HIGHHAMPTON

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2017

INTRODUCTION

This management discussion and analysis ("**MD&A**") of the Company covering the year ended August 31, 2017 is prepared as of December 29, 2017. This MD&A reviews and summarizes the activities of High Hampton Holdings Corp. (the "Company") the financial results for the year ended August 31, 2017 with historical information. This information should be read along with the Company's consolidated financial statements for the year ended August 31, 2017 and related notes attached thereto, which were prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts herein are stated in Canadian dollars unless otherwise indicated.

Forward Looking Statements

This MD&A may contain "forward looking statements" that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward- looking statements. In this MD&A, such forward looking statements include statements concerning the Company's business objectives that have not yet materialized; the Company's investigation of business opportunities; the Company's goal to commence operations; the Company's intent and ability to raise capital; and the Company's goal to enhance shareholder value.

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

OVERALL PERFORMANCE

Description of Business

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 (the "**CSE**") under the symbol "HC" and on the Frankfurt Exchange under the symbol "0HC".

The Company's wholly owned subsidiary, The Herbal Clone Bank Inc. ("**THC**"), is a private company that was acquired by the Company by way of a reverse takeover on August 31, 2014. THC had made application with Health Canada in 2013 to become a Licensed Producer under (and as defined in) the *Marihuana for Medical Purposes Regulations* (the "**MMPR**")[1].

[1] Health Canada's MMPR was recently modified on August 24, 2016 and renamed *Access to Cannabis for Medical Purposes Regulations* (ACMPR) but for the purposes of this MD&A, the acronym MMPR will be used to refer to the current Health Canada regulations.

THC's business objective was initially to supply vegetative (first growth) stage cannabis to Licensed Producers enabling them to focus exclusively on the flowering stage of crop production, and thereby eliminating first growth stage infrastructure costs and doubling output by cutting grow cycles from 16 weeks to eight. THC's business plan also anticipated the development of a horticultural facility in Okanagan Falls, British Columbia from which specific services were to be provided including propagation, direct cultivation and sale of purebred cultivars optimized for medical purposes; cloning; marihuana strain storage and database maintenance. Although THC's MMPR license application was submitted to Health Canada in November 2013, the application did not proceed to the final stages and no facility was ultimately built. Consequently, the Company commenced investigation into alternative avenues of entry into the medical and/or retail marijuana industry.

On August 29, 2017, the Company acquired all of the issued and outstanding shares of CoachellaGro Corp. ("CoachellaGro"), a California corporation in the business of seeking and evaluating industrial land municipally zoned for medical-use cannabis, growing facilities, and ancillary cannabis related businesses to acquire in California. CoachellaGro made its initial investment in the Coachella Property, a 10.8 acre property situated in the proposed cannabis industrial park located in Coachella, California.

CoachellaGro is in the application process for a conditional use permit (CUP) for development of a full service production facility in order to serve third party state licensed medical marijuana operators. The City of Coachella has been progressive in setting up city ordinance that sets aside 90 acres within which will be a legal framework for the cultivation, production, extraction and transportation of cannabis. The complex is intended to contain all the necessary; security, infrastructure, equipment, labour and skilled management, supplies and ancillary services for a closed loop production process flow.

SIGNIFICANT EVENTS, TRANSACTIONS, AND ACTIVITIES

New Business Opportunities

During the Company's last fiscal year, with the increasing uncertainty in the laws and regulations relating to the marijuana industry in Canada and the lengthy application processes and wait times involved in obtaining an MMPR license, the Issuer eventually ceased the active pursuit of its own license and commenced investigation into available marijuana-related business opportunities. On September 28th, 2015, the Company announced the acquisition of an on-line marijuana industry-focused social and business network. However, on October 8, 2015 after further due diligence, the Company cancelled the transaction. Throughout the year, Company management continued to investigate potential revenue-generating opportunities and is currently engaged in discussions with several cannabis-related businesses seeking to enter the public marketplace.

<u>CoachellaGro Corp.</u>

The Company announced it had entered into a letter of intent ("LOI"), effective January 25, 2017, with CoachellaGro which contemplates an acquisition of all of the common shares of CoachellaGro in exchange for the issuance of common shares of the Company. On August 29, 2017, in consideration for all of the issued shares of CoachellaGro, the CoachellaGro shareholders received 6,000,000 shares in the capital of the Company on a pro rata and post-consolidated basis (the "Acquisition").

CoachellaGro is a corporation focused on the acquisition, ownership and management of specialized industrial properties leased to experienced, state-licensed operators for their regulated medical-use cannabis facilities. CoachellaGro was formed to participate in California's bourgeoning cannabis real estate market by purchasing a direct interest in real property that have been specifically zoned for cannabis production pursuant to state laws and municipal ordinances. With the adoption of the Medical Marijuana Regulation and Safety Act ("MMRSA") and Adult Use of Marijuana Act ("AUMA") in California and progressive municipal ordinances providing for the zoning and regulation of marijuana cultivation, extraction, distribution, and manufacturing, the value of properties within these specified "zones" has seen significant appreciation.

In September 2016, CoachellaGro secured the purchase rights to the last remaining property (the "Coachella Property") in the Coachella business park which consists in aggregate of approximately 90 contiguous acres set aside by the City of Coachella for cannabis cultivation and ancillary businesses. The Coachella Property consists of 10.8 acres located within the municipally-zoned industrial park designated for cannabis cultivation medical cannabis cultivation, manufacturing, distribution, and testing by the City of Coachella. The Coachella Property was acquired by CoachellaGro in consideration for US$1,900,000, subject to the vendor taking back a mortgage on the Property for $900,000, which became due and payable on August 27, 2017.

CoachellaGro continues to develop the Coachella Property with the intent of receiving a conditional use permit ("Conditional Use Permit") under the Municipality of Coachella Code of Ordinances (the "Coachella Ordinances"). The receipt of the Conditional Use Permit is subject to filing of an engineering report with the City of Coachella setting out sufficient access to municipal water and sewer services, satisfactory environmental report, the satisfactory plan to use of carbon filtration systems and other odor mitigation measures for all cultivation facilities and operations, and compliance with other restrictive ordinances. Upon receipt of the Conditional Use Permit, CoachellaGro will complete its phase 1 and phase 2 engineering reports for the construction of the cultivation facility on the Coachella Property.

CoachellaGro will utilize a leasehold model whereby successful applications will execute a lease agreement with a revenue share calculated as percentage of all revenue generated from the unit, and charged to the user as a monthly service usage fee. Type 3A licensed operators under the MMRSA (cultivators – which represent 95% of the total available occupancy space), will pay CoachellaGro a monthly rent for each 10,000 square foot facility as a base rate. As an added service fee, each Type 3A licensed tenant will be charged a processing fee for the mandatory use of environmental controlled product curation rooms and the vaulted storage in the unit. This processing fee will be calculated as a flat rate in the unit and will be charged to the tenant as a monthly management service fee.

Share Consolidation

On September 16, 2015, the Company consolidated its shares on the basis of one new share for every ten old shares, in order to provide more flexibility in raising funds.

On August 29, 2017, the Company completes a consolidation of its common shares on the basis if one new share for every five old shares, pursuant to the Share Exchange Agreement signed with the CoachellaGro shareholders. All references to number of shares and per share amounts herein are expressed as *post-consolidation* values.

Settlement of Debt

During the fiscal year ended August 31, 2017, the Company settled accounts payable and accrued liabilities of $135,000 through the issuance of 2,700,000 units of the Company at a price of $0.05 per unit share with arm's-length creditors. Each unit consists of one common share and one-half share purchase warrant, with each full warrant exercisable at price of $0.25 per common share for a period of two years. The Company recorded a gain on debt settlements of $75,000 in connection with the units for debt.

Private Placements

On January 3, 2017, the Company completed a private placement for total gross proceeds of $2,021,500. Pursuant to the offering, the Company issued 8,086,000 units at a price of $0.25 per unit (on a pre-consolidated basis). 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 $0.25 until January 3, 2019.

On June 1, 2017, the Company announced the closing of its private placement of 11,271,000 subscription receipts (the "Subscription Receipts") at a price of $0.50 per Subscription Receipt for aggregate gross proceeds of $5,635,500. Pursuant to the Subscription Receipt Agreement, each Subscription Receipt shall be automatically exchanged, without any further action by the holder thereof and for no additional consideration, for one unit of the Company, upon the satisfaction of the certain escrow release conditions, including but not limited to the receipt of all other approvals for the Acquisition including approval of the Canadian Securities Exchange ("CSE"). Each unit consists of one common share in the capital of the Company (a "Unit Share") and one- half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one common share for an exercise price of $0.75 per Warrant Share for a period of 24 months from the issuance of such Warrant.

On August 30, 2017, the Company closed the Acquisition and the Subscription Receipts were automatically exercised in accordance with their terms, and were exchanged for one Unit of the Company.

On August 9, 2017, the Company closed a private placement of secured convertible debentures (the "Debentures") in the aggregate amount of $1,300,000 (the "Offering"). The Debentures bear interest at a rate of 7.5% per annum and mature two years following the date of issuance of the Debentures (the “Maturity Date”). The Debentures are convertible at the holder’s option into common shares (“Shares”) in the capital of the Company (each, a “Debenture Share”), on a post-consolidation basis at any time prior to the close of business on the Maturity Date, subject to acceleration provisions, at a conversion price of $0.60 per Debenture Share.

The Debentures are to be (i) guaranteed by Coachellagro pursuant to a guaranty agreement, and (ii) secured by (a) a general security agreement of the Company issued in favour of the holders of Debentures (the “Debentureholders”), and (b) a deed of trust lien on the Coachellagro Property from Coachellagro, which deed of trust lien shall secure Coachellagro’s obligations under the guaranty. The Company further intends to subordinate its existing deed of trust lien on the Coachellagro Property in favour of the Debentureholders pursuant to a subordination agreement. In addition, each of the Debentureholders has received one warrant (a “Warrant”) for each $1.20 of the aggregate principal amount of Debentures subscribed for under the Offering, with each Warrant entitling the holder to acquire one Share (the “Warrant Shares”) at an exercise price of $0.85 per Share for a period of three years from the date of issuance of the Debentures.

Board and Management Changes

At the Company’s Annual General Meeting held on November 22, 2016, Mr. Brendan Purdy, Mr. Johnathan Dewdney, and Mr. Rukie Liyanage were appointed as directors of the Company. Former management resigned as of the date of the Annual General Meeting, and Mr. Brendan Purdy was appointed as President and Chief Executive Officer of the Company and Mr. Rukie Liyanage as Chief Financial Officer of the Company.

On August 29, 2017, the board of directors of the Company was expanded to five in connection with the closing of the CoachellaGro acquisition. On closing of the Acquisition the board of directors consisted of Brendan Purdy, Richard Polanco, Christian Scovenna, David Argudo and Daniel Petrov.

Subsequent Events

On October 25, 2017, the Company’s board of directors appointed Fiona Fitzmaurice as Chief Financial Officer of the Company following the resignation of Rukie Liyanage.

On December 1, 2017, the Company’s board of directors approved the implementation of a restricted share unit plan (the "RSU Plan"), fixed stock option plan (the “Fixed PLan, and grant of an aggregate of 2,550,000 restricted share units pursuant to the RSU Plan (each, an "RSU"). Under the RSU Plan, eligible persons may (at the discretion of the Board) be allocated a number of RSUs as the Board deems appropriate, with vesting provisions also to be determined by the Board, subject to a maximum vesting term of three (3) years from the end of the calendar year in which RSUs were granted. Upon vesting, eligible participants shall be entitled to a cash payment equal to the number of RSUs granted, multiplied by the fair market value of the Company's common shares on the redemption date. The Company shall also have the option (at the discretion of the Board) to settle amounts owing to eligible persons via the issuance of common shares of the Company.

The Fixed Plan will replace the Company's "rolling" stock option plan. The Fixed Plan allows the board of directors to grant up to an aggregate of 2,679,868 stock options of the Company to encourage equity participation among senior officers, employees, consultants and directors through the acquisition of Common shares of the Company. The Fixed Plan will be submitted to the Company's shareholders for approval at its 2017 annual meeting of shareholders. Any stock options granted pursuant to the Fixed Plan after the date hereof and prior to shareholder approval will also be subject to, and will not be exercisable until disinterested shareholder approval has been obtained. If such approval is not obtained, the stock options granted under the Fixed Plan will terminate.

On December 11, 2017, the Company's board of directors appointed David E. Argudo as Chief Executive Officer of the Company. Brendan Purdy, former CEO, will stay on the board in his capacity as Chairman.

Mineral Property Interests

The Company holds a 100% interest in two contiguous mineral tenures known as the Rainbow Claim Group comprising 317.64 hectares located approximately four kilometers northwest of the community of Midway in south central British Columbia and known as the Rainbow Claim Group. The Company maintains good standing on the property's mineral titles but ceased all mining exploration activities in 2014. All costs associated with these properties were previously written off by the Company and, as at August 31, 2017, the Company had no restoration and environmental obligations with respect to its mineral claims. The Company intends to sell the Rainbow Claim Group to a third party.

SELECTED ANNUAL INFORMATION

	Year ended August 31,		
	2017	**2016**	**2015**
	$	$	$
Total revenues	-	-	3,308
Income or Loss before Discontinued Operations & Extraordinary Items	(801,956)	(168,843)	(780,278)
Net Loss in total	(801,956)	(168,843)	(780,278)
Basic and Diluted Loss per Share	(0.13)	(0.28)	(0.15)
Total Assets	10,010,988	23,922	83,375
Total Long Term Liabilities	1,246,501	0	0

DISCUSSION OF OPERATIONS

The following discussion and analysis of the operating results and financial condition of the Company should be read in conjunction with the Company's Audited Consolidated Financial Statements and notes thereof for the fiscal year ending August 31, 2017.

During the year ended August 31, 2017 there were limited operations. The Company had no source of revenue during fiscal 2017. The Company will operate at a loss unless and until it is able to acquire a revenue-producing asset and/or merge or joint venture with a revenue-producing venture. The Company will require additional financing in order to fund CoachellaGro and cover its general and administrative costs.

As at August 31, 2017, the Company had current assets of $5,236,732. In addition, there were current liabilities in the amount of $594,056 which was comprised of accounts payable of $489,274, loans payable totaling $18,367, and $86,415 owing to directors and former directors.

Consulting Fees

For the year ended August 31, 2017 consulting fees consists of management consultants, business development consultants and communication consultants. During the year ended August 31, 2017, the consulting costs were significantly higher due to an increase in the use of direct consultants and use of California-based consultants.

Legal and Audit Fees

For the year ended August 31, 2017 legal and audit costs increased comparable to prior fiscal years. For the year ended August 31, 2017 costs were significantly higher than the comparable prior period due to an increase in the use of general legal services and also legal costs incurred in connection with the acquisition of CoachellaGro and the series of private placements undertaken during the year.

Management Fees

For the year ended August 31, 2017 management fees consists of key management personnel responsible for planning, directing and controlling the Company. For the year ended August 31, 2017 management fees were significantly higher than the comparable prior periods due to an increase in personnel and an increase in the use of direct consultants.

Travel and Entertainment

For year ended August 31, 2017 there was an increase in travel costs compared to the comparable period due to various travel meetings to California in relation to the acquisition of CoachellaGro.

SUMMARY OF QUARTERLY RESULTS

The table below summarizes the financial results for each of the Company's eight most recently completed quarters. The following financial data has been prepared in accordance with IFRS and all figures are stated in Canadian dollars.

Financial results:	**Q4 Aug 31, 2017**	**Q3 May 31, 2017**	**Q2 Feb 29, 2017**	**Q1 Nov 30, 2016**
Net (loss) profit for the period	$(404,402)	$(105,702)	$(288,661)	$(3,191)
Basic and diluted loss per share	$0.13	$0.00	$0.00	$0.00
Balance sheet data:				
Cash	$4,978,685	$141,416	$247,463	$127,289
Total assets	$10,010,988	$1,633,859	$1,692,323	$145,731
Shareholders' Equity (deficit)	$8,170,431	$(1,594,421)	$1,640,228	$(227,064)

Financial results:	**Q4 Aug 31, 2016**	**Q3 May 31, 2016**	**Q2 Feb 29, 2016**	**Q1 Nov 30, 2015**
Net (loss) profit for the period	$167,948	$(75,597)	$(57,097)	$(204,097)
Basic and diluted loss per share	$0.06	$0.02	$0.02	$0.07
Balance sheet data:				
Cash	$5,480	$888	-	-
Total assets	$23,922	$92,297	$88,731	$85,978
Shareholders' Equity (deficit)	$(159,073)	$(391,821)	$316,224	$(259,127)

The Company had no source of revenue during Q4 2017 other than a minimal amount of revenues from office rental receipts earned. The Company will operate at a loss unless and until it is able to acquire a revenue-producing asset and/or merge or joint venture with a revenue-producing venture. The Company will require additional financing in order to fund due diligence expenditures and cover its general and administrative costs.

SUMMARY OF CASH FLOWS

(expressed in canadian dollars)	Year Ended August 31,	
(Unaudited)	2017	2016
Cash used in operating activities	(486,699)	(222,671)
Cash used in investing activities	(2,711,541)	-
Cash provided by financing activities	8,171,445	228,151
	$ 4,973,205	$ 5,480

LIQUIDITY AND CAPITAL RESOURCES

The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the Company's operations. Capital is comprised of the Company's shareholders' equity. As at August 31, 2017, the Company's shareholders' equity was $8,170,431.

As at August 31, 2017, the Company had not yet achieved profitable operations and expects to incur further losses in the development of its business objectives, all of which may cast significant doubt about the Company's ability to continue as a going concern. As at August 31, 2017, the Company's current resources was sufficient to settle its current liabilities. The Company had working capital surplus of $4.6 million as at the end of the period. The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due and to attain future profitable operations.

The Company intends to raise funds through an equity financing. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. Further, if an equity offering is used to raise required additional capital, it may result in dilution to existing shareholders based on the size of such an offering. Failure to obtain such additional financing could result in delay or indefinite postponement of the development of the Company's business, and may cast significant doubt upon the Company's ability to continue as a going concern.

OFF-BALANCE SHEET ARRANGEMENTS

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

TRANSACTIONS BETWEEN RELATED PARTIES

During the year ended August 31, 2017, 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

	2017	**2016**
	$	$
Management fees	5,425	213,000
Professional fees	112,775	-
	118,200	213,000

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 August 31, 2017, the Company has a balance payable of $86,415 to related parties, which is due on demand, unsecured and is non-interest bearing.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Note 3 of the Company's Consolidated Financial Statements for the period ended August 31, 2017 sets out the Company's significant accounting policies. There have been no changes in the Company's accounting policies during the period.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

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

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

Financial Risk Management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate, and commodity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents. Cash and cash equivalents consist of cash in bank accounts with reputable financial institutions with strong credit ratings which are closely monitored by management and in trust accounts with the Company's legal representatives.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at August 31, 2017, the Company had sufficient cash on hand to meet its current liabilities. The Company's accounts payable, due to related parties and loan payable have contractual maturities of less than 30 days and are subject to normal trade terms.

Market Risk

Market risk is the risk of loss that might arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

i) Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to limited interest rate risk as its secured convertible debentures bear fixed interest rates.

ii) Foreign Currency Risk:

The Company holds cash and cash equivalents in bank account denominated in United States dollars. Therefore, it is subject to risk in fluctuations in the exchange rate of the United States dollar. However, as at August 31, 2017, the balance in this account was nominal and therefore, any change in the Canadian dollar versus the United States would be insignificant.

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the development of the Company's land in Coachella, California and additional acquisition opportunities. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include all components of its shareholders' equity.

The Company is not exposed to any externally imposed capital requirements. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended August 31, 2017.

Classification of financial instruments

The following is an analysis of the Company's financial assets measured at fair value as at August 31, 2017:

	Level 1	**Level 2**	**Level 3**
Cash and cash equivalents	$ 4,9778,685	$ -	$ -

Fair value

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

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

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

Commitments

The Company has no outstanding commitments.

OUTSTANDING SHARE INFORMATION

As at August 31, 2017	
Authorized	Unlimited
Issued and outstanding shares	26,798,685
Options outstanding	-
Warrants	12,206,152
Fully Diluted	39,004,837

As at December 29, 2017	
Authorized	Unlimited
Issued and outstanding shares	27,865,733
Options outstanding	2,500,000
Warrants	11,637,780
Fully Diluted	42,003,513

MANAGEMENT COMMENTS

The Company complies with its CSE listing agreement. The Company maintains an adequate system of internal accounting and administrative controls to provide reasonable assurance that the Company's financial information is accurate and that the assets correctly accounted for. Current management intends to establish a rigorous system of system of internal accounting and administrative controls to ensure that its reported financial information is relevant, reliable and accurate and that the assets of the Company are correctly accounted for and protected.

Additional information relating to the Company is available on SEDAR at www.sedar.com.