High Hampton Holdings Corp.

(Formerly Herbal Clone Bank Canada Inc.)

Amended and Restated

Consolidated Financial Statements

For the year ended August 31, 2015

(Expressed in Canadian Dollars)

THESE AUDITED AMENDED AND RESTATED CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED AUGUST 31, 2015 CORRECT CERTAIN ERRORS AND OMISSIONS IN THE 2015 ANNUAL FINANCIAL STATEMENTS PREVIOUSLY FILED (see Note 15 herein).

Scrudato & Co., PA
CERTIFIED PUBLIC ACCOUNTING FIRM

Amended and Restated

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of High Hampton Holdings Corp.

We have audited the accompanying consolidated financial statements of High Hampton Holdings Corp. which comprise the statements of financial position as at August 31, 2015 and the statement of changes in equity and cash flows for the year then ended 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 financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We are registered with the Canadian Public Accountability Board (Canada) and conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of High Hampton Holdings Corp. as at August 31, 2015 and its financial performance and its cash flows for the period of the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates that the Company has limited working capital available for ongoing corporate and administrative operations, no current sources of revenue, and is dependent upon its ability to secure new sources of financing. These conditions, along with other matters as set forth in Note 1 indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Amended and Restated Financial Statements

Without modifying our opinion, we draw attention to Note 14 in the financial statements, which explains that these financial statements for the year ended August 31, 2015 have been amended from those on which we originally reported on December 31, 2015. Also, without modifying our opinion, we draw attention to Note 14 in the financial statements, which explains that certain information has been clarified or corrected.

/s/ Scrudato & Co., PA
Califon, New Jersey USA
March 24, 2016

High Hampton Holdings Corp. ***Amended and Restated***

(Formerly Herbal Clone Bank Canada Inc.)

Consolidated Statements of Financial Position

As at August 31, 2015

(Expressed in Canadian dollars)

	2015	2014
ASSETS		
Current assets		
Cash	$ -	$ 227,685
Term deposit	-	617,563
Receivables	6,278	6,856
Loan receivable (Note 4)	64,800	75,505
GST recoverable	6,002	24,763
Prepaid expenses	5,000	91,831
Total current assets	82,080	1,044,203
Non-current assets		
Equipment (Note 5)	1,295	2,334
TOTAL ASSETS	$ 83,375	$ 1,046,537
LIABILITIES		
Current liabilities		
Trade payables and other accrued liabilities	$ 117,789	$ 158,608
Loan payable (Note 7)	18,367	70,034
Customer Deposits and Unearned revenue	67,000	67,000
Due to related parties (Note 8)	85,249	175,647
Total current liabilities	288,405	471,289
SHAREHOLDERS' EQUITY (DEFICIENCY)		
Share capital (Note 6)	1,494,190	6,175,275
Reserve	(212,493)	(212,493)
Contributed Surplus (Note 2)	4,681,085	
Deficit	(6,167,812)	(5,387,534)
TOTAL SHAREHOLDERS' DEFICIT	(205,030)	575,248
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 83,375	$ 1,046,537

These consolidated financial statements were approved and authorized for issue by the Board of Directors on March 24, 2016.

The accompanying notes form an integral part of these financial statements

Consolidated Statements of Operations and Comprehensive Loss
(Expressed in Canadian dollars)

	Year ended August 31, 2015	From incorporation on November 8, 2013 to August 31, 2014
Revenue		
Consulting	$ 3,308	$ 11,775
Expenses		
Amortization	1,039	850
Consulting (Note 8)	251,084	61,238
Legal and audit	85,317	56,618
Listing and filing fees	9,150	-
Management fees (Note 8)	236,035	134,767
Office and general	158,991	73,769
Transfer agent	10,501	-
Travel and entertainment	11,822	-
Total expenses	763,679	327,242
Loss before other items	760,371	315,467
Other items		
Interest expense	8,713	-
Write-off of Land purchase deposit	11,194	-
Impairment of exploration and evaluation assets (Note 11)	-	209,979
Listing and filing fees	-	4,862,088
Loss and comprehensive loss for the year	**$ 780,278**	**$ 5,387,534**
Loss per share - basic and diluted	**$ (0.03)**	**$ (0.26)**
Weighted average number of shares outstanding	**27,334,200**	**20,332,664**

The accompanying notes form an integral part of these financial statements

High Hampton Holdings Corp. ***Amended and Restated***

(Formerly Herbal Clone Bank Canada Inc.)

Consolidated Statement of Changes in Shareholders' Equity (Deficiency)

For the Year Ended August 31, 2015

(Expressed in Canadian dollars)

	Share capital					
	Number of shares	Amount	Share-based payment reserve	Contributed Surplus	Deficit	Total
Incorporation on November 8, 2013	**20,000,000**	**$ 10**	**$ -**	**$ -**	**$ -**	**$ 10**
Share issuance to founders	3,027,778	2	-	-	-	2
Share issuance for proceeds	1,111,111	1	-	-	-	1
Share issuance on exercise of share option	1,111,111	30,000	-	-	-	30,000
Share issuance on acquisition of subsidiary	3,500,000	2	(212,493)	-	-	(212,491)
To eliminate shares of THC in reverse take-over	(28,750,000)	-	-	-	-	-
Shares issued to THC shareholders on amalgamation	28,750,000	6,145,260	-	-	-	6,145,260
Assumption of equity of IMC	20,484,200	-	-	-	-	-
Net loss for the period	-	-	-	-	(5,387,534)	(5,387,534)
Balance at August 31, 2014	**49,234,200**	**$ 6,175,275**	**$ (212,493)**	**$ -**	**$ (5,387,537)**	**$ 575,248**
Balance at August 31, 2014	**49,234,200**	**$ 6,175,275**	**$ (212,493)**	**$ -**	**$ (5,387,534)**	**$ 575,248**
Escrow shares returned to Treasury	(21,900,000)	(4,681,085)	-	4,681,085	-	-
Net loss for the year	-	-	-	-	(780,278)	(780,278)
Balance at August 31, 2015	**27,334,200**	**$1,494,190**	**$ (212,493)**	**$ 4,681,085**	**$ (6,167,812)**	**$ (205,030)**

The accompanying notes form an integral part of these financial statements

Consolidated Statements of Cash Flows
For the Year Ended August 31, 2015
(Expressed in Canadian dollars)

	Year ended August 31, 2015	From incorporation on November 8, 2013 to August 31, 2014
Operating activities		
Comprehensive loss for the year	$ (780,278)	$ (5,387,534)
Adjustments for non-cash items:		
Listing and filing fees	-	4,862,088
Gain on disposal of business		-
Amortization	1,039	850
Impairment of exploration and evaluation assets	-	209,979
Changes in non-cash working capital items:		
Accounts and GST receivable	19,339	(31,619)
Prepaid expenses	86,831	(91,831)
Trade payables and other accrued liabilities	(40,819)	177,493
Customer deposits and unearned revenue	-	67,000
Net cash flows used in operating activities	(713,888)	(193,574)
Investing activities		
Cash acquired on reverse takeover	-	222,956
Term deposit	617,563	-
Expenditures on equipment	-	(1,888)
Net cash flows used in investing activities	617,563	221,068
Financing activities		
Proceeds from the issuance of common share	-	30,015
Loan receivable	10,705	(75,505)
Loan payable	(51,667)	70,034
Due to related parties	(90,398)	175,647
Net cash flows used in investing activities	(131,360)	200,191
Increase (decrease) in cash	(227,685)	227,685
Cash, beginning	227,685	-
Cash, ending	**$ -**	**$ 227,685**

Supplemental disclosure with respect to cash flows

There were no significant non-cash investing and financing transactions for the year ended August 31, 2015.

1. Nature and continuance of operations

High Hampton Holdings Corp. was incorporated under the name Infinity Minerals Corp. on November 12, 2010, under the laws of the province of British Columbia, Canada. The name of the Company was changed to Herbal Clone Bank Canada Inc. on August 29, 2014 and subsequently to High Hampton Holdings Corp. on June 18, 2015. The corporate office and principal place of business address is Suite 804 - 750 W Pender Street, Vancouver, British Columbia, Canada, V6C 2T7. The Company is a reporting issuer in British Columbia, Ontario and Alberta, and its common shares are traded on the Canadian Securities Exchange under the symbol "HC" and on the Frankfurt Exchange under symbol FSE: 0HC.

Description of Business

From the date of incorporation until August 2014, the Company was involved in the exploration and development of mineral properties. Effective August 29, 2014, the Company underwent a change of business, with its principal activity thereafter being to acquire a Health Canada license under the *Marihuana for Medical Purposes Regulations* ("**MMPR**") for the purpose of providing services to producers of medical marihuana (see Note 2). As at August 31, 2015, the Company had not yet received its MMPR License due to the unprecedented number of MMPR license applications received by Health Canada and processing delays in anticipation of legislative changes. Consequently, subsequent to the year end, the Company broadened its business focus and commenced investigation into alternative avenues of entry into the medical and retail marijuana industry, both in Canada, the US and elsewhere. The Company is currently investigating potential strategic alliances with a view to negotiating a joint venture, acquisition or merger with an existing Licensed Producer or an entity offering products or services in the marijuana sector that does not require a MMPR license for its activities. The Company continues to actively seek alternative marijuana-related business opportunities, while also concurrently assessing business opportunities outside of the marijuana sector with a view to enhancing shareholder value. Any fundamental change in the business activities of the Company will require appropriate filings and pre-approval of the Canadian Securities Exchange.

Share Consolidation (Subsequent Event)

In September 2015, in order to provide more flexibility in raising funds, the Company consolidated its shares on the basis of one new share for every ten old shares. As the Company's share consolidation occurred subsequent to the year ended August 31, 2015 and for ease of comparatives, all references to number of shares and per share amounts herein are expressed as *pre-consolidation* values.

Going Concern

These consolidated 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 $6,167,812. The Company needs to raise sufficient capital to fund development 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 August 31, 2015, 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 consolidated 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.

(Expressed in Canadian dollars)

2. Reverse Takeover

THC Acquisition

On August 29, 2014, pursuant to a share exchange agreement, the Company acquired all of the issued and outstanding securities of The Herbal Clone Bank Inc. ("**THC**") including its subsidiary, Advanced Greenhouse Technologies Ltd., in exchange for the issuance of 28,750,000 common shares of the Company ("the **THC Acquisition**"). THC shareholders received one common share of the Company for each THC share held on the date the Acquisition was completed. All of the shares of the Company issued in connection with the THC Acquisition were made subject to an escrow agreement (see Note 6).

Upon closing of the THC Acquisition and the issuance of the share consideration therefor, 58% of the issued and outstanding shares of the company were held by the previous the shareholders of THC. As THC shareholders therefore acquired control of the Company, in accordance with IFRS 3, Business Combinations, the transaction constituted a reverse takeover ("RTO") that was not a business combination and was accounted for as a recapitalization of the Company. The consideration paid by the Company in connection with THC Acquisition was accounted for in accordance with IFRS 2, Share-based Payments, applicable to transactions where an entity grants equity instruments and cannot identify specifically some or all of the goods or services received in return.

Management estimated the fair value purchase consideration as $6,145,260, based upon the total number of issued and outstanding shares of the Company on the acquisition date (49,234,200 common shares) multiplied by the share trading price on the date of the closing of the transaction ($0.30), multiplied by the non-THC shareholders' percentage ownership interest in the combined company (41.6%). Consistent with IFRS 2, this fair value estimation is considered a more reliable measure of fair value than a deemed value of THC's unlisted private company common shares. Accordingly, the deemed price of the Company's shares issued as consideration for the THC Acquisition was approximately $0.21 per share. The purchase consideration of $6,145,260 reflects the recapitalization of the Company's capital and reserve accounts.

The allocation of the share exchange for the THC Acquisition is as follows:

Consideration received:		
Issuance of 28,750,000 common shares	**$**	**6,145,260**
Purchase price allocation:		
Cash	$	222,956
Non-current assets		211,274
Non-cash working capital, net		848,942
Net assets acquired		1,283,172
Listing expense		4,862,088
Purchase price allocation	**$**	**6,145,260**

Pursuant to IFRS 2, the fair value of the shares of the Company in excess of THC's net assets (which excess is noted above as "Listing expense") is recognized in comprehensive loss as a reverse acquisition transaction cost.

Concurrent with the closing of the THC Acquisition, the Company changed its name to Herbal Clone Bank Canada Inc. to reflect its change in business. On September 5, 2014, the Company received final approval from the Canadian Securities Exchange of its change of business and its shares recommenced trading under its new symbol on September 8, 2014.

2. Reverse Takeover (cont'd)

Share Surrender and Cancellation

On February 17, 2015, 21,900,000 common shares that were held in escrow, and which formed part of the shares issued by the Company to the THC founding shareholders in connection with the RTO, were surrendered and returned to treasury for cancellation. Upon cancellation, the carrying value of $4,681,085 attributable to the cancelled shares was credited to contributed surplus and total share capital decreased accordingly.

3. Significant accounting policies and basis of preparation

Statement of compliance

The consolidated financial statements of the Company, including comparatives, have been prepared using accounting policies consistent with IFRS as issued by the International Accounting Standards Board ("**IASB**") and interpretations issued by the International Financial Reporting Interpretations Committee ("**IFRIC**").

Basis of preparation

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.

Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All material intercompany transactions and balances have been eliminated on consolidation.

As the RTO resulted in the THC founding shareholders acquiring control of the Company, THC was considered the acquirer for accounting purposes. Accordingly, the consolidated financial statements for the 2014 year end, although issued under the name of the Company (the legal parent) are deemed to be a continuation of THC (the legal subsidiary) and reflect the consolidated assets, liabilities, and results of operations of THC at their historical carrying values prior to the RTO on August 29, 2014. The consolidated assets, liabilities and results of operations of the Company and THC are included subsequent to the RTO. All inter-company balances, transactions, income and expenses have been eliminated upon consolidation.

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to benefit from its activities.

The legal subsidiaries of the Company as of August 31, 2015 are as follows:

Name of Subsidiary	Place of Incorporation	Ownership Interest
The Herbal Clone Bank Inc.	Canada	100%
Advanced Greenhouse Technologies Ltd.	Canada	100%
American Greenhouse Technologies Inc.	USA	100%

3. Significant accounting policies and basis of preparation (cont'd)

Significant accounting judgments, estimates and assumptions

The preparation of the Company's consolidated 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 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 of whether the Company constitutes a business at any point in time thus supporting its acquisition as a business combination; the carrying value and recoverable amount of intangible assets; the fair value measurements for financial instruments; the recognition and valuation of 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; the fair value estimation of share-based payments and awards and whether the Company has sufficient financing to operate as a going concern. Actual results may differ from those estimates and judgments.

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 August 31, 2015 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.

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 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.

3. Significant accounting policies and basis of preparation (cont'd)

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 impairment has arisen.

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

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.

3. Significant accounting policies and basis of preparation (cont'd)

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.

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.

Revenue Recognition

Revenue is recognized when services have been provided to the consumer, it is probable that economic benefits associated with the transaction will flow to the Company, the service price can be measured reliably, the Company has no significant continuing involvement, and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

When cash has been received from customers prior to providing services, the amounts are recorded as unearned revenue until the services are provided.

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.

3. Significant accounting policies and basis of preparation (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 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.

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 exporting 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. 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.

(Expressed in Canadian dollars)

3. Significant accounting policies and basis of preparation (cont'd)

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.

4. Loan receivable

On July 28, 2014, the Company provided a loan to an arm's-length party in the amount of $75,000. On September 9, 2014, the Company provided another loan to the same arm's-length party in the amount of $15,000. Under terms of the agreement, interest is payable on the unpaid principle at 6% per annum. Loan proceeds are convertible at the Company's option into equity of the arm's-length party at rate of 2.875%. The term of the loan was twelve months and is unsecured. As of August 31, 2015, there was $64,800 owing to the Company and the loan was past due. Management considered the loan for impairment but ultimately determined that the loan remains collectible.

5. Equipment

	Computer Equipment
Cost:	
Balance at August 31, 2014	$ 3,184
Additions	-
Balance at August 31, 2014	**3,184**
Accumulated Depreciation:	
Balance at August 31, 2014	850
Charge for the year	1,039
Balance at August 31, 2015	**1.889**
Net Book Value:	
Balance at August 31, 2014	2,334
Balance at August 31, 2015	**$ 1,295**

6. Share capital

Authorized share capital

The authorized capital of the Company consists of an unlimited number of common shares without par value.

Share issuances

There were no share issuances during the year ending August 31, 2015.

6. Share capital (cont'd)

Prior to the RTO, the following shares were issued by THC to its original founders:

- 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 a subsidiary. 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.

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 (see Note 12).

On August 29, 2014, in connection with the RTO and THC Acquisition, the Company issued 28,750,000 common shares, subject to an escrow agreement, at a deemed value of $6,145,260.

IFRS requires that a parent and its subsidiary, even though separate legal entities, be treated as one economic entity from an accounting perspective, with all intercompany balances eliminated for consolidation purposes. Pursuant to the RTO, upon consolidation with THC on August 29, 2014, the Company assumed the 20,484,200 issued and outstanding shares of the legal parent, Infinity Minerals Corp. (now High Hampton Holdings Corp.).

Shares Cancelled

On February 17, 2015, 21,900,000 common shares that were held in escrow, and which formed part of the shares issued by the Company in connection with the RTO, were surrendered and returned to treasury for cancellation (see Note 2).

Shares held in escrow

The escrow agreement relating to the THC Acquisition provided for a share release equal to 10% upon completion of the RTO and re-listing on the Canadian Securities Exchange, with the remaining shares to be released in 6 equal tranches (15%) every six months thereafter. As of August 31, 2015, and with the cancellation of 21,900,000 escrowed shares surrendered by the THC founders, no shares remained in escrow.

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. The Company's stock option plan provides for immediate vesting or vesting at the discretion of the Board of Directors 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.

No stock options were granted during the fiscal year ended August 31, 2015.

(Expressed in Canadian dollars)

6. Share capital (cont'd)

The number of stock options outstanding as of the year ended August 31, 2015 and 2014 was as follows:

	August 31, 2015			August 31, 2014		
	Number of options	Weighted average exercise price		Number of options	Weighted average exercise price	
Options outstanding, beginning of year	1,515,000	$	0.20	1,350,000	$	0.18
Options granted	-		-	(585,000)		0.20
Options expired	(1,515,000)	$	0.20	750,000		0.40
Options outstanding, end of period	-		-	1,515,000	$	0.20
Options exercisable, end of period	-		-	1,515,0000	$	0.20

During the year ended August 31, 2015, all options granted to former directors, officers and consultants expired following the resignation or termination of office or services.

As at August 31, 2015, there were no stock options outstanding.

Share purchase warrants

The changes in share purchase warrants during the year ended August 31, 2015 and 2014 were as follows:

	August 31, 2015			August 31, 2014		
	Number of warrants	Weighted average exercise price		Number of warrants	Weighted average exercise price	
Warrants outstanding, beginning of year	3,514,000	$	0.30	2,199,000	$	0.29
Warrants granted	-		-	3,514,150		0.30
Warrants expired	(3,514,000)		0.30	2,199,000		0.29
Warrants outstanding, end of period	-		-	3,514,000	$	0.30

As at August 31, 2015 there were no warrants outstanding.

7. Loan Payable

The Company's subsidiary, Advanced Greenhouse Technologies Ltd., entered into a loan agreement dated February 5, 2013 with an arm's length party in the principal amount of $80,000. The loan was unsecured, carried an imputed interest rate of 10.4% and matured on January 15, 2015. As at August 31, 2015, $18,367 remains payable on the loan but the Company has disputed that the remaining balance is owing.

8. Related party transactions

Included in the amounts expensed for management and consulting fees expensed during the 2015 fiscal year are the following compensation payments which were made to directors, officers and companies that are controlled by directors of the Company:

(Expressed in Canadian dollars)

8. Related party transactions (cont'd)

Key management personnel compensation

	Year Ended August 31, 2015	Year Ended August 31, 2014
Management and consulting fees	$ 487,119	$ 184,250

Of the aforesaid management and consulting fees, a total of $437,119 was charged by former directors and officers of the Company and the sum of $25,000 was charged by each of the two current directors of the Company.

As at August 31, 2015, accounts payable and accrued liabilities included management fees of $35,249 payable to former directors and $50,000 payable to the current directors. These amounts are unsecured, non-interest bearing, have no fixed terms of repayment and are due on demand.

The return of shares to the Company for cancellation by the THC original founders on February 12, 2015 was a "related party" transaction (see Note 2).

9. 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. While the Company attempts to achieve this by maintaining sufficient cash and banking facilities, as an early stage company with minimal revenues, the Company's liquidity position decreases as expenses are incurred. To mitigate this liquidity risk, the Company budgets its expenditures, closely monitors its rolling cash forecast and liquidity position, and raises capital as needed. The Company's non-derivative financial liabilities are all due within one year.

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.

(Expressed in Canadian dollars)

9. Financial risk management (cont'd)

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, 2015.

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, 2015, 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, 2015.

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 year ended August 31, 2015. 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 August 31, 2015:

	Level 1	Level 2	Level 3
Cash and cash equivalents	$ -	$ -	$ -

	Level 1	Level 2	Level 3
Trade payables and accrued liabilities	$ 117,789	$ -	$ -

Fair value

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

(Expressed in Canadian dollars)

9. Financial risk management (cont'd)

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.

10. Segmented information

Operating segments

The Company currently operates one reportable operating segment – the medical marijuana business.

Geographic segments

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

11. Evaluation and exploration assets

The Company holds a 100% interest in the Rainbow Claim Group located in the Greenwood Mining Division, Midway, British Columbia. During fiscal 2014, the Company recorded an impairment loss of $209,979 in relation to that mineral property due to the Company's change in business operations. The Company maintains good standing on the property's mineral titles.

12. 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 $2.00. 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, recorded at the acquisition date carrying amounts.

Consideration received:		
Issuance of 3,500,000 common shares	**$**	2
Purchase price allocation:		
GST receivable	$	2,537
Non-current assets		25
Non-cash working capital, net		1,888
Net assets acquired		4,450
Net liabilities acquired		216,941
Total recognized within liability	**$**	**212,493**

(Expressed in Canadian dollars)

13. Income taxes

Income tax expense differs from the amount that would be computed by applying the Canadian statutory income tax rate of 26% (2014 - 26%) to income before income taxes. The reasons for the differences are as follows:

		2015		2014
Statutory income tax rate		26%		26%
Expected income tax expense (recovery)	$	(202,000)	$	(1,401,000)
Changes in statutory, foreign tax and foreign exchange rates		-		1,000
Permanent difference		-		1,296,000
Unrecognized benefit of deferred tax assets		202,000		104,000
Total income tax expense	$	-	$	-

The Canadian federal corporate tax rate decreased resulting in a decrease in the Company's statutory tax rate in Canadian.

The Company recognizes tax benefits on losses or other deductible amounts generated in countries where the probable criteria for the recognition of deferred tax assets has been met. The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

		2014		2013
Excess of unused exploration expenditures for Canadian tax purposes over carrying value of mineral property interests	$	6,000	$	6,000
Share issuance costs		16,000		20,000
Non-capital losses carried forward - Canada		486,000		284,000
Unrecognized deductible temporary differences	$	508,000	$	310,000

The Company has non-capital losses of approximately $1,869,000 that may be carried forward and applied against taxable income in future years. These losses, if not utilized, will expire through 2035. Exploration and evaluation assets, property and equipment and net capital losses have no expiry date.

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilize these benefits.

14. Subsequent events

Shares for Debt

Subsequent to August 31, 2015, the Company settled accounts payable and accrued liabilities of $150,000 through the issuance of 3,000,000 common shares of the Company.

Share Consolidation

On September 16, 2015, the Company consolidated its shares on the basis of one new share for every ten old shares. As the share consolidation occurred subsequent to the year ended August 31, 2015 and for ease of comparatives, all references to number of shares and per share amounts in these consolidated financial statements are expressed as *pre-consolidation* values.

New Business Opportunities

Subsequent to the end of the 2015 fiscal year, and in view of the uncertainty of the Company's MMRP license application, the directors of the Company began to seek additional business opportunities. On September 28th, 2015, the Company announced the acquisition of an on-line a marijuana industry-focused social and business network but on October 8, 2015 after further due diligence, the Company cancelled the transaction. The directors of the Company continue to assess other viable ventures, but any fundamental change in the Company's business will require appropriate regulatory filings and pre-approval of the CSE.

Cease Trade

On January 18, 2016, the Company was the subject of a Cease Trade Order by the British Columbia Securities Commission pending the amendment and re-filing of the Company's annual Audited Consolidated Financial Statements and MD&A for the 2015 fiscal year. As a consequence of the Cease Trade Order, the CSE suspended the Company from trading until lifting of the Cease Trade Order.

15. Amendment and Restatement

The Audited Amended and Restated Consolidated Financial Statements of the Company for the year ended August 31, 2015 correct the following errors that were discovered in the 2015 annual Audited Consolidated Financial Statements previously issued:

1. to amend the Auditor's Report so as to be in the form specified by Canadian GAAS for an audit of financial statements prepared in accordance with a fair presentation framework;
2. to correct an omission to state in the Auditor's Report that the 2015 annual financial statements were prepared in accordance with Canadian GAAP applicable to publicly accountable enterprises;
3. to correct an addition error on the Consolidated Statements of Cash Flows;
4. to record the value of shares returned to treasury and cancelled during the year, and to amend the share capital and contributed surplus accounts accordingly;
5. to amend the description of a reverse acquisition transaction as a business combination and to properly describe it as a share-based payment; and
6. to enhance, clarify and correct the Notes to the Company's 2015 annual financial statements so as to indicate that there are no shares remaining in escrow and no stock options outstanding and to provide a more accurate, thorough and comprehensive explanation and assessment of the Company's financial condition as at the 2015 fiscal year end.