 31, 2013

The following table sets forth the details of the aggregate dollar value that would have been realized by the Company's NEOs in the most recently completed financial year if the options under the option-based awards had been exercised on their respective vesting dates.

Name (a)	Option-based awards – Value vested during the year (\$) (b)	Share-based awards – Value vested during the year (\$) (c)	Non-equity incentive plan compensation – Value earned during the year (\$) (d)
Ron Shenton	Nil	Nil	Nil
Brian Roberts	Nil	Nil	Nil

Name

Although no stock options were granted during the fiscal year, options are typically granted for a period of five years and have a vesting period as determined by the Board.

Pension Plan Benefits

As at the year ended August 31, 2013, and also for the nine month period ended May 31, 2014 and to the date of this document, the Company did not maintain any defined benefit plans, defined contribution plans or deferred compensation plans for its NEOs, directors or officers.

Termination and Change of Control Benefits

As at the year ended August 31, 2013, and also as at May 31, 2014, the Company had two management services agreements that provide for payments to the NEOs, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEO's, executive officer's or director's responsibilities.

DIRECTOR COMPENSATION

The Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company or its subsidiaries for their services in their capacity as directors. The directors of the Company may be reimbursed for actual expenses reasonably incurred in connection with the performance of their duties as directors. Directors are also eligible to receive incentive stock options to purchase common shares of the Company under the Company's stock option plan.

From inception of the Company to the date of this Listing Statement, no compensation was paid to any non-executive director of the Company other than specific contract services fees paid to Bill Tonelli, a former director of the Company.

The following table shows the compensation provided to non-executive directors for the year ended August 31, 2013.

Name (a)	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#) (b)	Option exercise price (\$) (c)	Option expiration date (d)	Value of unexercised in-the-money options (\$) ⁽¹⁾ (e)	Number of shares or units of shares that have not vested (#) (f)	Market or payout value of share-based awards that have not vested (\$) (g)	Market or payout value of vested share-based awards not paid out or distributed (\$) (h)
Luca Riccio	195,000	\$0.15	April 11, 2017	\$23,400	N/A	N/A	N/A
Earl Lewis ⁽³⁾	250,000	\$0.20	Nov. 19, 2017	\$17,500	N/A	N/A	N/A
Kevin Puetz ⁽²⁾	240,000	\$0.24	April 8, 2018	\$7,200	N/A	N/A	N/A

⁽¹⁾ "In the money options" means the excess of the market value of the Company's shares on August 31, 2013 over the exercise price of the options. The last trading price of the Company's shares at its fiscal year ended August 31, 2013 was \$0.27.

⁽²⁾ Mr. Puetz resigned as a director of the Company on November 7, 2013 and his options were surrendered to the Company for cancellation effective November 7, 2013.

⁽³⁾ Mr. Lewis resigned as a Director of the Company effective April 10, 2014 and surrendered 150,000 of his option awards on the same date.

Director Compensation Table

The following table discloses all amounts of compensation provided by the Company to its directors who are not NEOs for the financial year ended August 31, 2013.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Luca Riccio	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Earl Lewis(5)	Nil	Nil	\$43,137(1)	Nil	Nil	Nil	\$43,137
Kevin Puetz(3)	Nil	Nil	\$51,202(1)	Nil	Nil	Nil	\$51,202
William Tonelli(2)	nil	nil	nil	nil	nil	\$5,500(4)	\$5,500(4)

(1) The figures thus shown are based on the fair value estimated at the date of option grant using the Black-Scholes pricing model under the following assumptions: (i) risk free interest rate of 1.56% (ii) dividend yields of nil; (iii) expected life of four point four (4.4) years; (iv) expected volatility is 110%. The Black-Scholes pricing model was used to estimate the fair value as it is the most accepted methodology. **Note that there was no cash compensation actually paid to any of the directors disclosed in the above table in connection with the granting of the incentive stock options in respect of which these “option based awards” were calculated.**

(2) Mr. Tonelli resigned as a director on April 19, 2013 and surrendered all of his remaining stock options as at April 10, 2014.

(3) Mr. Puetz resigned as a director of the Company on November 7, 2013 and his options were surrendered to the Company for cancellation effective November 7, 2013.

(4) Amounts paid as consulting fees.

(5) Earl Lewis resigned as a director on April 10, 2014

Outstanding Director Share-Based and Option-Based Awards

The following table sets forth share-based and option-based awards outstanding for the directors of the Company who were not NEOs for the year ended August 31, 2013. The closing price of the Company’s shares on the TSX Venture Exchange (“TSXV”) on August 31, 2013 was \$0.27.

Name	Option-based Awards			Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Luca Riccio	195,000	0.15	April 11, 2017	Nil	Nil	Nil
Total	195,000					

In addition, the Company has one former director that has resigned but still has options outstanding that have not been exercised or surrendered as at May 31, 2014.

Name	Option-based Awards			Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Earl Lewis (1)	100,000	0.20	Nov 19, 2017	Nil	Nil	Nil
Total	100,000(1)					

Note (1) Earl Lewis resigned as a director on April 10, 2014 and surrendered 150,000 stock options on the same date.