GreenStar Biosciences Corp. (formerly Bethpage Capital Corp.)
Management Discussion and Analysis
For the nine months ended May 31, 2019
(expressed in Canadian Dollars)

This management's discussion and analysis ("MD&A") is dated July 30, 2019 and the following discussion and analysis of the Company's financial condition and results of operations for the nine month period ended May 31, 2019 should be read in conjunction with the unaudited condensed consolidated interim financial statements and related notes for the nine months ended May 31, 2019. The requisite financial data presented for the relevant periods has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). Except as otherwise disclosed, all dollar figures included therein and the following MD&A are presented in Canadian dollars.

Forward Looking Information

This MD&A contains "forward-looking statements" that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. 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. 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, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events 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.

Such statements reflect management's current views with respect to future events and are subject to risks and uncertainties and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and known or unknown risks and contingencies. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements. Please see the risk factors discussed under the heading "Risk Factors" in this MD&A.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. 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, except as required by law.

Overview

GreenStar Biosciences Corp. (formerly Bethpage Capital Corp.) (the "Company") was incorporated under the Business Corporations Act (British Columbia) on May 13, 2010. The head office, principal address and registered office of the Company are located at 1250, 639 – 5th Ave S.W. Calgary, AB T2P 0M9.

The Company entered into a letter of intent dated effective September 7, 2018 followed by an Amalgamation Agreement on February 28, 2019 pursuant to which the Company will acquire all of the issued and outstanding securities of Green Star Biosciences Inc. in exchange for securities of the Company. The proposed transaction is expected to be carried out by way of a three-cornered amalgamation under the Business Corporations Act (British Columbia). Prior to the proposed amalgamation, the Company will affect a consolidation of its common shares on a one for two basis. The transaction is subject to, among other things, receipt of the requisite shareholder approvals and regulatory approvals, including approval of the TSXV and the CSE. For purposes of the proposed transaction, the Company registered a new, wholly-owned subsidiary company, 2173969 Alberta Ltd., incorporated on February 21, 2019. Pursuant to the transaction, and following the consolidation, the issued and outstanding common shares of Green Star will be exchanged for common shares of the Company on a one-for-one basis. Following completion of the transaction, on a fully diluted basis assuming that no additional shares of Green Star are issued other than as contemplated under the LOI, the former Green Star shareholders will own approximately 95.6% of the outstanding Company shares.

On May 30, 2019, the Company closed its reverse takeover ("RTO") with Green Star Biosciences Inc. Pursuant to the terms of the Definitive Amalgamation Agreement dated February 28, 2019, GreenStar and Bethpage Subco amalgamated by way of a three-cornered amalgamation and the issued and outstanding securities of Bethpage were exchanged for securities of Bethpage, as the Resulting Issuer. As a result of the amalgamation, GreenStar became a wholly-owned subsidiary of Bethpage. The transaction was accounted for as a reverse acquisition.

On May 30, 2019, the Company changed its name to GreenStar Biosciences Corp. The Common Shares were delisted from the NEX board of the TSX Venture Exchange ("TSXV") on May 30, 2019. The Company's common shares are now listed under the symbol "GSTR" on the Canadian Securities Exchange.

GreenStar is a growth-oriented technology and services company that provides real estate, financial, management, IP and branding support to licensed cannabis businesses. GreenStar also has exclusive licensing arrangements for proprietary technologies that support product development and operational efficiencies for its operations. Based in Vancouver, BC, GreenStar intends to facilitate growth through acquisitions and development of additional assets, products and technologies in legal cannabis markets by leveraging its capital markets, branding and operational expertise. GreenStar is committed to increasing shareholder value through aggressive expansion initiatives.

The Company seeks to invest in cannabis-related assets and companies for the purpose of creating value by participation in the growth of the cannabis industry. The Company has recognized and believes that the use and application of cannabis, and cannabis based products is an early stage industry that has substantial room for growth, fueled by changes in regulations, the acceptance that CBD is beneficial for specific ailments, and awareness of the purported health and wellness benefits. The Company owns cannabis related brands and provides management related services and leased real estate to a cannabis producer and processor. Following regulatory changes, management sees an opportunity for growth and expansion in this industry.

The Company owns the property leases, brands of, and is the primary financial and marketing administrator of, Cowlitz County Cannabis Cultivation Inc. ("Cowlitz"), a licensed cannabis producer and processor located in Washington State. Cowlitz is a leading producer, marketer and vendor in the Washington State recreational cannabis market. Known for sourcing high-quality cannabis sold at affordable prices to a broad and established consumer base, Cowlitz's portfolio of branded products is available at approximately 20% of cannabis retailers throughout Washington State. Cowlitz is a top five producer and processor of cannabis in Washington and is the largest independent buyer of dried flower, producing over 200,000 pre-rolls monthly. Currently, Cowlitz produces flower, dabs, pre-rolls, a full spectrum of cannabinoid powder, and infused joints under brand categories: "Dab Dudes" – affordably priced vape cartridges, BHO waxes and crystalline, "Hi Guys" – the 'working man's weed', including flower, joints and BHO, and "Cowlitz Gold" – premium flower, joints, BHO and vape cartridges. Cowlitz branded products are currently available in approximately 20% of the dispensaries in Washington State.

Cowlitz holds a Washington State marijuana processor license as granted by the Washington State Liquor and Cannabis Board which licenses Cowlitz to process, dry, cure, package, and label useable marijuana, marijuana concentrates, and marijuana-infused products for sale at wholesale to marijuana processors and marijuana retailers in the State of Washington.

Cowlitz County Cannabis Cultivation, Inc. ("Cowlitz"), has signed a long-term supply agreement with Pat Dullanty, owner and operator of an 18 acre tier 3 outdoor grow facility located at 26425 S Rupp Rd, Cheney, Washington 99001. Pursuant to this new agreement, Cowlitz will have access to up to 25,000 pounds, dry weight, of high-quality flower annually. The facility has significant room for expansion in both land and available high-quality spring water and gives Cowlitz a strong and stable supply of cannabis flower for years to come.

The principal operations of the Company are located in Washington State and therefore highly regulated under regimes in the United States. Washington State regulations require that every individual with an ownership or equity interest, with a right to receive a percentage of gross or net profits, or who exercises control over a licensed marijuana operator must apply for licensing with the Washington State Liquor and Cannabis Board be approved. This requires applicants to be a Washington State resident. As such, regulations surrounding the Company are subject to change.

GreenStar has also executed a joint venture agreement with Progressive Herbs, Inc. ("Progressive") an Illinois-based agricultural technology company (the "Progressive JV Agreement"). Progressive and its affiliate, Aggressively Organic, Inc., are the owners of a proprietary technology for a sustainable, easy-to-use, inexpensive, productive growing system known as Micro Dendritic Pods™ (the "Progressive IP"). Pursuant to the Progressive JV Agreement, Progressive and GreenStar have formed a limited liability joint venture corporation, Capri, LLC, for the purposes of producing, processing, marketing and distributing cannabis, hemp, medicinal and bio pharmaceutical products for consumption worldwide utilizing the Progressive IP. Progressive has executed an exclusive sublicense agreement with Capri, LLC (the "Capri Sublicense") for the use, reproduction, development, manufacture, commercialization, sublicense and exploitation of the Progressive IP solely in connection with the production, development, manufacture and sale of cannabis, hemp, medicinal and bio pharmaceutical products for consumption.

The Company expects to fund its operations through the cash flow provided from the Lease Agreement and License Agreement with Cowlitz and through the sale of equity securities. Management believes that the Company can continue to expand its cannabis-related holdings by providing tailored, state law compliant, and financially attractive sources of funding and/or equity investment to cannabis and cannabis-connected companies.

The Company regularly monitors changing regulatory requirements and endeavors to advance its goal of growth of the cannabis industry by vertically integrating its business operations with Cowlitz.

Overall Performance

For the three months ended May 31, 2019, the Company observed a quiet period of operations while it applied for its listing on the CSE. The Company successfully received its listing approval on June 6, 2019 and started trading under the symbol GSTR on June 7, 2019.

The financial condition was relatively unchanged. To offset the loss before other items of $657,082 for the three month period, the Company closed financings with total gross proceeds of $602,927. Full terms of the financing closes are described in [SECTION DISCUSSION]. The Company permitted accounts receivable to grow with its licensee to $242,943 from $71,759 for the year ended August 31, 2018, while the licensee, Cowlitz commenced grow testing of the technology that it has licensed as part of its joint venture with Progressive Herbs, Inc.

The Company did not have a full period of operations for the comparative period of the three months ended May 31, 2018 as it was incorporated on March 21, 2018 and the brand assets of Cowlitz were purchased during that period. This is the Company's first full nine months of operations, of which is reporting $596,841 of license and lease revenue from services provided to Cowlitz.

Subsequent to the nine months ended May 31, 2019, the Company has continued its efforts to improve the conditions for its brand licensee to continue growth in Washington State. The Company underwent some management changes with the resignation of the CEO, Ralph Olson; and board members Scott Reeves and Sean Campbell and the concurrent appointments of capital markets veteran Rahim Rajwani and director Leighton Bocking, who previously held the appointment of President with the Company.

Results of Operations

During the three months ended May 31, 2019, the Company continued to incur costs to commence its business plans. The Company invested in business connections by issuing promissory notes. Costs incurred over the three months ended May 31, 2019 resulted in an overall net income of $1,065,106 and net income of $188,520 for the nine months ended May 31, 2019. Excluding the change in fair value of the derivative liability, the gain on the derecognition of the derivative liability, and the listing expense, the net loss for the three months ended May 31, 2019 would have been $667,888 and a loss of $2,021,807 for the nine months ended May 31, 2019.

During the period from incorporation on March 21, 2018 to May 31, 2018, the Company incurred costs to commence its business plans. Costs incurred from March 21, 2018 to May 31, 2019 resulted in an overall net loss of $3,779,600. Excluding the change in fair value of the derivative liability, the net loss for the period from incorporation on March 21 to May 31, 2018 would have been $514,725.

Revenue

The Company recorded revenue of $178,928 for the three months ended May 31, 2019 which was comprised of license royalties of $74,713 and lease revenue of $104,215. For the nine months ended May 31, 2019, the company recorded revenue of $596,841, comprised of license royalties of $265,761 and lease revenue of $331,080.

Monthly license royalties are paid based on actual sales on a per-unit basis and may vary in future periods based on sales volume. Lease revenue is expected to continue on a monthly basis for the remainder of the lease term until 2022.

Operating expenses

The Company incurred operating expenses of $836,010 and $2,559,259 during the three and nine months ended May 31, 2019 respectively. These operating costs can be summarized as follows:

		For the three months ended May 31, 2019	For the nine months ended May 31, 2019
General and administrative	$	125,223	599,023
Advertising and marketing		167,851	322,769
Management fees		111,548	234,277
Lease expense		52,111	165,542
Amortization of intangible asset		50,621	157,098
Amortization of lease		38,305	120,251
Share-based compensation		290,351	960,299
Total operating expenses	$	836,010	2,559,259

The significant expenditures for the three months ended May 31, 2019 can be described as follows:

- General and administrative costs of $125,223 consists of consulting fees of $84,803, professional fees of $(20,353) as a portion of legal fees was reclassified to listing expense, and office and administrative fees of $60,773.
- Management fees of $111,548 were paid to related parties. Please refer to the "Related Party Disclosures" section of the MD&A.
- Lease expenses of $52,111 are incurred on a monthly basis in relation to operating costs of the lease. These are expected to continue over the term of the lease until 2022.
- Share-based compensation of $290,351 consists of stock options granted to management and consultants during the period. The expense is measured using the Black-Scholes model.

Listing expense and reverse acquisition

On May 30, 2019, the Company completed a reverse takeover ("RTO") with Green Star Biosciences Inc. Pursuant to the RTO, the following occurred:

(i) The company completed a consolidation of its common shares immediately prior to the completion of the amalgamation (as defined below), of its then issued and outstanding 8,900,000 common shares on the basis of one new Bethpage share for every two (2) existing Bethpage shares.

(ii) The Company's subsidiary, 2106989 Alberta Ltd. amalgamated with Green Star Biosciences Inc., a private corporation incorporated under the Business Corporations Act of Alberta and changed its name to Green Star Biosciences Inc. ("Amalco")

(iii) The Company acquired all of the issued and outstanding common shares of Amalco from the former shareholders of Green Star Biosciences Inc. in exchange for an aggregate of

62,561,200 Bethpage shares. The Company changed its name from Bethpage Capital Corp. to GreenStar Biosciences Corp.

As a result of the RTO, the former shareholders of Green Star Biosciences Inc. acquired control of the Company, thereby constituting a reverse takeover of the Company. The RTO is considered a purchase of the Company's net assets by the shareholders of Green Star Biosciences Inc.

The transaction is accounted for in accordance with guidance provided in IFRS 2 Share-Based Payment and IFRS 3 Business Combinations ("IFRS 3"). As the Company did not qualify as a business according to the definition in IFRS 3, the Acquisition does not constitute a business combination; rather, it is treated as an issuance of shares by Green Star Biosciences Inc. for the net assets of the Company and the Company's listing status with Green Star Biosciences Inc. as the continuing entity.

The RTO has been accounted for as a reverse acquisition that does not constitute a business combination. For accounting purposes, the legal subsidiary, Green Star Biosciences Inc., has been treated as the acquirer and GreenStar Biosciences Corp., the legal parent, has been treated as the acquiree. For accounting purposes, these consolidated financial statements reflect a continuation of the financial position, operating results, and cash flow of the Company's legal subsidiary, Green Star Biosciences Inc.

A breakdown of the listing expense is as follows:

	Number	Amount
Outstanding common shares of Bethpage deemed to be issued	4,450,000	1,363,364
Outstanding share purchase options of Bethpage deemed to be issued	112,500	28,160
Settlement of loan to Bethpage Capital Corp.		173,419
		1,564,943

Net assets acquired:

Cash	$	(1,105)
Accounts receivable		(1,826)
Accounts payable and accrued liabilities		18,744
Value attributed to GreenStar shares issued	$	1,580,756
Professional fees related to listing		145,794
Listing expense		1,726,550

Other income (expense)

For the three and nine months ended May 31, 2019, the Company incurred $31,685 loss and a $80,268 loss due to foreign exchange, respectively. The Company also incurred a gain on derecognition of derivative liability of $8,647,744 for the three and nine months ended May 31, 2019 due to the functional currency of the parent being Canadian dollars after the RTO and the warrants being exercisable in Canadian dollars. The functional currency of Green Star Biosciences Inc. was USD, which previously caused a derivative liability on the warrants. The Company also recognized a loss of $5,188,200 during the three months ended May 31, 2019 and a loss of $4,710,867 during the nine months ended May 31, 2019 related to the change in fair value of the Company's derivative liability.

Summary of Quarterly Results

Three months ended,	May 31, 2019 $	February 28, 2019 $	Nov. 30, 2018 $	Aug. 31 2018 $	May. 31, 2018 $
Total Revenue	178,928	212,958	204,955	227,022	9,408
Net Income (Loss)	1,065,106	(318,908)	(557,678)	(4,147,792)	(477,467)
Basic and diluted net loss per share	0.02	(0.01)	(0.01)	(0.18)	(0.01)

Liquidity and Capital Resources

Liquidity

The Company manages liquidity risk by maintaining an adequate level of cash to meet its ongoing obligations.

Cash flows for the nine months ended May 31, 2019

The Company began the year with cash of $2,486,669 as at August 31, 2018 and ended the nine months ended May 31, 2019 with a cash balance of $1,312,638, for an overall decrease of $1,174,031.

The Company consumed $1,080,749 in operating activities which reflects the expenditures of the statement of loss and comprehensive loss adjusted for certain non-cash expenses and working capital balances.

Financing activities included raising $1,070,020 from the issuance of share capital. The Company issued promissory notes receivable of $676,671.

These capital resources were then used to invest a total of $270,668 in the purchase of additional intangible assets.

Capital resources

As at May 31, 2019, the Company had cash resources of $1,312,638 to settle $249,215 in current liabilities. The Company had a working capital of $2,020,332.

The Company completed financings with gross proceeds of $1,070,020 during the nine months ended May 31, 2019.

During the three months ended May 31, 2019, the Company closed the following private placements:

On March 25, 2019, the Company issued 385,429 units in a non-brokered private placement at $0.35 per unit for gross proceeds of $134,900. Each unit consists of one common share in the Company and one half of one warrant. Each warrant is exercisable into one common share of the Company at an exercise price of $0.75 per warrant for a period of 24 months from the closing date.

On March 31, 2019, pursuant to the terms of the Agency Agreement, the Company issued 317,925 Penalty Units. Each Penalty Unit consists of one common share and one half of one warrant. Each warrant is exercisable into one common share of the Company at an exercise price of $0.75 per warrant for a period of 24 months.

On May 15, 2019, the Company issued 328,948 units in a non-brokered private placement at $0.45 per unit for gross proceeds of $148,027. Each unit consists of one common share in the Company and one half of one warrant. Each warrant is exercisable into one common share of the Company at an exercise price of $0.75 per warrant for a period of 24 months from the closing date.

On May 22, 2019, the Company issued 711,111 units in a non-brokered private placement at $0.45 per unit for gross proceeds of $320,000. Each unit consists of one common share in the Company and one half of one warrant. Each warrant is exercisable into one common share of the Company at an exercise price of $0.75 per warrant for a period of 24 months from the closing date.

The new Board and management is assessing its capital commitments as part of the joint ventures that have been signed.

To date, the Company has not yet realized profitable operations. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future.

Related Party Disclosures

a) Key management compensation

Key management consists of the officers and directors who are responsible for planning, directing and controlling the activities of the Company.

During the nine months ended May 31, 2019, the Company incurred charges with an officer and directors recorded at their exchange amounts as agreed upon by transacting parties as follows:

		For the nine months ended May 31, 2019	For the three months ended May 31, 2018
Management fees	$	245,605	38,455
Share based payments		158,799	273,357
	$	404,404	311,812

During the nine months ended May 31, 2019, the Company incurred $179,082 in management fees to Ralph Olson, CEO and Director until July 26, 2019.

During the nine months ended May 31, 2019, the Company incurred $9,886 in management fees to Alex McAulay, CFO.

During the nine months ended May 31, 2019, the Company incurred $31,837 in management fees to Dan McAtee, COO.

During the nine months ended May 31, 2019, the Company incurred $19,898 in management fees to Leighton Bocking, former President of Green Star. Mr. Bocking resigned as President on June 19, 2019 was subsequently appointed as Director effective July 26, 2019.

During the nine months ended May 31, 2019, the Company incurred $4,902 in directors' fees to 1196016 BC Ltd. which is controlled by Faizaan Lalani, Director.

During the nine months ended May 31, 2019, key management personnel were not paid any post-employment benefits, termination benefits or any other long-term benefits.

Share-based payments are the fair value of options granted to key management personnel as at the grant date.

b) Other transactions

During the nine months ended May 31, 2019, the Company incurred $229,801 in legal costs to TingleMerrett LLP in which a Scott Reeves, a director until July 26, 2019, is a partner.

During the three months ended May 31, 2018, the Company incurred $38,777 in legal costs to TingleMerrett LLP in which a Scott Reeves, a director until July 26, 2019, is a partner.

The legal costs are included in general and administrative expenses in the statement of comprehensive income (loss).

During the nine months ended May 31, 2019, the Company incurred $43,877 in accounting fees to ACM Management Inc. which is owned by Alex McAulay, CFO. The accounting fees are included in general and administrative expenses in the statement of comprehensive loss.

There were no accounting fees paid to related parties during the three months ended May 31, 2018.

c) *Related party balances*

As at May 31, 2019, included in accounts payable and accrued liabilities is $50,052 (August 2018 - $5,000) in amounts payable to a TingleMerrett LLP, of which Scott Reeves (Director until July 26, 2019) is a partner, for unpaid legal fees. The amount is unsecured, non-interest bearing and due on demand.

As at May 31, 2019, included in accounts payable and accrued liabilities is $4,302 (August 2018 - $Nil) in amounts payable to ACM Management Inc. which is owned by Alex McAulay, CFO, for unpaid accounting fees. The amount is unsecured, non-interest bearing and due on demand.

As at May 31, 2019, included in accounts payable and accrued liabilities is $5,250 (August 2018 - $Nil) in amounts payable to 1196016 BC Ltd. which is controlled by Faizaan Lalani, Director, for Directors fees. The amount is unsecured, non-interest bearing and due on demand.

Subsequent Events

On June 12, 2019, the Company issued 250,000 stock options to the CFO of the Company. 125,000 options vested immediately with a further 125,000 options vesting on the anniversary of the grant June 12, 2020. Each option is exercisable into one common share of the Company at an exercise price of $0.21 per stock option until June 12, 2024.

On June 28, 2019, the Company issued 550,000 stock options to three consultants of the Company in exchange for services. The options will vest as follows: 275,000 on June 28, 2019 and 275,000 on June 28, 2020. Each option is exercisable into one common share of the Company at an exercise price of $0.25 per stock option until June 28, 2024.

On July 22, 2019, the Company received resignations from option holders that included their voluntary cancellation of an aggregate of 1,525,008 options.

On July 29, 2019, the Company issued 200,000 stock options to a consultant of the Company. 100,000 options vested immediately with a further 100,000 options vesting on the anniversary of the grant July 29, 2020. Each option is exercisable into one common share of the Company at an exercise price of $0.20 per stock option until July 29, 2024.

On July 29, 2019, the Company issued 300,000 stock options to a consultant of the Company. All 300,000 options vest 60 days from the date of issue. Each option is exercisable into one common share of the Company at an exercise price of $0.20 per stock option until July 29, 2021.

Outstanding Share Data

At the date of this MD&A, the shares outstanding were 67,011,200 issued and outstanding shares of common stock. The total warrants outstanding at period end were 46,116,946 and total exercisable stock options of 4,161,922. If all of these warrants and options were converted, they would represent an additional 50,278,868 shares for total issued and fully diluted total of 117,290,068.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements and does not contemplate having them in the foreseeable future.

Significant Accounting Policies

The accounting policies followed by the Company are set out in Note 3 to the audited financial statements for the period ended August 31, 2018 and have been consistently followed in the preparation of the condensed consolidated interim financial statements.

Accounting standards, and amendments, issued but not yet effective

The following standards are effective for annual periods beginning on or after January 1, 2019:

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below. The Company expects that it will recognize additional assets and liabilities as a result of the current leasing arrangements. The full extent of the impact of adoption of this standard has not been determined.

IFRS 16 Leases - In June 2016, the IASB issued 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. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019.

Critical Accounting Estimates and Judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and income and expenses. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. These financial statements do not include any accounts that require significant estimates as the basis for determining the stated amounts.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include the assessment of the Company's ability to continue as a going concern.

Other than the amounts new estimates and judgements below, there have been no other material revisions to the nature of estimates and judgements during the nine months ended May 31, 2019 as compared to the August 31, 2018 year end.

Deposit towards partnership arrangement

On February 26, 2019, Green Star Biosciences Inc. entered into a non-binding letter of intent ("LOI") for a Partnership Agreement with Delta One Consultants LLC ("Delta1"). The Company will partner with Delta1 to purchase an interest in an indoor cannabis grow operation. In connection with the Letter of Intent, the Company paid USD $150,000 ($203,001) to Delta1. Management has used judgement and determined that the amount paid to Delta1 meets the definition of an asset and it is reasonably expected to complete the acquisition of a 51% interest in the Inkster, Michigan facility. If the Company fails to execute a Final Partnership Agreement as outlined in the LOI, then the deposit will be forfeited and the deposit will be recorded as loss, which would decrease the Company's 9 month ended loss by $203,200.

Listing expense

The listing expense has been calculated using an estimated share value of Green Star Biosciences Inc. of $0.31 as at May 30, 2019. The value of the shares was estimated based on the $0.45 unit price paid in the private placement prior to the calculation of the listing expense. The half warrants issued were valued at $0.144 using the Black Scholes model, with the residual value of unit applied to the common shares equivalent to $0.31 cents per share. We estimated the $0.144 using the following inputs: 150% volatility, a risk free interest rate of 1.56% and dividend yield of zero.