

High Hampton Holdings Corp.

Consolidated Financial Statements

For the three month period ended November 30, 2016 and 2015

(Expressed in Canadian Dollars)

High Hampton Holdings Corp.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	As at November 30, 2016	As at August 31, 2016
ASSETS		
Current assets		
Cash	127,289	5,480
Loan receivable (Note 4)		-
GST recoverable	18,442	18,442
Receivables		-
Prepaid expenses		-
Total current assets	145,731	23,922
Non-current assets		
Equipment (Note 5)		-
TOTAL ASSETS	145,731	23,922
LIABILITIES		
Current liabilities		
Trade payables and other accrued liabilities	96,678	46,678
Loan payable (Note 7)	168,367	168,367
Due to related parties (Note 9)	107,750	32,750
Customer deposits and unearned revenue (Note 8)		-
Total current liabilities	372,795	247,795
SHAREHOLDERS' DEFICIENCY		
Share capital (Note 6)	1,644,190	1,644,190
Reserve		-
Contributed surplus	4,468,592	4,468,592
Deficit	-6,339,846	-6,336,655
TOTAL SHAREHOLDERS' DEFICIENCY	-227,064	-223,873
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	145,731	23,922

These consolidated financial statements were approved and authorized for issue by the Board of Directors on January 30, 2017.

APPROVED ON BEHALF OF THE BOARD:

/s/ Brendan Purdy
Brendan Purdy, Director

/s/ Rukie Liyanage
Rukie Liyanage, Director

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

High Hampton Holdings Corp.
Consolidated Statements of Operations and Comprehensive Loss
(Expressed in Canadian Dollars)

	Quarter ended November 30, 2016	Quarter ended November 30, 2015
Revenue		
Consulting	-	-
Expenses		
Amortization		
Bank charges & interest		
Consulting		
Legal and audit		6,000
Listing, filing fees and transfer agent	3,191	3,000
Management fees (Note 9)		45,000
Office and general		
Transfer agent		
Travel and entertainment		
Total expenses	3,191	54,000
Loss before other items	3,191	54,000
Other items		
Interest expense		
Write-off of equipment		
Write-off of accounts receivable		
Gain on forfeiture of non-refundable deposits (Note 8)		
Gain on settlement of debts (Note 10)		
Impairment of loan receivable		
Write-off of land purchase deposit		
Net and comprehensive loss for the period	-3,191	-54,000
Loss per share - basic and diluted	-0.00	-0.02
Weighted average number of shares outstanding	3,033,423	2,934,518

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

High Hampton Holdings Corp.
Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
(Expressed in Canadian Dollars)

	Share Capital					
	Number of Shares	Amount	Share-based payment reserve	Contributed Surplus	Deficit	Total Shareholders' Equity (Deficiency)
		(\$)	(\$)	(\$)	(\$)	(\$)
Balance at August 31, 2015	2,733,420	5,080,275	(212,493)	-	(5,113,463)	(245,681)
Shares issued on debt settlement	300,000	150,000				150,000
Loss for the period	-	-	-	-	(54,000)	(54,000)
						-
Balance at November 30, 2015	3,033,420	5,230,275	(212,493)	-	(5,167,463)	(149,681)
Balance at August 31, 2016	3,033,423	1,644,190	-	4,468,592	(6,336,655)	(223,873)
Private placements						
Loss for the period	-	-	-	-	(3,191)	(3,191)
						-
Balance at November 30, 2016	3,033,423	1,644,190	-	4,468,592	(6,339,847)	(227,064)

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

High Hampton Holdings Corp.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Quarter ended November 30, 2016	Quarter ended November 30, 2015
Operating activities		
Net and comprehensive loss for the period	-3,191	-54,000
Adjustments for non-cash items:		
Amortization		
Write-off of equipment		
Write-off accounts receivable		
Write-off prepaid expenses		
Gain on settlement of debt		
Gain on forfeiture of non-refundable deposits		
Impairment of loan receivable		
Changes in non-cash working capital items:		
Accounts and GST receivable		-2,700
Prepaid expenses		
Trade payables and other accrued liabilities	50,000	3,150
Net cash flows used in operating activities	46,809	-53,550
Investing activities		
Term deposit		
Net cash flows from investing activities		
Financing activities		
Receipt of loan receivable		
Receipt (repayment) of loans payable		
Due to related parties	75,000	53,550
Net cash flows from (used in) financing activities	75,000	53,550
Increase (decrease) in cash	121,809	0
Cash, beginning	5,480	0
Cash, ending	127,289	0

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

High Hampton Holdings Corp.
Notes to the Consolidated Financial Statements
For the Three Months Ended November 30, 2016 and 2015
(Expressed in Canadian Dollars)

1. Nature and continuance of operations

High Hampton Holdings Corp. was incorporated in British Columbia under the name Infinity Minerals Corp. on November 12, 2010. 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: OHC.

Description of Business

At the end of the 2014 fiscal year, the Company changed its business from mining to medical marijuana. In late August, 2014, the Company undertook a reverse takeover of a British Columbia private company that had submitted an application with Health Canada for a license under the *Marihuana for Medical Purposes Regulations* ("MMPR"). The Company's principal activity was initially to secure that license in order to ultimately have the right and license to provide services to producers of medical marijuana (see Note 2). However, the Health Canada application stalled due to a backlog of the unprecedented number of MMPR license applications received by Health Canada, processing delays and regulatory uncertainties. Consequently, the Company has broadened its business focus and commenced investigation into alternative avenues of entry into the medical and retail marijuana industry. The Company is focusing on 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 Health Canada license for its activities. Any fundamental change in the business activities of the Company will require appropriate filings and pre-approval of the Canadian Securities Exchange.

Share Consolidation

On September 16, 2015, the Company consolidated its shares on the basis of one new share for every ten old shares. All references to number of shares and per share amounts herein are expressed on a post-consolidation basis.

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 a working capital deficit of \$227,064 and incurred losses from inception of \$6,339,846. The Company intends to raise capital by way of an equity offering sufficient to fund its future operations.

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 November 30, 2016, the Company had not yet achieved profitable operations and expects to incur further losses in the development of its business plan. These factors indicate the existence of a material uncertainty that 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.

High Hampton Holdings Corp.
Notes to the Consolidated Financial Statements
For the Three Months Ended November 30, 2016 and 2015
(Expressed in Canadian Dollars)

2. Statement of compliance

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”).

3. Significant accounting policies and basis of preparation

Basis of preparation

The consolidated 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.

Subsidiaries

The legal subsidiaries of the Company as of November 30, 2016 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%

The Company’s subsidiaries were inactive during the period ended November 30, 2016.

Functional and presentation currency

These consolidated financial statements have been presented in Canadian dollars which is the functional currency of the Company and its subsidiaries.

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 those estimates and judgments. 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.

High Hampton Holdings Corp.
Notes to the Consolidated Financial Statements
For the Three Months Ended November 30, 2016 and 2015
(Expressed in Canadian Dollars)

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

Areas requiring a significant degree of estimation and judgment by the Company's management relate to but are not limited to:

- whether an indication of impairment loss or a reversal of an impairment loss exists;
- the collectability of accounts or loans receivable;
- whether there are events or conditions that may give rise to a different basis of accounting;
- the fair value measurements for financial instruments;
- the recognition and valuation of qualifying expenditures for refundable and non-refundable tax credits and the 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 and cash equivalents

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 November 30, 2016 the Company had a total of \$127,289 cash or cash equivalents.

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 ("FVTPL") 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. The Company has designated its cash as FVTPL.

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. The Company has designated its receivables and loan receivable as loans and receivables.

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.

High Hampton Holdings Corp.
Notes to the Consolidated Financial Statements
For the Three Months Ended November 30, 2016 and 2015
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3. Significant accounting policies and basis of preparation (cont'd)

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.

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.

Financial liabilities are classified as other financial liabilities, based on the purpose for which the liability was incurred, and comprise of accounts payables and advances from related parties. 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, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carrying 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 has classified its trade payables, loan payables and due to related parties as other financial liabilities.

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.

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

Depreciation for computer equipment is recognized using the declining balance method at a rate of 30%.

High Hampton Holdings Corp.
Notes to the Consolidated Financial Statements
For the Three Months Ended November 30, 2016 and 2015
(Expressed in Canadian Dollars)

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

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.

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.

High Hampton Holdings Corp.
Notes to the Consolidated Financial Statements
For the Three Months Ended November 30, 2016 and 2015
(Expressed in Canadian Dollars)

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

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. 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.

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.

Recent Accounting Pronouncements

There were no new or amended accounting standards scheduled for mandatory adoption on September 1, 2016 and thus no new accounting standards were adopted in 2016.

High Hampton Holdings Corp.
Notes to the Consolidated Financial Statements
For the Three Months Ended November 30, 2016 and 2015
(Expressed in Canadian Dollars)

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

Accounting Standards and Amendments Issued But Not Yet Effective

The following standards have not been adopted by the Company. The Company is currently evaluating the impact these amendments are expected to have on its financial statements.

New accounting standards effective September 1, 2016:

IAS 1 – Presentation of Financial Statements

In December 2014, amendments to IAS 1 were issued to address perceived impediments to preparers exercising their judgement in presenting their financial statements. The amendments clarify the definition of materiality, the presentation of items on the statement of financial position and statement of profit or loss and other comprehensive income, and ordering of notes in the financial statements.

New accounting standards effective September 1, 2017:

IAS 7 – Statement of Cash Flows

The objective of the amendments to IAS 7 is to enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments will require entities to provide disclosures that enable investors to evaluate changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes. The amendments to IAS 7 respond to investors' requests for information that helps them better understand changes in an entity's debt, which is important to their analysis of financial statements.

New accounting standards effective September 1, 2018:

IFRS 9 – Financial Instruments

In November 2009, as part of the IASB project to replace IAS 39 Financial Instruments: Recognition and Measurement, the IASB issued the first phase of IFRS 9 Financial Instruments, that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities. In November 2013, new general hedging requirements were added to the standard. In July 2014, the final version of IFRS 9 was issued and adds a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics.

IFRS 15 – Revenue from Contracts with Customers

In May 2014, IFRS 15 was issued and replaces IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers and SIC-31 – Revenue – Barter Transactions Involving Advertising Services.

IFRS 15 establishes a single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

High Hampton Holdings Corp.
Notes to the Consolidated Financial Statements
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(Expressed in Canadian Dollars)

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

New accounting standards effective September 1, 2019:

IFRS 2 – Shared-Based Payments

In June 2016 the Board issued the final amendments to IFRS 2 which amended (a) the effects that vesting conditions have on the measurement of a cash-settled share-based payment; (b) the accounting for modification to the terms of a share-based payment that changes the classification of the transaction from cash-settled to equity settled; and (c) classification of share-based payment transactions with net settlement features.

IFRS 16 – Leases

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions.

The extent of the impact of adoption of these standards and interpretations on the financial statements of the Company has not been determined.

4. Loan receivable

A total of \$64,800 plus accrued interest is due and owing to the Company pursuant to an unsecured loan advanced for a twelve-month term to an arm's-length party in July and September 2014. Interest is payable on the unpaid principal at 6% per annum and the loan is convertible at the Company's option into equity of the arm's-length party. During the year ended August 31, 2016, the Company recorded an impairment allowance of \$64,800 against the loan receivable due to the uncertainty about the borrower's ability to repay the amount owing and interest.

5. Equipment

	Computer Equipment
Cost:	
Balance at August 31, 2014 and 2015	\$ 3,184
Write-off	(3,184)
Balance at August 31/Nov 30, 2016	-
Accumulated Depreciation:	
Balance at August 31, 2014	850
Charge for the year	1,039
Balance at August 31, 2015	1,889
Charge for the year	388
Write off	(2,277)
Balance at August 31/Nov 30, 2016	-
Net Book Value:	
Balance at August 31, 2015	1,295
Balance at August 31/Nov 30, 2016	\$ -

High Hampton Holdings Corp.
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6. Share capital

Authorized share capital

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

Issued share capital

As at November 30, 2016 there were 3,033,423 fully paid common shares issued and outstanding.

Share issuances

During the year ended August 31, 2016, the Company settled accounts payable and accrued liabilities of \$150,000 through the issuance of 3,000,000 common shares of the Company. There were no other share issuances during the period.

There were no share issuances during the three month period ended November 30, 2016.

Shares held in escrow

There are no shares held in escrow as at November 30, 2016 and 2015.

During the year ended August 31, 2015 21,900,000 common shares which were held in escrow, and which formed part of the shares issued by the Company in connection a previously completed reverse take-over transaction, were surrendered and returned to treasury for cancellation.

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.

There were no changes in stock option during the three-month period ended November 30, 2016. The changes in stock options outstanding during the years ended August 31, 2016 and 2015 were as follows and no further change occurred during the three months ended November 30, 2016:

Share purchase warrants

The changes in share purchase warrants outstanding during the years ended August 31, 2016 and 2015 were as follows:

	Number of warrants	Weighted average exercise price
Warrants outstanding, August 31, 2014	3,514,000	\$ 0.30
Warrants expired	(3,514,000)	(0.30)
Warrants outstanding, August 31, 2015 and 2016	-	\$ -

There were no share purchase warrants granted during the years ended August 31, 2016 and 2015.

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7. Loans Payable

The Company's subsidiary, Advanced Greenhouse Technologies Ltd. ("AGT"), 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 November 30, 2016, \$18,367 remains outstanding on the loan.

During fiscal 2016, the Company received loan advances totaling \$150,000 from an arm's length party. The loan advances do not bear interest and are unsecured with no fixed terms of repayment.

8. Customer Deposits and Unearned Revenue

Non-refundable customer deposits of \$67,000 were paid to AGT, the Company's subsidiary, in May 2014 and January 2015 for service contracts that were subsequently not completed due to the customers' inability to obtain the required permits from the relevant authorities. As the deposits were non-refundable, the Company recorded a gain of \$67,000 from forfeiture of the deposits during the year ended August 31, 2016. There were no further customer deposits or unearned revenue for the three months ended November 30, 2016.

9. Related party transactions and balances

During the year ended August 31, 2016, the Company incurred the following expenses payable as compensation to directors, officers and companies that are controlled by directors of the Company:

Key management personnel compensation

	Three months ended November 30, 2016	Three months ended November 30, 2015
Management fees	\$ -	\$ 51,000

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer.

As at November 30, 2016, the Company has a balance payable of \$107,750 (2015 - \$103,550) to related parties related to unpaid management fees, which is due on demand, unsecured and is non-interest bearing.

10. Debt Settlements

During the fiscal year ended August 31, 2016, the Company entered into Debt Settlement Agreements with certain trade creditors for reduced cash payments whereby accounts payables totaling \$155,019 were reduced to \$76,679 and the remaining debt of \$78,340 was forgiven.

In addition, at the end of the Company's 2016 fiscal year, the Company entered into Debt Settlement Agreements with its key management personnel whereby accrued management fees totaling \$163,400 were reduced to \$2,750 and the remaining debt of \$160,650 was forgiven.

Accordingly the Company recorded an aggregate gain on debt settlements of \$238,990 during the year ended August 31, 2016.

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11. 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.

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 has no forward exchange rate contracts or commodity price contracts in place.

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 November 30, 2016, the Company did not have any significant interest rate risk. The Company has no interest rate swap or financial contracts in place.

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.

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11. Financial risk management (cont'd)

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, 2016. 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 November 30, 2016:

	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 127,289	\$ -	\$ -

Fair value

The fair value of the Company's financial assets and liabilities approximate 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. These levels of hierarchy are:

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

12. Subsequent Events

On January 5, 2017 – High Hampton Holdings Corp. announced that it has completed its previously announced private placement oversubscribed for total gross proceeds of \$2,081,500. Pursuant to the Offering, the Company issued 41,630,000 units at a price of \$0.05 per Unit. Each Unit consists of one common share in the capital of the Company and one half of one common share purchase warrant with each Warrant being exercisable to acquire one common share of the Company at a price of \$0.05 until January 3, 2019.

The Corporation settled an additional \$150,000.00 of debt through the issuance of 1,500,000 Units of the Company at a price of \$0.05 per Unit share with an arms-length creditor. In connection with the Offering, the Company paid finder's fees of \$106,160 in cash and issued 2,043,200 non-transferable brokers warrants, with each Brokers Warrant being exercisable to acquire one common share of the Company at a price of \$0.05 until January 3, 2019. All of the securities issued in connection with the Offering and Debt Settlement are subject to a hold period expiring on May 4, 2017.