BIOME GROW INC.

(FORMERLY ORCA TOUCHSCREEN TECHNOLOGIES LTD.)

LISTING STATEMENT

Dated as at October 3, 2018

Neither the Canadian Securities Exchange nor any securities regulatory authority has in any way passed upon the merits of the Acquisition described in this Listing Statement.

All information contained in this Listing Statement with respect to Orca Touchscreen Technologies Ltd. (**Orca**) was supplied by Orca for inclusion herein.

All information contained in this Listing Statement with respect to Cultivator Catalyst Corp. (**CCC**) was supplied by CCC for inclusion herein.

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GLOSSARY

The following is a glossary of certain general terms used in this Listing Statement, including the summary hereof. Terms and abbreviations used in the financial statements included in, or appended to this Listing Statement are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders. Unless otherwise indicated, all currency references are to Canadian dollars.

"**2018 Share Issuances**" means those CCC Common Shares issued subsequent to December 31, 2017;

"**Advisory Fee**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Executive Compensation*";

"**ACMPR**" means the *Access to Cannabis for Medical Purposes Regulations* (Canada) issued pursuant to the CDSA;

"**Acquisition**" means the reverse takeover of Orca by CCC by way of the Amalgamation;

"**Affiliate**" means a Company that is affiliated with another Company as described below:

A Company is an "Affiliate" of another Company if:

(a) one of them is the subsidiary of the other; or

(b) each of them is controlled by the same Person.

A Company is "controlled" by a Person if:

(a) voting securities of the Company are held, other than by way of security only, by or for the benefit of that Person; and

(b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the Company.

A Person beneficially owns securities that are beneficially owned by:

(a) a Company controlled by that Person; or

(b) an Affiliate of that Person or an Affiliate of any Company controlled by that Person;

"**Aggregate Gross Proceeds**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Description of Proceeds*";

"**Amalgamation**" means the amalgamation of CCC and Orca Sub pursuant to the provisions of the BCBCA in accordance with the terms of the Amalgamation Agreement;

"**Amalgamation Agreement**" means the amalgamation agreement dated as of April 25, 2018 between CCC, Orca and Orca Sub, as amended on August 31, 2018 and September 28, 2018, pursuant to which the Amalgamation will be effected;

"**Arrangement**" has the meaning ascribed thereto in "*Part I – Information Concerning Orca – General Development of Business*";

"**Articles of Amalgamation**" means the articles of amalgamation of the corporation resulting from the Amalgamation and included behind Appendix B of the Amalgamation Agreement;

"**Associate**" when used to indicate a relationship with a person or Company, means

(a) any Company of which the person or Company beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all the voting securities of the Company for the time being outstanding;

(b) any partner of the person or Company;

(c) any trust or estate in which the person or Company has a substantial beneficial interest or as to which such person or Company serves as trustee or in a similar capacity;

(d) in the case of a person, a relative of that person who resides in the same home as that person,

(e) in the case of a person, any person who resides in the same home as that person and to whom that person is married or with whom that person is living in a conjugal relationship outside marriage, or

(f) in the case of a person, any relative of a person mentioned in clause (e) who has the same home as that person;

"**Available Funds**" means the estimated working capital (total current assets less total current liabilities) which will be available to the Resulting Issuer (including the working capital of each of Orca and CCC), as at the most recent month end preceding the date of this Listing Statement, after giving effect to the Acquisition;

"**Back Home**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – General Development of Business*";

"**Back Home Application**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Narrative Description of Business*";

"**BCBCA**" means the *Business Corporations Act* (British Columbia), including the regulations promulgated thereunder, as amended;

"**Board**" means the board of directors of Orca or the Resulting Issuer, as the context requires;

"**Brokered Financing**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Description of Securities*";

"**Cannabis Act**" means *An Act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts*;

"**CBD**" means cannabidiol, an active cannabinoid identified in cannabis which is considered to have therapeutic applications;

"**CCC**" means Cultivator Catalyst Corp., a corporation existing under the laws of the Province of Ontario prior to the completion of the CCC Continuance and a corporation existing under the laws of the Province of British Columbia after completion of the CCC Continuance, as the context may require;

"**CCC Amalgamation Resolution**" means the special resolution of CCC Shareholders in respect of the Amalgamation and the Amalgamation Agreement, to be considered by the CCC Shareholders at the CCC Meeting;

"**CCC Common Shares**" means common shares in the capital of CCC;

"**CCC Continuance**" means the continuance of CCC out of the Province of Ontario and into the Province of British Columbia in order to facilitate the Amalgamation;

"**CCC Continuance Resolution**" means the special resolution of CCC Shareholders in respect of the CCC Continuance, to be considered by the CCC Shareholders at the CCC Meeting;

"**CCC Financial Statements**" means the audited financial statements of CCC for the year ended December 31, 2017 and the unaudited interim condensed consolidated financial statements for the three months ended March 31, 2018 and 2017, which are attached to this Listing Statement as Schedule C;

"**CCC MD&A**" means the Management's Discussion and Analysis of the Financial Condition and Results of Operations of CCC for the year ended December 31, 2017 and for the three months ended March 31, 2018, which is attached to this Listing Statement as Schedule D;

"**CCC Meeting**" means the annual and special meeting of the CCC Shareholders held on June 28, 2018 approving, among other things, the CCC Meeting Matters;

"**CCC Meeting Matters**" means the following matters to be considered by, and if acceptable approved by, the CCC Shareholders, as applicable, at the CCC Meeting: (a) to fix the number and to elect the directors of CCC for the ensuing year; (b) to appoint the auditors of CCC for the ensuring year; (c), the CCC Continuance Resolution; (d) the CCC Amalgamation Resolution; and (e) such other matters that may be reasonably required in order to give effect to the Acquisition as are deemed appropriate by the board of directors of CCC;

"**CCC Named Executive Officers**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Executive Compensation*";

"**CCC Nominees**" has the meaning ascribed thereto in "*Part III – Information Concerning the Resulting Issuer – Directors and Officers*";

"**CCC Securities Pledge Agreement**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Material Contracts*";

"**CCC Shareholders**" means the holders of CCC Shares;

"**CCC Shares**" means CCC Common Shares and CCC Special Class C Shares;

"**CCC Special Class A Redemption Price**" has the meaning ascribed thereto in "*Part II – Description of the Securities – CCC Special Class A Shares*";

"**CCC Special Class A Shares**" means special class A shares in the capital of CCC;

"**CCC Special Class B Shares**" means special class B shares in the capital of CCC;

"**CCC Special Class C Shares**" means special class C shares in the capital of CCC;

"**CCC Warrants**" means the common share purchase warrants of CCC entitling the holders thereof to purchase one CCC Common Share for each whole CCC Warrant;

"**CDSA**" means the *Controlled Drugs and Substances Act*;

"**CEO**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Executive Compensation*";

"**Closing**" means the closing of the Acquisition;

"**Common Share**" means a common share in the capital of the Resulting Issuer;

"**Company**" unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

"**Consulting Agreement**" has the meaning ascribed thereto in "*Part I – Information Concerning Orca – Consultants*";

"**Control Person**" means, any person or Company that holds or is one of a combination of persons or companies that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer, except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer;

"**Conversion Notice**" has the meaning ascribed thereto in "*Part III – Information Concerning the Resulting Issuer – Description of the Securities*";

"**CSE**" or "**Exchange**" means the Canadian Securities Exchange;

"**Echelon**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Description of the Securities*";

"**Escrow Agent**" means the escrow agent appointed by CCC to act as escrow agent for the Common Shares to be held in escrow pursuant to the policies of the Exchange;

"**Escrow Agreement**" means the escrow agreement to be entered into in connection with the closing of the Acquisition between the Resulting Issuer, the Escrow Agent and certain shareholders of the Resulting Issuer, as more particularly described in herein;

"**Exchange Shares**" has the meaning ascribed thereto in "*Part I – Information Concerning Orca – General Development of Business*";

"**Facilities**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Narrative Description of Business*";

"**Fair Market Value**" means in respect of the CCC Shares,

(a) if CCC has not completed the Acquisition, the lesser of:

(i) the fair market value of such shares as determined by the board of directors of CCC acting reasonably; or

(ii) the most recent price per share determined in accordance with a bona fide transaction or series of transactions pursuant to which CCC issued or sold securities, completed not more than three months prior to the date of valuation;

or

(b) if CCC has completed the Acquisition, the greater of:

(i) the 30-day volume weighted average price of the CCC Shares (or such other securities, as applicable) as quoted by the Exchange; or

(ii) the deemed price per share at which the CCC Shares were valued in connection with the Acquisition.

"**Final Exchange Bulletin**" means the CSE Bulletin which is issued following closing of the Acquisition and the submission of all required documentation and that evidences the final acceptance by the CSE of the Acquisition;

"**Finder**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Description of the Securities*";

"**FM MacMaster Employment Agreement**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Options to Purchase Securities*";

"**Founders**" means, collectively, the following holders of shares in the capital of the Purchaser: Jacob Capital Management Inc., Jacob Securities Holdings Inc., April Jacob, Sasha Jacob, Jacob P. Jacob, Irmgard Jacob, and Khurram Malik.

"**Gorilla**" has the meaning ascribed thereto in "*Part I – Information Concerning Orca – General Development of Business*";

"**Highland Grow**" means Highland Grow Inc., (formerly THC Dispensaries Canada Inc.) a wholly-owned subsidiary of CCC;

"**Highland Grow Financial Statements**" means the audited financial statements of Highland Grow for the years ended December 31, 2017 and December 31, 2016, which are attached to this Listing Statement as Schedule E;

"**Highland Grow GSA**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Material Contracts*";

"**Highland Grow Licence**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Narrative Description of the Business*";

"**Highland Grow MD&A**" means the management's discussion and analysis of Highland Grow for the year ended December 31, 2017 which is attached to this Listing Statement as Schedule F;

"**Highland Grow SPA**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Material Contracts*";

"**IFRS**" means International Financial Reporting Standards, the collection of financial reporting standards issued by the International Accounting Standards Board, as adopted by the Accounting Standards Board of Canada at the relevant time;

"**Insider**" if used in relation to an issuer, means:

(a) a director or senior officer of the issuer;

(b) a director or senior officer of the issuer that is an Insider or subsidiary of issuer;

(c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of an issuer; or

(d) the issuer itself if it holds any of its own securities;

"**JCM**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Executive Compensation*";

"**JM MacMaster Employment Agreement**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Options to Purchase Securities*";

"**Key Person**" has the meaning ascribed thereto in "*Part IV – Risk Factors – Business Risks – Key Persons*";

"**Letter of Intent**" or "**LOI**" means the letter of intent between Orca and CCC dated December 1, 2017, as amended on January 30, 2018, February 13, 2018, February 27, 2018, March 14, 2018, March 28, 2018 and April 12, 2018;

"**Licensed Producers**" means the holder of a licence issued under Section 35 of the ACMPR or any similar licence issued under predecessor legislation;

"**Listing Statement**" means this Listing Statement, together with all schedules attached hereto and including the summary hereof;

"**Market Price**" has the meaning ascribed thereto in "*Part III – Information Concerning the Resulting Issuer – Description of the Securities*";

"**Marksman**" has the meaning ascribed thereto in "*Part I – Information Concerning Orca – Consultants*";

"**Newfoundland Facility**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Narrative Description of Business*";

"**Non-Brokered Financing**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Description of Securities*";

"**Nova Scotia Facility**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Narrative Description of Business*";

"**NP 46-201**" mean National Policy 46-201 – *Escrow for Initial Public Offerings*;

"**OBCA**" means the *Business Corporations Act* (Ontario), including the regulations promulgated thereunder, as amended;

"**Ontario Facility**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Narrative Description of Business*";

"**Option Plan**" shall mean the option plan of the Resulting Issuer which is the amended and restated option plan of Orca;

"**Option Shares**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Options to Purchase Securities*";

"**Orca**" means Orca Touchscreen Technologies Ltd., a corporation existing under the laws of the Province of British Columbia prior to the completion of the Acquisition;

"**Orca Financial Statements**" means the audited financial statements of Orca for the years ended December 31, 2017, 2016 and 2015 and the unaudited interim condensed consolidated financial statements for the three months ended March 30, 2018 and 2017 and the six months ended June 30, 2018 and 2017, which are attached to this Listing Statement as Schedule A;

"**Orca Fundamental Change Resolution**" means the resolution of Orca Shareholders in respect of the Amalgamation and the Amalgamation Agreement, to be considered by the Orca Shareholders at the Orca Meeting;

"**Orca MD&A**" means the Management's Discussion and Analysis of the Financial Condition and Results of Operations of Orca for the year ended December 31, 2017 and for the three months ended March 31, 2018 and the six months ended June 30, 2018, which is attached to this Listing Statement as Schedule B;

"**Orca Meeting**" means the annual and special meeting of Orca Shareholders held on June 27, 2018 to approving, among other things, the Orca Meeting Matters;

"**Orca Meeting Matters**" means the following matters to be considered by and if acceptable approved by shareholders of Orca at the Orca Meeting: (i) to fix the number and to elect the directors of Orca for the ensuing year; (ii) to appoint of the auditors of Orca for the ensuing year; (iii) to fix the number and to elect the proposed directors of the Resulting Issuer; (iv) to approve the amended and restated stock option plan of Orca; (v) to approve the Orca Special Share Resolution; (vi) to approve the Orca Fundamental Change Resolution; and (viii) such other matters that may be reasonably required in order to give effect to the Acquisition as are deemed appropriate by the Board and acceptable to CCC, acting reasonably;

"**Orca Mobile**" meansOrca Mobile Solutions Ltd.;

"**Orca Options**" means options to purchase Orca Shares;

"**Orca Share Consolidation**" means the consolidation of the Orca Shares and the Orca Warrants, each as applicable, on the basis of one (1) post-consolidation Orca Share for every fifty (50) pre-consolidation Orca Shares and one (1) post-consolidation Orca Warrant for every fifty (50) pre-consolidation Orca Warrants, to be completed by Orca prior to the completion of the Amalgamation;

"**Orca Shares**" means common shares in the capital of Orca;

"**Orca Shareholders**" means the holders of Orca Shares;

"**Orca Special Class C Shares**" means special class C shares in the capital of Orca;

"**Orca Special Share Resolution**" means the special resolution of Orca Shareholders to create the Orca Special Shares, to be considered by the Orca Shareholders at the Orca Meeting;

"**Orca Special Shares**" means the class B preferred shares in the capital of Orca, which shall have the rights, privileges and restrictions attached thereto as described in Orca's information circular dated May 28, 2018 which is available under Orca's SEDAR profile, and, Orca Special Class C Shares, which shall have the rights privileges and restrictions attached thereto as described in this Listing Statement;

"**Orca Sub**" means 1151856 B.C. Ltd. incorporated under the laws of the Province of British Columbia and a wholly owned subsidiary of Orca;

"**Orca Warrants**" means common share purchase warrants to acquire Orca Shares or Common Shares, as the context requires;

"**Owed Salary**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Options to Purchase Securities*";

"**Owed Shares**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Options to Purchase Securities*";

"**Outside Date**" means October 31, 2018, or such other date as may be agreed to by the parties;

"**P-209**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Corporate Structure*";

"**P-209 Application**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Narrative Description of Business*";

"**parties**" means CCC, Orca, Orca Sub and the Resulting Issuer, as applicable and "**party**" means any one of them;

"**person**" means a Company or individual;

"**Private Placement**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Description of the Securities*";

"**Purchase Shares**" has the meaning ascribed thereto in "*Part I – Information Concerning Orca – General Development of Business*";

"**Pro Forma Financial Statements**" means the unaudited pro forma statement of financial position for the Resulting Issuer as at December 31, 2017 to give effect to the Acquisition as if it had taken place as of December 31, 2017, which is attached to this Listing Statement as Schedule G;

"**Resulting Issuer**" means Orca (proposed to be named "Biome Grow Inc.") following completion of the Acquisition and the issuance of the Final Exchange Bulletin;

"**Secured Parties**" has the meaning ascribed thereto in "*Part II – Information Concerning CCC – Material Contracts*";

"**SEDAR**" means the system for electronic documents analysis and retrieval which is available at www.sedar.com;

"**Share Term Amending Agreement**" means the share term amending agreement dated September 26, 2018 between Orca and Francis MacMaster, the sole holder of all issued and outstanding Orca Special Class C Shares;

"**Sollensys**" has the meaning ascribed thereto in "*Part I – Information Concerning Orca – General Development of Business*";

"**Sollen-Mobile**" has the meaning ascribed thereto in "*Part I – Information Concerning Orca – General Development of Business*";

"**subsidiary**" includes, with respect to any person, company, partnership, limited partnership, trust or other entity, any company, partnership, limited partnership, trust or other entity controlled, directly or indirectly, by such person, company, partnership, limited partnership, trust or other entity;

"**THC**" means tetrahydrocannabinol; and

"**Weed VR**" means Weed Virtual Retail Inc., a corporation incorporated under the laws of the Province of Ontario.

FORWARD-LOOKING STATEMENTS

This Listing Statement contains forward-looking statements that relate to CCC and Orca's current expectations and views of future events. The forward-looking statements are contained principally in the sections titled "Summary of Listing Statement" and "Information Concerning the Resulting Issuer".

In some cases, these forward-looking statements can be identified by words or phrases such as "may", "believes", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues", "plan", "aim", "seek" or the negative of these terms, or other similar expressions intended to identify forward-looking statements. CCC and Orca have based these forward-looking statements on their current expectations and projections about future events and financial trends that they believe may affect CCC, Orca and the Resulting Issuer's financial condition, results of operations, business strategy and financial needs, as the case may be.

Forward-looking statements relating to CCC and the Resulting Issuer include, among other things, statements relating to:

- expectations regarding its revenue, expenses and operations;
- anticipated cash needs and its needs for additional financing;
- build-out of the Facilities and the respective costs and timing associated therewith and the intention of CCC to seek to obtain amendments to the Highland Grow Licence to permit sales of cannabis-based products under such licence;
- expectations regarding available funds upon completion of the Acquisition and principal purposes of such funds;
- market competition and agricultural advances of competitive products;
- expectations regarding the timing for availability of products and acceptance of products by the market;
- expectations regarding the progress and the successful and timely completion of the various stages of the licensing process;
- plans to market, sell and distribute its products;
- ability to attract and retain personnel;
- expected timing and completion of CCC's near-term objectives;
- the legalization of the use of cannabis for adult-use in Canada, including federal and provincial regulations pertaining thereto and the timing related thereof and our intentions to participate in such market, if and when legalized;
- competitive position and its expectations regarding competition;
- strategy with respect to the protection of its intellectual property;
- anticipated trends and challenges in CCC's business and the markets in which it operates;
- listing of the Common Shares on the Exchange;
- the completion of the Acquisition; and
- the terms on which the Acquisition is intended to be completed.

Forward-looking statements relating to Orca include, among other things, statements relating to:

- the completion of the Acquisition; and
- the terms on which the Acquisition is intended to be completed.

Forward-looking statements are based on certain assumptions and analysis made by CCC and Orca in light of their experience and perception of historical trends, current conditions and expected future developments and other factors they believe are appropriate, and are subject to risks and uncertainties. Such assumptions include, among others, those relating to general economic conditions, the legislative and regulatory environment, the impact of increasing competition, the ability to obtain regulatory and shareholder approvals. Although CCC and Orca believe that the assumptions underlying the forward-looking statements are reasonable, they may prove to be incorrect. Given these risks, uncertainties and assumptions, shareholders should not place undue reliance on these forward-looking statements.

Whether actual results, performance or achievements will conform to CCC or Orca's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "*Part IV – Risk Factors*", which include:

Business risks

- reliance on licenses
- regulatory compliance
- legislation changes
- effects of medical cannabis
- reliance on facilities
- industry risks
- competition risks
- risks related to key persons
- risks inherent in an agricultural business
- reliance on local provincial regulators
- factors which may prevent realization of growth targets
- limited operating history
- risks related to additional financing
- vulnerability to rising energy costs
- transportation disruptions
- unfavorable publicity or consumer perception
- product liability
- product recalls
- reliance on key inputs
- difficulty to forecast
- operating risk and insurance coverage
- risks related to being a holding company
- risks related to acquisitions and integration
- legal proceedings

Financial and accounting risks

- access to capital
- estimates or judgments relating to critical accounting policies
- tax risks

Risks related to the Common Shares and completion of the Acquisition

- market for Common Shares
- reporting issuer status
- significant sales of Common Shares
- analyst coverage

- completion of the Acquisition is subject to conditions precedent
- termination of the Amalgamation Agreement
- potential undisclosed liabilities associated with the Acquisition

The above risks, uncertainties, assumptions and other factors could cause CCC, Orca and the Resulting Issuer's actual results, performance, achievements and experience to differ materially from CCC and Orca's expectations, future results, performances or achievements expressed or implied by the forward-looking statements.

The forward-looking statements made herein relate only to events or information as of the date on which the statements are made. Except as required by law, CCC, Orca and the Resulting Issuer undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

An investor should read this Listing Statement and all schedules attached hereto with the understanding that CCC, Orca and the Resulting Issuer's actual future results may be materially different from what is expected.

INFORMATION PERTAINING TO CCC

The information contained or referred to herein with respect to CCC and the industry in which it operates has been provided by the management of CCC and is the responsibility of CCC. Management of Orca has relied upon CCC for the accuracy of the information provided by CCC without independent verification.

NOTICE TO INVESTORS

Currency Presentation

Unless otherwise specified, all dollar amounts referenced herein and in the financial statements of CCC and Orca and the pro forma financial statements of the Resulting Issuer are in Canadian dollars and referred to as "$".

Financial Statement Information

The audited Orca Financial Statements have been prepared in accordance with IFRS and are denominated in Canadian dollars.

The unaudited Orca Financial Statements have been prepared in accordance with IFRS and are denominated in Canadian dollars.

The audited CCC Financial Statements have been prepared in accordance with IFRS and are denominated in Canadian dollars.

The unaudited CCC Financial Statements have been prepared in accordance with IFRS and are denominated in Canadian dollars.

The audited Highland Grow Financial Statements have been prepared in accordance with IFRS and are denominated in Canadian dollars.

The unaudited Pro Forma Financial Statements have been prepared on the basis of presentation as described in note 2 of the Pro Forma Financial Statements and are denominated in Canadian dollars.

SUMMARY OF LISTING STATEMENT

Unless otherwise stated, all information included herein is as at October 2, 2018. Such information is subject to change and such changes may be material. In particular, and without limitation, all information concerning the Resulting Issuer is forward-looking by its nature and undue reliance should not be placed on such information as such information may change and such changes may be material. See "Forward-Looking Statements" herein.

The following is a summary of information relating to CCC, Orca and the Resulting Issuer (assuming completion of the Acquisition) and should be read together with the more detailed information and financial data and statements contained elsewhere herein.

THE COMPANIES

Orca

Orca Touchscreen Technologies Ltd. was incorporated under the BCBCA on December 31, 2013. The head office of Orca is located at 1500 – 701 West Georgia Street, Vancouver, British Columbia, V7Y 1C6.

On September 18, 2014, Orca commenced trading on the CSE under the trading symbol "OAA". During that year, Orca completed a four-for-one forward stock split and obtained listings for trading on 3 markets: the CSE, Frankfurt Stock Exchange and OTCQB.

Orca Sub

1151856 B.C. Ltd. was incorporated under the BCBCA on February 5, 2018. The registered office of Orca Sub is located at 1800 – 510 West Georgia Street, Vancouver, British Columbia, V6B 0M3.

CCC

On November 22, 2016, Cultivator Catalyst Corp. was incorporated under the OBCA. On April 26, 2017, CCC filed articles of amendment to create two new classes of preferred shares (being the CCC Class B Special Shares and the CCC Class C Special Shares). On December 11, 2017, CCC filed articles of amendment to remove restrictions on share ownership. On June 28, 2018, upon approval by the CCC Shareholders of the CCC Continuance Resolution, CCC continued out of the Province of Ontario and into the Province of British Columbia in order to facilitate the Amalgamation.The head office of CCC is located at 480 University Avenue, Suite 1401, Toronto Ontario, M5G 1V2. CCC is not a "reporting issuer" under applicable securities legislation and its securities are not listed for trading on any stock exchange.

Since incorporation, CCC's focus has been on identifying late stage ACMPR applicants to acquire at attractive valuations and advance through the ACMPR licensing phase in an efficient manner.

THE ACQUISITION

The following section contains a summary of the Amalgamation Agreement. This summary is qualified in its entirety by the actual terms of the Amalgamation Agreement which is available on the System for Electronic Document Analysis and Retrieval (**SEDAR**) at www.sedar.com under Orca's profile.

Orca, Orca Sub and CCC entered into the Amalgamation Agreement dated as of April 25, 2018 pursuant to which Orca Sub will amalgamate with CCC and CCC and Orca Sub will form a new amalgamated corporation and the separate existence of CCC and Orca Sub will cease. The surviving amalgamated corporation will be a wholly-owned subsidiary of Orca and will be the operating subsidiary of Orca (or the Resulting Issuer) at the time of the completion of the Amalgamation. The Amalgamation will constitute a reverse take-over of Orca by CCC inasmuch as the former CCC Shareholders will own up to 98.9% of the outstanding Common Shares and all of the members of the board of directors of the Resulting Issuer will be designees of CCC.

Conditions to the Acquisition

General

The following is a description of certain material provisions of the Amalgamation Agreement. It is a summary only, is not comprehensive and is qualified in its entirety by reference to the full text of the Amalgamation Agreement, a copy of which is available under Orca's SEDAR profile at www.sedar.com.

Conditions to the Amalgamation

Mutual Conditions Precedent

The completion of the Amalgamation depends on the satisfaction of a number of conditions precedent of CCC, Orca and Orca Sub including, but not limited to:

- receipt of all regulatory, governmental or third party approvals, waivers and consents as are required to be obtained by Orca, CCC or Orca Sub in connection with the Amalgamation, including the conditional acceptance by the Exchange and any other applicable regulatory authorities of the transaction contemplated by the Amalgamation Agreement;
- the approval by the Orca Shareholders of each of the Orca Fundamental Change Resolution and the Orca Special Share Resolution at the Orca Meeting;
- the approval by the CCC Shareholders of the CCC Continuance Resolution and the CCC Amalgamation Resolution at the CCC Meeting;
- the approval by Orca, as the sole shareholder of Orca Sub, of the Amalgamation;
- the delivery of the Listing Statement to the Exchange; and
- there being no material action or proceeding pending or threatened, and no action taken under any applicable law that makes illegal or otherwise restrains, enjoins or prohibits the Amalgamation or any other transactions contemplated in the Amalgamation Agreement, or results in a judgment or assessment of material damages relating to the transactions contemplated in the Amalgamation Agreement.

Except for the required shareholder approvals and regulatory approvals, each party has the right to waive, in whole or in part, the conditions to its obligations under the Amalgamation Agreement.

Conditions Precedent of Orca and Orca Sub

The completion of the Amalgamation depends on the satisfaction of a number of conditions precedent of Orca and Orca Sub including, but not limited to:

- the resignation and release of each of the directors and officers of Orca conditional on closing of the Amalgamation;
- the Orca Share Consolidation being completed prior to Closing;
- there being no more than 1,298,542 Orca Shares duly issued and outstanding on a fully-diluted basis (being comprised of 1,153,252 Orca Shares and 145,290 Orca Warrants with a weighted average exercise price of $21.00);
- there being no act, action, suit, proceeding, objection or opposition threatened or taken against or affecting Orca or Orca Sub and no law, regulation, policy, judgment, decision, order, ruling or directive shall have been proposed, enacted, promulgated, amended or applied which, if the Amalgamation was consummated, would result in a Material Adverse Change (as defined in the Amalgamation Agreement) in the affairs, operations or business of CCC, Orca or Orca Sub or

would have a Material Adverse Effect (as defined in the Amalgamation Agreement) on the ability of the parties to complete the Amalgamation;

- the conditional approval by the Exchange of the listing of the Orca Shares to be issued to CCC Shareholders in exchange for their CCC Shares; and
- no Material Adverse Change (as defined in the Amalgamation Agreement) shall have occurred in the business, affairs, operations, assets, capitalization, financial condition, prospects, licenses, permits, rights, privileges or liabilities of Orca, or would have a Material Adverse Effect (as defined in the Amalgamation Agreement) on Orca, since the date of the Amalgamation Agreement except as disclosed to CCC in writing prior to the date of the Amalgamation Agreement or as publicly disclosed prior to the date of the Amalgamation Agreement.

Conditions Precedent of CCC

The completion of the Amalgamation depends on the satisfaction of a number of conditions precedent of CCC including, but not limited to:

- holders of not greater than 5% of the outstanding CCC Shares shall have exercised Dissent Rights (as defined in the Amalgamation Agreement) in respect of the CCC Continuance Resolution and the CCC Amalgamation Resolution;
- no Material Adverse Change (as defined in the Amalgamation Agreement) shall have occurred in respect of CCC;
- there being no act, action, suit, proceeding, objection or opposition threatened or taken against or affecting CCC and no law, regulation, policy, judgment, decision, order, ruling or directive shall have been proposed, enacted, promulgated, amended or applied which, if the Amalgamation was consummated, would result in a Material Adverse Change (as defined in the Amalgamation Agreement) in the affairs, operations or business of CCC, Orca or Orca Sub or would have a Material Adverse Effect (as defined in the Amalgamation Agreement) on the ability of the parties to complete the Amalgamation; and
- no Material Adverse Change (as defined in the Amalgamation Agreement) shall have occurred in the business, affairs, operations, assets, capitalization, financial condition, prospects, licenses, permits, rights, privileges or liabilities of CCC, or would have a Material Adverse Effect (as defined in the Amalgamation Agreement) on CCC, since the date of the Amalgamation Agreement except as disclosed to Orca in writing prior to the date of the Amalgamation Agreement or as publicly disclosed prior to the date of the Amalgamation Agreement.

Covenants

Each of Orca, Orca Sub and CCC has agreed to certain covenants under the Amalgamation Agreement, including, but not limited to, customary negative and affirmative covenants requiring each party to operate its business and conduct itself in the ordinary course, provide notice of any material changes and use commercially reasonable efforts to satisfy the conditions precedent to their respective obligations under the Amalgamation Agreement.

Representation and Warranties

The Amalgamation Agreement contains customary representations and warranties, given by each of Orca and Orca Sub, on the one hand, and CCC, on the other hand, in respect of matters pertaining to, among other things, organization, standing and corporate power, due authorization of the transaction, subsidiaries, capitalization, assets, agreements, litigation, debts, liabilities, obligations, tax matters, employment matters, material contracts, disclosure and other matters relating to the business and operations of Orca, Orca Sub and CCC.

Termination

The Amalgamation Agreement may, prior to the filing of the Articles of Amalgamation, be terminated by mutual written agreement of Orca, Orca Sub and CCC without further action on the part of their respective securityholders.

Orca may terminate the Amalgamation Agreement upon written notice to CCC if:

(a) the CCC Continuance Resolution and the CCC Amalgamation Resolution are not approved by the Shareholders on or before the Outside Date;

(b) the Amalgamation has not become effective on or before the Outside Date;

(c) CCC is in breach of any of its covenants, agreements or representations and warranties contained in the Amalgamation Agreement that would have a Material Adverse Effect (as defined in the Amalgamation Agreement) on CCC or on the ability to consummate the transactions contemplated by the Amalgamation Agreement and CCC fails to cure such breach in accordance with the terms of the Amalgamation Agreement; or

(d) CCC fails to comply, or is incapable of complying, with its conditions precedent set out in the Amalgamation Agreement and Orca or Orca Sub does not waive such condition precedent in accordance with the Amalgamation Agreement, so long as the failure to satisfy any such condition is not the result of a material breach of the Amalgamation Agreement by Orca or Orca Sub.

If (i) the board of directors of CCC fails to recommend that CCC Shareholders vote in favour of the CCC Continuance Resolution and the CCC Amalgamation Resolution, changes its recommendations, approvals, resolutions or determinations in respect of the Amalgamation in a manner adverse to the Amalgamation or to Orca, or fails to reaffirm its recommendations, approvals, resolutions or determinations in respect of the Amalgamation within 72 hours of the request of Orca, or (ii) CCC breaches its covenants, representations or warranties under the Amalgamation Agreement which causes a Material Adverse Change (as defined in the Amalgamation Agreement) or materially impedes the completion of the Amalgamation and such breach is not cured within ten (10) business days after receipt of written notice of such breach from Orca, then CCC shall pay $50,000 to Orca.

CCC may terminate the Amalgamation Agreement upon written notice to Orca and Orca Sub if:

(a) the Orca Fundamental Change Resolution and the Orca Special Share Resolution are not approved by the Orca Shareholders on or before the Outside Date;

(b) the Amalgamation is not approved by Orca, as sole shareholder of Orca Sub, on or before the Outside Date;

(c) the Amalgamation has not become effective on or before the Outside Date;

(d) Orca or Orca Sub is in breach of any of its covenants, agreements or representations and warranties contained in the Amalgamation Agreement that would have a Material Adverse Effect (as defined in the Amalgamation Agreement) on Orca or on the ability to consummate the transactions contemplated by the Amalgamation Agreement and Orca or Orca Sub fails to cure such breach in accordance with the terms of the Amalgamation Agreement; or

(e) Orca or Orca Sub fails to comply, or is incapable of complying, with its conditions precedent set out in the Amalgamation Agreement and CCC does not waive such condition precedent in accordance with the Amalgamation Agreement, so long as the failure to satisfy any such condition is not the result of a material breach of the Amalgamation Agreement by CCC.

If (i) the Orca board of directors fails to recommend that Orca Shareholders vote in favour of the Orca Fundamental Change Resolution and the Orca Special Share Resolution, changes any of its recommendations, approvals, resolutions or determinations in respect of the Amalgamation in a manner adverse to the Amalgamation or to CCC, or fails to reaffirm its recommendations, approvals, resolutions or determinations in respect of the Amalgamation within 72 hours of the request of CCC, (ii) a bona fide Acquisition Proposal (as defined in the Amalgamation Agreement) is made and after such Acquisition Proposal is made the Amalgamation is not completed in the manner contemplated in the Amalgamation Agreement and within 12 months of the Acquisition Proposal (as defined in the Amalgamation Agreement) being made, a definitive agreement relating to such proposal is entered into, consummated or effected, (iii) Orca accepts or enters into an agreement to implement an Acquisition Proposal, or (iv) Orca or Orca Sub breaches its covenants, representations or warranties under the Amalgamation Agreement which causes a Material Adverse Change (as defined in the Amalgamation Agreement) or materially impedes the completion of the Amalgamation and such breach is not cured within ten (10) business days after receipt of written notice of such breach from CCC, then Orca shall pay $50,000 to CCC.

Orca, its directors, officers and agents, have agreed not to solicit any discussions, expressions of interest, proposals or accept any offers relating to any transaction relating to an acquisition of 20% or more of the voting securities of Orca or of a substantial amount of assets of Orca, or any other transaction which could reasonably impede, prevent or delay the transactions contemplated by the Amalgamation Agreement or the Amalgamation.

Recent Developments

CCC completed the Acquisition on October 3, 2018. Immediately prior to the completion of the Acquisition, Orca completed the Orca Share Consolidation and changed its name to "Biome Grow Inc.". Upon completion of the Acquisition there were 107,317,729 issued and outstanding Common Shares and 1,439,732 Orca Warrants.

THE RESULTING ISSUER

Upon completion of the Acquisition and subject to the approval of the CSE, it is expected that the Resulting Issuer will be listed on the CSE. The Resulting Issuer's head office will be located at 480 University Avenue, Suite 1401, Toronto Ontario, M5G 1V2 and the registered and records office of the Resulting Issuer will be located at 1800 – 510 West Georgia Street, Vancouver, British Columbia V6B 0M3.

Upon completion of the Acquisition, the Resulting Issuer will have issued and outstanding, the following securities:

Common Shares

An aggregate of 107,317,729 Common Shares, consisting of:

(a) 106,164,475 Common Shares issued to existing holders of CCC Common Shares; and

(b) 1,153,254 Common Shares, issued to Orca Shareholders after giving effect to the Orca Share Consolidation;

Warrants

An aggregate of 1,439,732 warrants to purchase 1,439,732 Common Shares will be outstanding, consisting of:

(a) 1,294,442 Orca Warrants issued to existing holders of CCC Warrants representing the right to acquire up to an aggregate of 1,294,442 Common Shares, subject to and upon satisfaction of the terms and conditions attaching to the Orca Warrants; and

(b) 145,290 Orca Warrants issued to existing holders of Orca Warrants after giving effect to the Orca Share Consolidation, representing the right to acquire up to an aggregate of 145,290 Common Shares, subject to and upon satisfaction of the terms and conditions attaching to the Orca Warrants; and

Special Shares

One (1) Orca Special Class C Share issued to the existing holder of the CCC Special Class C Share, such Orca Special Class C Share being convertible into Common Shares pursuant to and in accordance with its terms as amended by the Share Term Amending Agreement (see "*Part III – Information Concerning the Resulting Issuer – Description of the Securities*").

Options

In addition, pursuant to certain agreements entered into by CCC, the Resulting Issuer will have issued and outstanding the following options to acquire Common Shares:

(a) options having an aggregate value of $200,000 issued to Francis MacMaster pursuant to the FM MacMaster Employment Agreement such options to vest equally over a period of five (5) years with an exercise price of $1.00 per share with such value to be determined at the time such options vest in accordance with their terms.

(b) It is the intention of the Resulting Issuer to grant options to each of the directors of the Resulting Issuer after closing of the Acquisition and pursuant to the Option Plan. Such grants will be made and disclosed in accordance with the Option Plan and the policies of the Exchange.

Obligations to Issue Common Shares

In addition, pursuant to various agreements entered into by CCC, the Resulting Issuer will have the following obligations to issue Common Shares in accordance with the terms of the applicable agreement:

(a) In connection with the acquisition of P-209, the Resulting Issuer will have the obligation to issue Common Shares with an aggregate Fair Market Value of $3,500,000 upon satisfaction of various conditions set forth in the applicable purchase agreement. See "*Part II – Information Concerning CCC – General Development of Business – P-209 Acquisition*".

(b) In connection with the acquisition of Back Home, the Resulting Issuer will have the obligation to issue Common Shares with an aggregate Fair Market Value of $2,500,000 upon satisfaction of various conditions set forth in the applicable purchase agreement. See "*Part II – Information Concerning CCC – General Development of Business – Back Home Acquisition*".

(c) In connection with the acquisition of Weed VR, the Resulting Issuer will have the obligation to issue Common Shares with an aggregate Fair Market Value of $600,000 upon satisfaction of various conditions set forth in the applicable purchase agreement.

See "*Part II – Information Concerning CCC – General Development of Business – Weed VR Acquisition*".

(d) Pursuant to the JM MacMaster Employment Agreement, the Resulting Issuer will have the obligation to issue Common Shares to Jennifer MacMaster if Jennifer MacMaster is terminated without cause during the term of her employment. See "*Part II – Information Concerning CCC – Options to Purchase Securities – Obligations to Issue Common Shares*".

(e) Pursuant to the Consulting Agreement, the Resulting Issuer will have the obligation to issue to Marksman: (i) Common Shares in an amount equal to 1.50% of the market capitalization of CCC up to a maximum of $100,000,000 determined on the closing date of the Amalgamation, and (ii) 1,000,000 Orca Warrants. See *"Part I – Information Concerning Orca – Consultants"*.

The chart below sets forth a summary of the outstanding Common Shares and securities of the Resulting Issuer convertible into Common Shares upon completion of the Acquisition, excluding the options granted to Mr. MacMaster and the conditional obligations to issue Common Shares under various agreements, as set forth above.

	Shares	Warrants	Fully-Diluted
Orca			
before giving effect to the Orca Share Consolidation	57,662,633	7,264,533	64,927,166
after giving effect to the Orca Share Consolidation	1,153,254	145,290	1,298,544
CCC			
before giving effect to the Acquisition	21,232,895	258,888	21,491,783
after giving effect to the Acquisition	106,164,475	1,294,442	107,458,917
Total			
after giving effect to the Orca Share Consolidation and the Acquisition	107,317,729	1,439,732	108,757,461

The Resulting Issuer also intends to grant options.

ESTIMATED AVAILABLE FUNDS AND PRINCIPAL PURPOSES

Estimated Available Funds

Based on information available as at October 2, 2018, upon completion of the Acquisition, the Resulting Issuer is expected to have approximately $8,238,616 in Available Funds, which includes the following:

Estimated Funds Available	Amount ($)
Pro forma consolidated working capital(1)	8,538,616
Estimated fees and expenses of the Acquisition	300,000
Total Estimated Available Funds	**8,238,616**

Note:

(1) Consolidated working capital is derived from the Pro Forma Financial Statements attached as Schedule G.

Principal Purposes of Funds

Based on information available as at October 2, 2018, the following table sets forth the principal purposes for which the estimated funds available to the Resulting Issuer upon completion of the Acquisition and the current estimated amounts to be used for each such principal purpose:

Principal Use of Available Funds	Amount ($)
Working Capital	1,338,616
Construction of the Facilities	7,200,000
Total	**8,538,616**

In addition to commitments shown in the Principal Purposes of Funds table above, the Resulting Issuer may also use available funds for potential future acquisitions as these opportunities arise.

Notwithstanding the foregoing, there may be circumstances where, for sound business reasons, a reallocation of funds is necessary in order for the Resulting Issuer to achieve its objectives as set out herein.

SELECTED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

The following is a summary of selected financial information for the Resulting Issuer for the three months' ended March 31, 2018 which should be read in conjunction with the Pro Forma Financial Statements attached as to this Listing Statement as Schedule G.

	Orca as at March 31, 2018 ($)	CCC as at March 31, 2018 ($)	Pro Forma Adjustments(1) ($)	Pro Forma Consolidated ($)
Net Sales	Nil	Nil	-	Nil
Income (Loss)	18	(351,013)	-	(351,013)
per share basis	(0.00)	(0.02)	-	(0.02)
diluted per share basis	(0.00)	(0.02)	-	(0.02)
Net Income (Loss)	18	(351,013)	-	(351,013)
per share	(0.00)	(0.02)	-	(0.02)

	Orca as at March 31, 2018 ($)	CCC as at March 31, 2018 ($)	Pro Forma Adjustments[1] ($)	Pro Forma Consolidated ($)
basis				
diluted per share basis	(0.00)	(0.02)	-	(0.02)
Total Assets	$9,738	$15,719,013	7,050,000	$22,778,751
Total Long Term Liabilities	Nil	Nil	-	Nil

Note:
(1) See the Pro Forma Financial Statements attached as Schedule G.

MARKET FOR SECURITIES AND MARKET PRICE

The Orca Shares are listed on the CSE under the trading symbol "OAA". The closing market price of the Orca Shares on the last day on which there was a trade of Orca Shares prior to the announcement of the LOI on December 3, 2017 was $0.025. The Orca Shares have been suspended from trading on the CSE since April 3, 2017. It is anticipated that the Common Shares will resume trading on the CSE upon completion of the Acquisition under the symbol "BIO".

The Orca Shares are also listed for trading on the Frankfurt Stock Exchange and the OTCQB. The CCC Shares are not listed on any stock exchange and there is currently no public market for CCC Shares.

CONFLICTS OF INTEREST

Some of the individuals proposed for appointment as directors or officers of the Resulting Issuer upon the closing of the Acquisition are also directors, officers and/or promoters of other reporting and non-reporting issuers. To the knowledge of the directors and officers of CCC and Orca, there are no existing conflicts of interest between the Resulting Issuer and any of the individuals proposed for appointment as directors or officers upon completion of the Acquisition, as of the date hereof.

INTERESTS OF EXPERTS

Except as disclosed herein, no person or Company whose profession or business gives authority to a statement made by the person or Company and who is named as having prepared or certified a part of this Listing Statement or prepared or certified a report or valuation described or included in this Listing Statement currently holds, directly or indirectly, more than 1% of CCC Common Shares or the Orca Shares, or holds any property of CCC or Orca or of an Associate or Affiliate of CCC or Orca and no such person is expected to be elected, appointed or employed as director, senior officer or employee of CCC or Orca or of an Associate or Affiliate of the Resulting Issuer and no such person is a promoter of CCC or Orca or an Associate or Affiliate of CCC or Orca.

As of the date of hereof, the auditors of CCC and Orca, Manning Elliott LLP, have reported that they are independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia with respect to CCC and Orca.

CONDITIONAL LISTING APPROVAL

Conditional approval of the Acquisition from the Exchange is a condition precedent to the completion of the Acquisition. Pursuant to a letter dated August 22, 2018, the CSE conditionally approved the Acquisition subject to the satisfaction of certain conditions customary for transactions of this nature. Final approval along with a date on which trading will commence will be determined upon confirmation by the parties that the conditions imposed by the CSE have been satisfied.

ORCA MEETING

On June 27, 2018, the Orca Meeting was held and each of the Orca Meeting Matters were unanimously approved by the Orca Shareholders. Following the Orca Meeting a report in respect of the results from the Orca Meeting was filed on SEDAR under the electronic profile of Orca.

The current directors of Orca have no intention of acting upon the authority granted them under the resolutions approved at the Orca Meeting relating to the Acquisition if the Acquisition is not completed.

CCC MEETING

On June 28, 2018, the CCC Meeting was held and each of the CCC Meeting Matters were approved by CCC Shareholders, as applicable.

On May 15, 2018, the sole holder of CCC Special Class C Shares approved, by way of written resolution, the CCC Continuance Resolution and the CCC Amalgamation Resolution.

SUMMARY RISK FACTORS

The following is a summary of certain risk factors applicable to CCC, Orca and the Resulting Issuer. The risks presented herein should not be considered to be exhaustive and may not be all of the risks that CCC, Orca and the Resulting Issuer may face. See "*Part IV – Risk Factors*".

Business risks

- reliance on licenses
- regulatory compliance
- legislation changes
- effects of medical cannabis
- reliance on facilities
- industry risks
- competition risks
- risks related to key persons
- risks inherent in an agricultural business
- reliance on local provincial regulators
- factors which may prevent realization of growth targets
- limited operating history
- risks related to additional financing
- vulnerability to rising energy costs
- transportation disruptions
- unfavorable publicity or consumer perception
- product liability
- product recalls
- reliance on key inputs
- difficulty to forecast
- operating risk and insurance coverage
- risks related to being a holding company
- risks related to acquisitions and integration
- legal proceedings

Financial and accounting risks

- access to capital
- estimates or judgments relating to critical accounting policies
- tax risks

Risks related to the Common Shares and completion of the Acquisition

- market for Common Shares
- reporting issuer status
- significant sales of Common Shares
- analyst coverage
- completion of the Acquisition is subject to conditions precedent
- termination of the Amalgamation Agreement
- potential undisclosed liabilities associated with the Acquisition

REGULATORY OVERVIEW

The ACMPR

The ACMPR are the current governing regulations regarding the production, sale and distribution of cannabis and cannabis oil extracts for medical purposes in Canada. The ACMPR provide for three possible avenues for Canadian residents who have been authorized by their health care practitioner to access cannabis for medical purposes:

- they can access quality-controlled cannabis by registering with Licensed Producers;
- they can register with Health Canada to produce a limited amount of cannabis for their own medical purposes (starting materials must be obtained from a Licensed Producer); or
- they can designate someone else who is registered with Health Canada to produce cannabis on their behalf (starting materials must be obtained from a Licensed Producer).

In administering the ACMPR, Health Canada has two main roles:

- licensing and overseeing the commercial industry; and
- registering and overseeing individuals who produce a limited amount of cannabis for their own medical purposes (or to have another individual produce it on their behalf).

The ACMPR sets out, among other things, the authorized activities and general responsibilities of Licensed Producers, including:

- the requirement to obtain and maintain a licence from Health Canada prior to commencing any activities;
- calculating the quantity of cannabis, other than dried cannabis, that is equivalent to a given quantity of dried cannabis;
- security measures relating to facilities and personnel;
- good production practices;
- packaging, shipping, labelling, import and export and record-keeping requirements; and
- patient registration and ordering requirements.

Becoming a Licensed Producer

The process of becoming a Licensed Producer is rigorous and often presents a significant barrier to entry for prospective licensees. According to Health Canada, as of May 25, 2017, there were 1,665 applications received with less than 4% of all applicants being approved as Licensed Producers.

As part of the regulatory improvements announced by Health Canada on May 26, 2017 in connection with streamlining the licensing process and enabling increased production of cannabis by Licensed Producers, Health Canada streamlined the application process for becoming a Licensed Producer. The stages in the application process are now summarized as follows:

1. *Intake and Initial Screening*: When an application is received, it undergoes an assessment for completeness. If an application appears to be complete, it will be assigned an application number. The application number means that the application has completed the assessment.

   The initial screening includes an assessment of:

- the proposed business plan;

- the Security Clearance Application Form; and
- record-keeping methods pertaining to security, good production practices, inventory, and destruction methods.

If an application is not complete, depending on the information that is missing, applicants may be contacted by Health Canada to obtain the missing information or the application may be returned to the applicant.

Health Canada will also verify that applicants have provided notices to the senior officials with the local government where their proposed site is located.

2. *Detailed Review and Initiation of Security Clearance Process*: All information submitted to Health Canada, and any other relevant information, is reviewed to:

- complete the assessment of the application to ensure that it meets the requirements of the regulations;
- establish that the issuance of the licence is not likely to create risks to public health, safety or security, including the risk of cannabis being diverted to an illicit market or use; and
- establish that there are no other grounds for refusing the application.

An application will be thoroughly reviewed to ensure that the level of detail included in the application is sufficient to assess the requirements of the ACMPR and validate the information provided. Consideration is also given to the proposed security measures including those required by Subdivision C of the ACMPR and the description of the storage area for cannabis as required by the security directive; the credentials of the proposed quality assurance person to meet the good production requirements outlined in Subdivision D of the ACMPR and the details listed in the quality assurance report relating to premises, equipment and sanitation program. Physical security plans will be reviewed and assessed in detail at this stage.

Licensed Producers are required to comply with all applicable provincial/territorial and municipal laws, including zoning restrictions, fire and electrical safety, and environmental legislation (e.g. waste management).

Given the extensive review process, applicants should anticipate communicating with the Office of Medical Cannabis multiple times to provide clarifications on the application. Health Canada may also request additional information from the applicant as required.

While the application is in the detailed review stage, the security clearance forms for key personnel will be sent for processing.

When applying for a licence to produce under the ACMPR, a Security Clearance Application Form must be submitted for the following individuals:

- the proposed senior person in charge;
- the proposed responsible person in charge;
- the proposed alternate responsible person(s) in charge (if applicable);
- if a producer's licence is issued to an individual, that individual; and,
- if a producer's licence is issued to a corporation, each officer and director of the corporation.

3. *Issuance of Licence to Produce:* Once Health Canada confirms that the requirements of the ACMPR have been met, and the application successfully completes the detailed review and

security clearance stage, a licence to produce, along with the terms and conditions of such licence, will be issued.

4. *Introductory Inspection:* As part of the terms and conditions on their licence, a Licensed Producer is required to notify Health Canada once cultivation begins. Once notified, Health Canada will schedule an initial inspection to verify that the Licensed Producer is meeting the requirements of the ACMPR including, but not limited to, the physical security requirements for the site, record-keeping practices and good production practices and to confirm that the activities being conducted by the licensed producer correspond to those indicated on their licence.

   Before being authorized for the activity of sale, the Licensed Producer must undergo a pre-sale inspection by Health Canada to verify that they are in full compliance with all requirements of the ACMPR, with a focus on good production practices.

5. *Pre-Sales Inspection (prior to issuance of sales licence):* If a Licensed Producer wishes to add the activity of sale to their existing licence, an amendment application must be submitted to the Office of Medical Cannabis. Health Canada will then schedule an inspection to verify that the Licensed Producer is meeting the requirements of the ACMPR including, but not limited to, good production practices, packaging, labelling, shipping, and record keeping prior to allowing the sale or provision of product.

6. *Issuance of Licence to Sell:* To complete the assessment of the requirements of the ACMPR and establish that adding the activity of sale of cannabis products is not likely to create a risk to public health, safety or security, and to confirm that there are no other grounds for refusing the amendment application, the following information is reviewed:

   - results of the pre-sale inspection;
   - information submitted in the amendment application to add the activity of sale to the licence; and
   - any other relevant information.

   When the review is completed, an amended licence, including the activity of sale, is issued to the Licensed Producer. The Licensed Producer may now begin supplying cannabis products to registered clients, other licensed producers and/or other entities named in subsection 22(2) of the ACMPR, depending on the activities licensed. Separate licences may be issued for dried marijuana, plants and/or cannabis oil.

Expected Legalization of Adult-Use Cannabis in Canada

In 2015, the Government of Canada announced a platform advocating for the legalization of adult-use cannabis in order to regulate the illegal market and restrict access by under-aged individuals. On April 20, 2016, the Government of Canada announced its intention to introduce, by the spring of 2017, legislation to legalize the adult-use of cannabis in Canada. On April 13, 2017 the Cannabis Act was introduced.

The Cannabis Act provides a licensing and permitting scheme for the production, testing, packaging, labelling, sending, delivery, transportation, sale, possession and disposal of cannabis, to be implemented by regulations made under the Cannabis Act. It is proposed that provincial legislation will implement measures authorizing the sale and distribution of cannabis that has been produced by a person authorized under the Cannabis Act. The licensing, permitting and authorization regime will be implemented by regulations made under the Cannabis Act and overseen at the federal level by Health Canada. As of the date of hereof, draft regulations have not yet been released. The Cannabis Act contains some details of the application requirements for licences and permits, which are similar in nature to the requirements of the ACMPR (i.e., they include requirements for financial information, security information and security clearances).

The Cannabis Act proposes to maintain separate access to cannabis for medical purposes, including providing that import and export licences and permits will only be issued in respect of cannabis for medical or scientific purposes.

The transitional provisions of the Cannabis Act provide that every licence issued under section 35 of the ACMPR that is in force immediately before the day on which the Cannabis Act comes into force is deemed to be a licence issued under the Cannabis Act, and that such licence will continue in force until it is revoked or expires.

The Government of Canada has provided guidance that, subject to Parliamentary approval and Royal Assent, the Government of Canada intends to provide regulated and restricted access to cannabis no later than July 2018, however there is no assurance that the enactment of the Cannabis Act and the legalization of adult-use cannabis will occur as anticipated or at all. See "*Part IV – Risk Factors*".

Below are additional highlights of the Cannabis Act:

- Introduces restrictions on the amounts of cannabis that individuals can possess and distribute, and on public consumption and use, and prohibits the sale of cannabis unless authorized by the Cannabis Act.
- Permits individuals who are 18 years of age or older to cultivate, propagate, and harvest up to and including four cannabis plants of up to 100 centimeters in height in their dwelling-house, propagated from a seed or plant material authorized by the Cannabis Act.
- Restricts (but does not strictly prohibit) the promotion and display of cannabis, cannabis accessories and services related to cannabis, including restrictions on branding and a prohibition on false or misleading promotion and on sponsorships.
- Permits the informational promotion of cannabis in specified circumstances to individuals 18 years and older.
- Introduces packaging and labelling requirements for cannabis and cannabis accessories, and prohibits the sale of cannabis or cannabis accessories in a manner that could be appealing to young persons.
- Provides the Minister with the power to recall any cannabis or class of cannabis on reasonable grounds that such a recall is necessary to protect public health or public safety.
- Permits the establishment of a national cannabis tracking system.
- Provides powers to inspectors for the purpose of administering and enforcing the Cannabis Act and a system for administrative monetary penalties.

Recent Developments

The Cannabis Act received Royal Assent on June 21, 2018 and the Federal Government of Canada has since announced that retail sales will commence on October 17, 2018.

The impact of any such new legislative regime on the medical cannabis industry and the Resulting Issuer's business plans and operations is uncertain. See "*Part IV – Risk Factors*".

PART I – INFORMATION CONCERNING ORCA

CORPORATE STRUCTURE

Orca

Orca Touchscreen Technologies Ltd. was incorporated under the BCBCA on December 31, 2013. The head office of Orca is located at 1500 – 701 West Georgia Street, Vancouver, British Columbia, V7Y 1C6.

On September 18, 2014, Orca commenced trading on the CSE under the trading symbol "OAA". During that year, Orca completed a four-for-one forward stock split and obtained listings for trading on three (3) markets: the CSE, Frankfurt Stock Exchange and OTCQB.

On June 19, 2018, Orca dissolved its wholly owned subsidiary Orca Mobile.

Orca Sub

1151856 B.C. Ltd. was incorporated under the BCBCA on February 5, 2018. Orca Sub is a wholly owned subsidiary of Orca. The registered office of Orca Sub is located at 1800 – 510 West Georgia Street, Vancouver, British Columbia, V6B 0M3.

GENERAL DEVELOPMENT OF THE BUSINESS

Plan of Arrangement

On January 6, 2014, Orca entered into an arrangement agreement which included a statutory plan of arrangement (the **Arrangement**) with Gorilla Minerals Corp. (**Gorilla**) and Orca Mobile, Orca's wholly-owned subsidiary, upon completion of the Arrangement. Gorilla was then a reporting issuer in the provinces of Alberta and British Columbia. Pursuant to the Arrangement, the following principal steps were completed on March 6, 2014: (a) Orca acquired all of the issued and outstanding shares of Orca Mobile from all shareholders of Orca Mobile through a 1-for-1 share exchange; (b) Orca Mobile acquired all issued and outstanding shares of Orca from Gorilla for consideration of $10,000 (the **Purchase Shares**); (c) Gorilla issued four (4) common shares to Orca and, in turn, Orca issued 4,000 common shares to Gorilla (collectively, the **Exchange Shares**); and (d) the Purchase Shares and the Exchange Shares were then cancelled. As a result of the securities exchange with Gorilla, on closing of the Arrangement, Orca became a reporting issuer in Alberta and British Columbia. As a result of the Arrangement, the former shareholders of Orca Mobile, for accounting purposes, are considered to have acquired control of Orca.

Intellectual Property Acquisition Agreement and License Agreement

On May 12, 2014, Orca, through its wholly-owned subsidiary Orca Mobile, entered into an asset acquisition agreement with Sollensys Corporation (**Sollensys**) whereby Orca acquired Sollensys' touchscreen patent for $50,000 and Orca entered into a patent and technology license agreement with Sollensys whereby Orca acquired an exclusive 6-year worldwide license to use all of Sollensys' technology and remaining 18 patents. In consideration of the license, Orca agreed to pay a royalty of 10% of the gross revenues derived from the patents and 80% of the net revenues received by Orca from the sale of Sollensys' products sold by Orca. Royalty payments were due on the last day of December each year during the term and were payable as to $4,000 per month on the first day of each month beginning July 1, 2014 as guaranteed advance payments of the royalty. During the twelve months ended December 31, 2016, Orca incurred $48,000 (2015 – $48,000) in royalty payments pursuant to the terms of the license agreement. Sollensys was a related party of Orca as one of its principal shareholders, senior officers and directors is GwanJe (Frank) Woo, who was a principal shareholder, CEO and President of Orca. The business of Sollensys is the worldwide development, sale and distribution of touchscreen panels for mobile, medical, industrial and other applications. Sollensys, founded in May 2010, has its headquarters in Gwang-Ju City, South Korea. Sollensys has spent over $5,000,000 developing its capacitive touchscreen panel technology and manufacturing facilities.

During the year ended December 31, 2016, Orca considered the intangible asset to be impaired and wrote down its value to $nil.

Guatemala Project

On September 30, 2014, Orca entered into a non-binding letter of intent with Sollensys and Mr. Carlos Fernando Rivers Sandoval, a Guatemalan lawyer, governing the proposed incorporation of a Guatemala joint venture company called Sollen-Mobile S.A. (**Sollen-Mobile**) for the purpose of developing, manufacturing and marketing computer and telecommunications hardware and software. The initial paid-in capital of Sollen-Mobile was proposed to be US$300,000, of which Orca paid US$100,000 (CDN$112,080) for its proposed one-third share of the investment. During the year ended December 31, 2016, the investment in Sollen-Mobile was written down to $nil as Orca ceased operations in Guatemala to focus on other opportunities. See "*Part III – Information concerning the Resulting Issuer – Description of the Business*" for changes in Orca's business which are anticipated to occur during the current financial year.

NARRATIVE DESCRIPTION OF THE BUSINESS

On June 7, 2017, Orca announced that it had given notice to terminate several material contracts including: (a) the patent and technology license agreement dated May 12, 2014 between its wholly-owned subsidiary Orca Mobile and Sollensys Corp.; (b) the service agreement dated March 18, 2014 and amended October 31, 2015 between Orca and Lion State Capital Pte. Ltd. for business development consulting; (c) the joint venture agreement dated February 10, 2016 between Orca Mobile and Sollensys Corp. et al. regarding Sollen-Mobile; and (d) the loan agreement dated December 11, 2015 between Orca Mobile and Smart Sollen Inc. The assets underlying the foregoing license, joint venture and loan agreements were written off during the past fiscal year ended December 31, 2016.

On June 19, 2018, Orca Mobile was issued a Certificate of Dissolution from the Registrar of Companies under the Business Corporation Act (*British Columbia*).

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The Orca Financial Statements are attached hereto as Schedule A.

The following is a summary of selected financial information for Orca for the periods indicated which should be read in conjunction with the audited financial statements of Orca and the notes thereto for the years ended December 31, 2017, 2016 and 2015 and the interim condensed consolidated financial statements of Orca and the notes thereto for the six months ended June 30, 2018 and 2017.

	For the six month period ended June 30, 2018	Financial Year ended December 31, 2017	Financial Year ended December 31, 2016	Financial Year ended December 31, 2015
Net Sales	Nil	Nil	Nil	Nil
Income (Loss)	903	185,613	(1,043,541)	(3,788,096)
per share basis	(0.00)	(0.00)	(0.02)	(0.08)
diluted per share basis	(0.00)	(0.00)	(0.02)	(0.08)
Net Income (Loss)	903	185,613	(1,043,541)	(3,788,096)
per share basis	(0.00)	(0.00)	(0.02)	(0.08)
diluted per share basis	(0.00)	(0.00)	(0.02)	(0.08)
Total Assets	10,641	9,738	8,611	795,579
Total Long Term Liabilities	Nil	Nil	Nil	Nil

Orca had net income of $185,613 during the year ended December 31, 2017, compared to a net loss of $1,043,541 for the same period in 2016. During the year ended December 31, 2017, Orca settled liabilities of $155,060 by issuing Orca Shares and as a result recognized a gain on settlement of liability $117,420. In addition, certain former related parties and other creditors forgave debts of $127,644.

Below is a summary of the quarterly results of Orca, for the periods noted.

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Income (loss)	$3,659	($113,282)	($94,141)	$18,151	$396,826	$71,278	$101,241	$474,196
per share basis	($0.00)	($0.00)	($0.00)	($0.00)	$0.01	($0.00)	($0.00)	$0.01
diluted per share basis	($0.00)	($0.00)	($0.00)	($0.00)	$0.01	($0.00)	($0.00)	$0.01
Net Income (loss)	$3,659	($113,282)	($94,141)	$18,151	$396,826	$71,278	$101,241	$474,196
per share basis	($0.00)	($0.00)	($0.00)	($0.00)	$0.01	($0.00)	($0.00)	$0.01
diluted per share basis	($0.00)	($0.00)	($0.00)	($0.00)	$0.01	($0.00)	($0.00)	$0.01

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Orca MD&A for the year ended December 31, 2017 and for the three months ended March 31, 2018 and the six months ended June 30, 2018 is attached hereto as Schedule B. The Orca MD&A should be read in conjunction with Orca's audited financial statements for the year ended December 31, 2017, and with the interim condensed consolidated financial statements of Orca for the three months ended March 31, 2018 and June 30, 2018, where necessary.

MARKET FOR SECURITIES

The Orca Shares are listed on the CSE under the trading symbol "OAA". The closing market price of the Orca Shares on the last day on which there was a trade of Orca Shares prior to the announcement of the LOI on December 3, 2017 was $0.025. The Orca Shares have been suspended from trading on the CSE since April 3, 2017. It is anticipated that the Common Shares will resume trading on the CSE upon completion of the Acquisition under the symbol "BIO".

The Orca Shares are also listed for trading on the Frankfurt Stock Exchange and the OTCQB.

CONSOLIDATED CAPITALIZATION

As at October 2, 2018 there have been no material changes to the share and loan capital of Orca since December 31, 2017. The following table sets forth the effect of the Orca Share Consolidation on Orca's outstanding share capital as at October 2, 2018, assuming completion of such Orca Share Consolidation on October 2, 2018.

Designation of Security	Amounts Outstanding as at December 31, 2017	Amounts Outstanding as at October 2, 2018 after giving effect to the Orca Share Consolidation
Orca Shares	57,662,633	1,153,254
Orca Warrants	7,264,533	145,290
Orca Options	Nil	Nil

OPTIONS TO PURCHASE SECURITIES

Orca Options

On July 15, 2014, Orca adopted a stock option plan authorizing Orca to grant Orca Options to officers, directors, employees and consultants to acquire, in the aggregate, up to 10% of the issued and outstanding Orca Shares. The Orca Options can be granted for a maximum of five years and vest as determined by Orca's board of directors. The exercise price of each Orca Option granted may not be less than the greater of the closing market prices of the Orca Shares on (i) the trading day prior to the date of the grant, and (ii) the date of the grant, pursuant to CSE Policy 6.

At the Orca Meeting, Orca Shareholders approved the amended and restated Option Plan. While many of the amendments to the Option Plan were largely of a housekeeping nature and were made to clarify certain terms and provisions of the Option Plan, amendments were made to add a termination provision and to specify certain amendments that may be made by the Board without shareholder approval and certain amendments to the Option Plan that require approval by shareholders.

As at October 2, 2018, there are no Orca Options outstanding.

Orca Warrants

As at October 2, 2018, there are 7,264,533 Orca Warrants outstanding and upon completion of the Orca Share Consolidation there will be approximately 145,290 Orca Warrants outstanding (such number may fluctuate due to rounding in connection with the Orca Share Consolidation). Each whole Orca Warrant is exercisable for one Orca Share at exercise prices ranging from $0.40 - $0.55, prior to the Orca Share Consolidation, and at exercise prices ranging from $20.00 - $27.50, after the Orca Share Consolidation, for a period of five years from the date of issuance.

DESCRIPTION OF THE SECURITIES

Orca Shares

Orca is authorized to issue an unlimited number of Orca Shares without par value. As of October 2, 2018, 57,662,633 Orca Shares and 7,264,533 Orca Warrants are issued and outstanding. Upon completion of the Orca Share Consolidation, 1,153,254 Orca Shares will be issued and outstanding (such number may fluctuate due to rounding in connection with the Orca Share Consolidation). In addition, 7,264,533 Orca Shares are reserved for issuance upon the exercise of Orca Warrants and upon completion of the Orca Share Consolidation there will be approximately 145,290 Orca Warrants outstanding (such number may fluctuate due to rounding in connection with the Orca Share Consolidation).

The holders of the Orca Shares are entitled to receive notice of and to attend all meetings of the Orca Shareholders and shall have, on any poll declared thereat, one vote for each Orca Share. The holders of Orca Shares are entitled to receive dividends as and when declared by the board of directors out of moneys properly applicable to the payment of dividends, in such amount and in such form as the board of directors may from time to time determine. In the event of the liquidation, dissolution or winding-up of Orca, whether voluntary or involuntary, or any other distribution of property of Orca among its shareholders for the purpose of winding up its affairs, the holders of Orca Shares shall be entitled to receive the remaining property of Orca. Orca Shares do not carry any pre-emptive rights, conversion or exchange rights, redemption, retraction, purchase for cancellation or surrender provisions, sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities or provisions requiring a securityholder to contribute additional capital.

Prior Sales

The following table summarizes the issuances of Orca Shares or securities convertible into Orca Shares for the 12 month period immediately prior to the date of hereof.

Date Issued	Securities	Number of Orca Shares Issued/Issuable	Price/Deemed Price/Exercise Price of Security
July 6, 2017(1)	Orca Shares	1,656,195	$0.10

Note:

(1) Orca issued 1,656,195 Orca Shares to settle accounts with various creditors.

Stock Exchange Price

On September 18, 2014, Orca commenced trading on the CSE under the trading symbol "OAA". The following sets forth the monthly high and low closing trading prices and the volume of the trading of the Orca Shares on the CSE for the periods indicated.

		Price Range Per Orca Share		
Date	Open	High	Close	Volume
September 30, 2018(1)	-	-	-	-
August 31, 2018(1)	-	-	-	-
July 31, 2018(1)	-	-	-	-
June 30, 2018(1)	-	-	-	-
May 31, 2018(1)	-	-	-	-
April 30, 2018(1)	-	-	-	-
March 31, 2018(1)	-	-	-	-
February 28, 2018(1)	-	-	-	-
January 31, 2018(1)	-	-	-	-
December 31, 2017(1)	-	-	-	-
November 30, 2017(1)	-	-	-	-
October 31, 2017(1)	-	-	-	-
September 30, 2017(1)	-	-	-	-

Date	Price Range Per Orca Share			
	Open	High	Close	Volume
June 30, 2017[(1)]	-	-	-	-
March 31, 2017	0.025	0.025	0.025	0
December 31, 2016	0.025	0.025	0.025	0
September 30, 2016	0.03	0.03	0.03	0
June 30, 2016	0.03	0.03	0.03	0

Note:
(1) Trading of the Orca Shares on the CSE was suspended on April 3, 2017 due to being in default of Exchange Requirements.

ESCROWED SECURITIES

To the knowledge of the directors and executive officers of Orca, none of the Orca Shares are held in, or otherwise subject to escrow as at October 2, 2018.

PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and executive officers of Orca, no person, firm or corporation beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of Orca, except as disclosed below:

Name	Number of Orca Shares[(1)]	Percentage of Orca Shares[(1)]
Walter Zmug	6,250,334 Orca Shares	10.8%

Note:
(1) Presented on a pre Orca Share Consolidation basis.

CAPITALIZATION

The following capitalization information is presented on a pre Orca Share Consolidation basis.

	Number of Orca Shares (non-diluted)[(1)]	Number of Orca Shares (fully diluted)[(1)]	% of Issued (non-diluted)[(1)]	% of Issued (fully diluted)[(1)]
Public Float				
Total Outstanding (A)	57,662,633	64,927,166	100%	100%
Held by Related Persons or employees of the Issuer or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	16,996,709	12,341,853	29.48%	21.4%
Total Public Float [(A)-(B)]	40,665,924	52,585,313	70.52%	78.6%
Freely-Tradeable Float				
Number of outstanding Orca Shares subject to resale restrictions, including restrictions imposed by polling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	-	-	-	-
Total Tradeable Float (A-C)	57,662,633	64,927,166	100%	100%

Note:
(1) As of October 2, 2018.

Public Securityholders (Beneficial)[(1)]

Size of Holding	Number of Holders	Total Number of Orca Shares
1 - 99 Orca Shares	-	-
100 - 499 Orca Shares	-	-
500 - 999 Orca Shares	11	5,500
1,000 -1,999 Orca Shares	21	31,000
2,000 - 2,999 Orca Shares	57	114,000
3,000 - 3,999 Orca Shares	-	-
4,000 - 4,999 Orca Shares	1	4,000
5,000 or more Orca Shares	101	27,249,235
Unable to confirm	-	13,262,189

Note:
(1) As of October 2, 2018. Does not include Orca Shares issued on the exercise of Orca Warrants not yet processed by Orca's transfer agent and non-public securityholders.

Public Securityholders (Registered)[(1)]

Size of Holding	Number of Holders	Total Number of Orca Shares
1 - 99 Orca Shares	-	-
100 - 499 Orca Shares	-	-
500 - 999 Orca Shares	1	500
1,000 -1,999 Orca Shares	19	28,500
2,000 - 2,999 Orca Shares	50	100,000
3,000 - 3,999 Orca Shares		
4,000 - 4,999 Orca Shares		
5,000 or more Orca Shares	90	40,536,924

Note:
(1) As of October 2, 2018. Does not include Orca Shares issued on the exercise of Orca Warrants not yet processed by Orca's transfer agent and non-public securityholders.

Non-Public Security holders (Registered)[(1)]

Size of Holding	Number of Holders	Total Number of Orca Shares
1 - 99 Orca Shares	-	-
100 - 499 Orca Shares	-	-

500 - 999 Orca Shares	-	-
1,000 -1,999 Orca Shares	-	-
2,000 - 2,999 Orca Shares	-	-
3,000 - 3,999 Orca Shares	-	-
4,000 - 4,999 Orca Shares	-	-
5,000 - or more Orca Shares	5	16,996,709

Note:

(1) As of October 2, 2018. Does not include Orca Shares issued on the exercise of Orca Warrants not yet processed by Orca's transfer agent.

Convertible and Exchangeable Securities

Description of Security (Including conversion/exercise/terms including exercise/conversion price)	Number of convertible/exchangeable securities outstanding	Number of listed securities issuable upon conversion/exercise
Orca Options	Nil	Nil
Orca Warrants ($0.40)(1)	6,328,843	6,328,843
Orca Warrants ($0.55)(2)	935,708	935,708
Totals:	7,264,533	7,264,533

Notes:

(1) Each Orca Warrant is exercisable for one Orca Share at a price of $0.40 per Orca Share. Of the total of 6,328,843 Orca Warrants, 778,859 Orca Warrants have an expiration date of July 27,2020, 448,797 Orca Warrants have an expiration date of July 28, 2020, 1,863,302 Orca Warrants have an expiration date of September 25, 2020, 1,382,265 Orca Warrants have an expiration date of November 30, 2020, 629,622 Orca Warrants have an expiration date of February 1, 2021, 262,095 Orca Warrants have an expiration date of February 16, 2021, 135,000 Orca Warrants have an expiration date of March 4, 2021, 735,575 Orca Warrants have an expiration date of April 18, 2021 and 93,310 Orca Warrants have an expiration date of August 16, 2021.

(2) Each Orca Warrant is exercisable for one Orca Share at a price of $0.55 per Orca Share. The Orca Warrants have an expiration date of May 11, 2020.

DIRECTORS AND OFFICERS AND EXECUTIVE COMPENSATION

For details of Orca's directors and officers and executive compensation please see *Statement of Executive Compensation* in Orca's information circular dated May 28, 2018 which is available under Orca's SEDAR profile at www.sedar.com.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No director, officer, promoter or member of management of Orca nor any of their Associates or Affiliates, is or has been indebted to Orca as at October 2, 2018.

CONSULTANTS

Orca entered into a consulting agreement (the **Consulting Agreement**) with Marksman Geological Ltd. (**Marksman**) effective September 1, 2017 to provide corporate consulting services to Orca. Marksman is headquartered at Suite 600 – 535 Howe Street, Vancouver, British Columbia, V6C 2Z4. Marksman's principal business is an administration and contracting services company, specializing in new project generation and identification of emerging discovery trends. Marksman's core sectors of expertise are capital markets, go public consulting and mergers and acquisitions. In connection with finding, facilitating and closing the Acquisition and providing corporate consulting and investor services for Orca, and following completion of the Acquisition, the Resulting Issuer, Marksman will receive the following fees:

- a finder's fee in the amount of 1.50% of the market capitalization of CCC to a maximum of $100,000,000 determined on the date of closing of the Acquisition to be payable in cash and/or Common Shares, at the election of Marksman and subject to the approval of the Exchange (pursuant to the amending agreement as discussed below, Marksman has agreed to be paid in Common Shares);
- issuance of 1,000,000 common share purchase warrants, each whole warrant entitling Marksman to acquire a Common Share at an exercise price of $1.00 per Common Share for a period of three years from the date of grant; and
- a fee of $1.00 plus GST for a one year term of communication and capital market advisory services upon completion of the Acquisition.

Pursuant to the terms of the Consulting Agreement, Marksman provided the following services:

- introducing Orca to private companies looking to go public by way of reverse take-over;
- coordinating marketing efforts on behalf of Orca;
- introducing Orca to and liaising on behalf of Orca with writers for and publishers of relevant subscriber based publications, including newspapers, magazines, business publications and financial publications;
- advising Orca with respect to its public communication materials, including Orca's website and presentations developed for industry meetings, conferences and tradeshows;
- meeting and communicating with corporate analysts, institutional and professional investors, retail clients and stockbrokers;
- assisting Orca with all work necessary to prepare for meetings and presentations with investors; and
- such other services as Orca and Marksman may from time to time agree upon.

On July 3, 2018, Orca and Marksman entered into an amending agreement to the Consulting Agreement pursuant to which, among other things, the Finder's Fee is to be payable in Common Shares and the term of the Consulting Agreement is extended to one year following the date of Closing.

LEGAL PROCEEDINGS

There are no legal proceedings material to Orca to which Orca is a party to or of which any of its property is the subject matter, and there are no such proceedings known to Orca to be contemplated, other than as set forth below.

The State of Hesse, Germany, has an investigation into stock fraud with respect to Orca. This potential incident involves an unnamed individual and predates the current management and directors' involvement in Orca. Management of Orca is not aware of any separate Canadian investigation in this matter.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No person or company who is a director or executive officer of Orca, a person or company that is the direct or indirect owner of, or who exercises control or direction over, more than 10% of the outstanding Orca Shares, or an associate or affiliate of any of the aforementioned persons or companies, has had any material interest in any transaction with Orca within the three most recently completed financial years of Orca prior to the date hereof that has materially affected or will materially affect Orca, including the Acquisition.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditors of Orca are Manning Elliott LLP, at its principal office located at 1050 W Pender St #1100, Vancouver, British Columbia V6E 3S7. The transfer agent and registrar for the Orca Shares is Computershare Investor Services Inc., at its principal office located at 510 Burrard Street, Vancouver, British Columbia V6C 3B9.

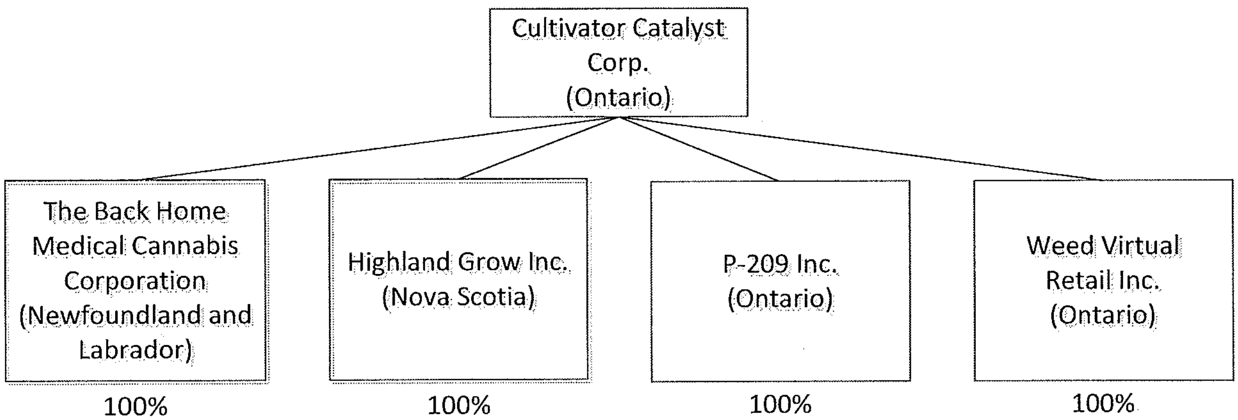
MATERIAL CONTRACTS

Other than the Amalgamation Agreement, Orca has not entered into any material contracts and will not enter into any material contracts prior to the closing of the Acquisition. See "*Summary of Listing Statement – The Acquisition*" for a summary of the Amalgamation Agreement.

PART II – INFORMATION CONCERNING CCC

CORPORATE STRUCTURE

On November 22, 2016, Cultivator Catalyst Corp. was incorporated under the provisions of the OBCA. On April 26, 2017, CCC filed articles of amendment to create two new classes of preferred shares (being the CCC Special Class B Shares and the CCC Special Class C Shares). On December 11, 2017, CCC filed articles of amendment to remove the private issuer restrictions. On June 28, 2018, upon approval by the CCC Shareholders of the CCC Continuance Resolution, CCC continued out of the Province of Ontario and into the Province of British Columbia in order to facilitate the Amalgamation. CCC is not a "reporting issuer" under applicable securities legislation and to its knowledge its securities are not listed for trading on any stock exchange. CCC has four wholly owned subsidiaries, as set out in the organizational chart below.



GENERAL DEVELOPMENT OF THE BUSINESS

Since incorporation under the OBCA on November 22, 2016, CCC's focus has been on identifying late stage ACMPR applicants to acquire at attractive valuations and advance through the ACMPR licensing phase in an efficient manner.

Highland Grow Acquisition

On May 19, 2017, CCC entered into a share purchase agreement for the purchase of all of the issued and outstanding shares in the capital of Highland Grow, a Nova Scotia-based ACMPR applicant for an aggregate purchase price of $500,000 payable in CCC Shares and the issuance of one (1) CCC Special Class B Share and one (1) CCC Special Class C Share. See "*Part II – Information Concerning CCC – Description of the Securities*". The Highland Grow Financial Statements and the Highland Grow MD&A are attached to this Listing Statement as Schedule E and Schedule F, respectively.

On December 1, 2017, Highland Grow received its cultivation licence under the ACMPR, which authorizes Highland Grow to produce dried marihuana, marihuana plants and marihuana seeds for the period from December 1, 2017 to December 1, 2020 (the **Highland Grow Licence**). The Highland Grow Licence provides that the substances inventory cannot exceed at any given time a maximum storage capacity value of $31,250,000 for the security level 8 vault.

LOI

On December 4, 2017, CCC entered into the LOI with Orca for purposes of completing the Acquisition.

Partnership

On December 5, 2017, CCC entered into a partnership with St. Francis Xavier University in respect of a multi dispensary three-year collaboration to conduct a range of research based initiatives in respect of cannabis, including:

- creating unique cannabis genetics that may be used in clinical trials that CCC intends to undertake;
- development of new delivery methods and mechanisms for delivery of cannabis into the human body;
- research into new approaches for growing and cultivating cannabis at an industrial scale;
- assisting in sourcing human capital for CCC with a particular focus on St. Francis Xavier students and graduates; and
- working with regional and provincial authorities to support these aforementioned activities.

P-209 Acquisition

On March 2, 2018, CCC entered into a share purchase agreement for the purchase of all of the issued and outstanding shares in the capital of P-209 Inc. (**P-209**), an Ontario-based ACMPR applicant for an aggregate purchase price of $3,500,000 in CCC Shares or Common Shares as applicable which shall be satisfied as follows: (a) $750,000 payable in CCC Common Shares upon closing; (b) $750,000 payable in Common Shares in the event of CCC's completion of a going public transaction (as defined in the share purchase agreement); and (c) the right to certain contingent payments in the aggregate amount of $2,000,000, payable in CCC Shares or Common Shares, as applicable.

Back Home Acquisition

On April 12, 2018, CCC entered into a share purchase agreement for the purchase of all of the issued and outstanding shares in the capital of The Back Home Medical Cannabis Corporation (**Back Home**), a Newfoundland-based ACMPR applicant for an aggregate purchase price of $2,500,000 payable in CCC Shares or Common Shares, as applicable, subject to adjustment, which purchase price was satisfied by: (a) an initial payment of $150,000 paid in CCC Common Shares on April 25, 2018; with (b) the remainder payable in CCC Shares or Common Shares, as applicable, upon satisfaction of various conditions related to the licensing process as detailed in the share purchase agreement.

Weed VR Acquisition

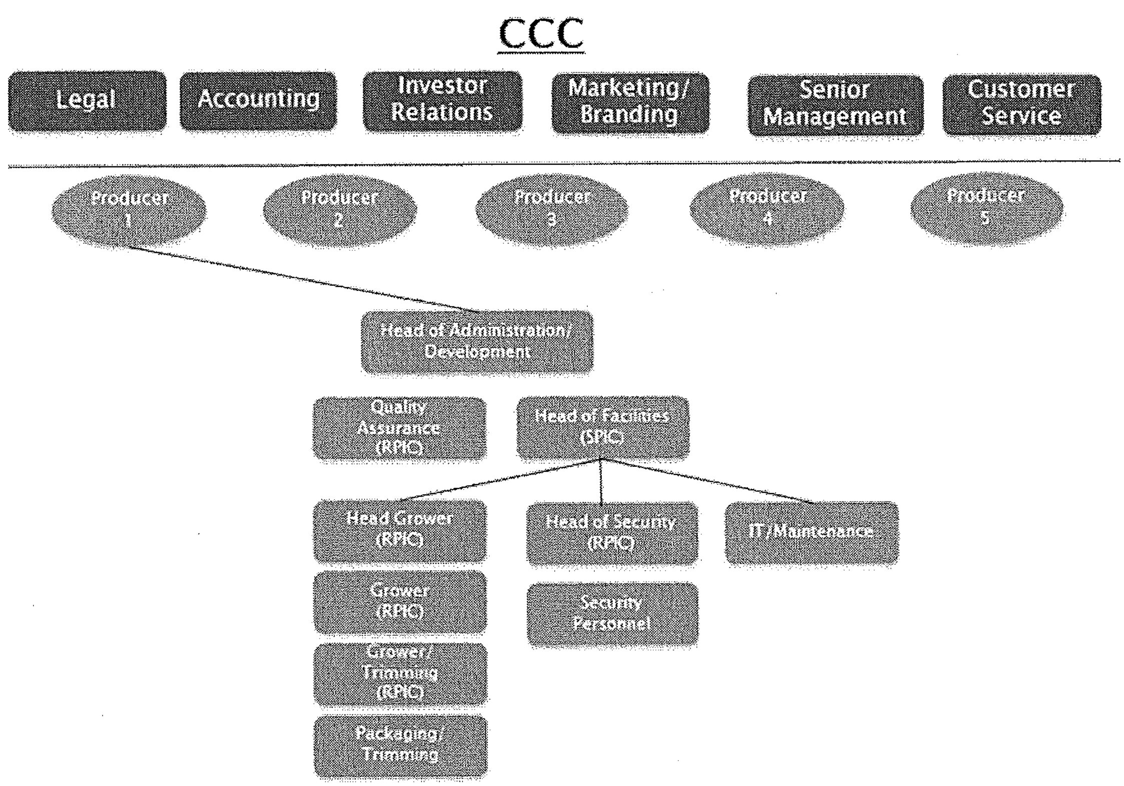
CCC entered into an agreement with Occupied VR Inc. on June 1, 2018 to acquire Weed VR for a purchase price of (a) $25,000 which was paid by way of $24,995 cash and one CCC Share at a deemed issue price of $5.00 for such CCC Share on the closing date of June 11, 2018 and (b) an earn-out amount of an aggregate of $600,000, payable in CCC Shares or Common Shares, as applicable, in certain increments of $100,000 or $200,000 pursuant to the achievement of various milestones. Weed VR provides a multi-platform virtual catalog system designed to educate, engage and inform consumer cannabis purchases.

See "*Part III – Information Concerning the Resulting Issuer – Description of the Business*" for changes in CCC's business which are anticipated to occur during the current financial year.

NARRATIVE DESCRIPTION OF THE BUSINESS

CCC is structured to be a centrally run business with cannabis production and distribution assets that are designed for certain Canadian provinces where there is a competitive advantage over large, national incumbent cannabis producers. These operating assets will primarily service their domestic provinces.

A sophisticated senior management and development structure resides at the parent company level, whose costs and benefits will be shared across CCC's production assets:



CCC, through its wholly-owned subsidiary Highland Grow, currently has one licensed cannabis production facility in Nova Scotia, with an additional facility, through its wholly-owned subsidiary P-209, currently under construction in Ontario and a leased facility, through its wholly-owned subsidiary Back Home, in Newfoundland. Over the next 12-months, CCC's primary focus will be to continue construction and/or expansion of these facilities. Subject to receipt of the requisite Health Canada licenses and approvals, CCC expects the majority of production from these facilities will not come on-line until 2019. Subject to the receipt of the requisite Health Canada licenses and approvals, there will be modest commercial sales from each jurisdiction in 2018 through the initial phased buildout of the facilities. It may take another three to four months from the date a facility is completed to generating sufficient production that can be sold in targeted markets.

Nova Scotia

The first ACMPR applicant acquired by CCC was Highland Grow (formerly THC Dispensaries Inc.), based in Nova Scotia. Highland Grow was granted the Highland Grow Licence from Health Canada pursuant to the ACMPR in respect of its facility in Antigonish, Nova Scotia on December 1, 2017. In order to qualify for the Highland Grow License, Highland Grow retrofit an existing building that was partially converted for the ACMPR program (the **Nova Scotia Facility**). The Nova Scotia Facility is 6,500 square feet and resides on 19 acres of farmland and was a cost-effective way to achieve Highland Grow's first license. The Nova Scotia Facility will ultimately be expanded to 100,000 square feet in two phases. The Phase I expansion will be 50,000 square feet and will be completed in the first quarter of 2019. The Phase II expansion of 50,000 square feet is targeted for completion during the second quarter of 2019.

The capital expenditure for the 100,000 square foot completed facility is expected to be $34,000,000 and will be financed through a mixture of cash and debt. The employee headcount at this facility when completed is expected to be 87 individuals. Moreover, CCC anticipates the Nova Scotia Facility has the potential to generate $77,000,000 in revenue per annum.

The Highland Grow Licence authorizes Highland Grow to cultivate marihuana plants, dried marihuana and marihuana seeds during the period from December 1, 2017 to December 1, 2020. Highland Grow intends to seek an amendment to the Highland Grow Licence to obtain approval to sell its cannabis products, once the Nova Scotia Facility has successfully completed a sufficient amount of cultivation cycles and passed a pre-sell inspection by Health Canada. This inspection will include a review of the cultivation and physical security aspects of the Nova Scotia Facility. Moreover, Highland Grow will also demonstrate other forms of good practices to include but not limited to packaging, labelling, shipping, and record keeping capabilities before product is sold to customers. Once an amended licence to sell dried cannabis is granted, Highland Grow will then seek additional amendments to include the ability to produce and sell cannabis oil.

Ontario

CCC acquired P-209 on March 2, 2018. P-209 is in the late stages of a cultivation license application to Health Canada pursuant to the ACMPR in respect of a facility in Norwich, Ontario (the **P-209 Application**). The P-209 Application is in the detailed review stage. P-209 expects to be in a position to receive a cultivation licence shortly after work on the Ontario Facility (as defined below) is complete.

The P-209 Application involved the retrofit of an approximately 12,000 square foot building that was partially converted for ACMPR standards (the **Ontario Facility**). The Ontario Facility will be 87,000 square feet in size and built in two phases. Phase I will be 12,000 square feet and expected to be completed by way of retrofitting an existing building in the fourth quarter of 2018. Phase II will be a 75,000 square foot new build expansion of the facility and is currently targeted for completion in the first quarter of 2019.

The capital expenditure for the 87,000 square foot completed Ontario Facility is expected to be $9,000,000 and will be financed through a mixture of cash and debt. The employee headcount at this Ontario Facility when completed is expected to be 27 individuals. Moreover, CCC believes the Ontario Facility has the potential to generate $34,000,000 in revenue per annum.

The purpose of the Ontario Facility will be to primarily supply products to the other provinces CCC operates in and is a Licensed Producer in, until CCC's domestic production capacity in those other provinces is sufficiently brought on-line in 2019.

Newfoundland

CCC acquired Back Home on April 25, 2018. Back Home is also in the late stages of an ACMPR cultivation license application (the **Back Home Application**) where construction on a new structure in Western Newfoundland is expected to start in the fourth quarter of 2018 (the **Newfoundland Facility**, and collectively with the Nova Scotia Facility and the Ontario Facility, the **Facilities**). The Back Home Application is in the detailed review stage. Back Home expects to be in a position to receive a cultivation licence to produce cannabis once Phase I of the construction of the Newfoundland Facility is complete.

The Newfoundland Facility will be 168,000 square feet in size and built in four phases. The Phase I will be a retrofit of the ground floor, an existing structure, which will result in a 18,000 square foot licensed facility. This first phase is targeted for a completion during the fourth quarter of 2018. Phase II will add an additional 50,000 square feet and will be completed in the first quarter of 2019. Phase III will be 100,000 square feet and completed in the second quarter of 2019.

The capital expenditure for the 168,000 square foot completed Newfoundland Facility is expected to be $45,000,000 and will be financed through a mixture of cash and debt. The employee headcount at the Newfoundland Facility when completed is expected to be 113 individuals. Moreover, CCC believes the Newfoundland Facility has the potential to generate $99,500,000 in revenue per annum.

Subject to receipt of requisite Health Canada licenses and approvals, Back Home plans to open up to four to six retail locations in Newfoundland and Labrador by the end of 2019 to principally sell Back Home products to the local market. The majority of the production from the Newfoundland Facility will be for the local Newfoundland and Labrador market.

Adult-Use and Medical Cannabis Sales

Subject to federal and provincial legislation regarding adult-use cannabis, and subject to receipt of the applicable licences and permits, CCC, through its subsidiaries, intends to sell adult-use cannabis to retailers from one or more of its production facilities in 2018. CCC's intention is to supply customers, with a focus in Atlantic Canada, with a variety of adult-use cannabis products in 2018. This will include dried flower and oil based products.

CCC also expects to develop medical cannabis products for sale in 2018 and beyond. For the foreseeable future and due to the size of the adult-use market and its unique demand dynamics, CCC expects the volume of adult-use sales to be greater than medical cannabis sales. However, beyond 2020, CCC anticipates considerably greater margins in its medical cannabis sales.

Education

CCC acquired Weed VR on June 11, 2018. Weed VR provides a multi-platform virtual catalog system designed to educate, engage and inform consumer cannabis purchases. The primary function of the platform at the onset is to provide a more intuitive way for consumers to understand various aspects of cannabis including how to safely consume it. It is designed to operate in a retail environment as well as in the comfort of a person's home.

Partnerships

In addition to building local production facilities, CCC builds local ecosystems to take advantage of existing local strategic assets while also supporting local communities to support indirect economic development. Specifically, CCC entered into a partnership with St. Francis Xavier University on December 5, 2017 in respect of a multi dispensary three-year collaboration. Through this partnership, CCC and this leading academic institution located close to its Nova Scotia based production facility will conduct a range of research based initiatives including:

- creating unique cannabis genetics that may be used in clinical trials that CCC intends to undertake;
- developing new delivery methods and mechanisms for delivery of cannabis into the human body;
- research into new approaches for growing and cultivating cannabis on an industrial scale;
- assisting in sourcing human capital for CCC with a particular focus on St. Francis Xavier students and graduates; and
- working with regional and provincial authorities to support these aforementioned activities.

Facility Sizes and Security

Each of the Facilities is, or is being, principally designed to cultivate cannabis. CCC may choose to consolidate derivative product production for cost efficiencies. CCC is currently designing facilities where it expects to sell around 70-80% of production to local provincial retailers.

The ACMPR prescribes physical security requirements that are necessary to secure sites where Licensed Producers conduct activities with cannabis for medical purposes. CCC's security measures at the Facilities include, or will include, the following:

- High definition security cameras providing full coverage of the exterior and interior parts of the facility;
- Security fencing with sensors on the exterior perimeter of licensed sections of the property;
- Sign in and sign out requirements for all employees and visitors;
- 24-hour security guards on the premises;
- Each production space/room to require two factor authentication to enter;
- The movement of anyone in the production space from room-to-room is logged and stored;
- A responsible person in charge (security cleared by Health Canada) has to be in every production space at all times when a person who hasn't been security cleared by Health Canada is present;
- Seed-to-sale tracking of inputs and outputs; and
- Remote monitoring and audit capabilities.

Competitive Positioning

CCC is one of the first ACMPR Licensed Producers to be issued a cultivation license in Nova Scotia. CCC also anticipates having the most geographically comprehensive operational footprint in the Atlantic Canadian region by 2019.

Social Policies

CCC at each corporate level will employ local standards to hire a workforce that reflects the diversity of the community in which each operating asset is located. CCC will endeavor to provide equal employment opportunities without any bias to race or colour, national or ethnic origin, religion, age, family or marital status, sex (including pregnancy or childbirth), pardoned conviction, disability (either physical or mental or as the result of dependence on alcohol or drugs) or sexual orientation. In other words, CCC's human resources policies will be in compliance with *The Employment Equity Act* and *The Canadian Human Rights Act*.

Environmental Policies

Power is the largest input cost in industrial scale production facilities. CCC will endeavor to design facilities that are energy efficient in terms of how power is consumed. Moreover, CCC will deploy low emission forms of power generation when CCC's facilities are not drawing power from the electrical grid. CCC is committed to utilizing renewable energy wherever possible.

The Facilities will also be highly insulated to cope with weather as their locations in Canada can have extreme cold temperatures for parts of the year.

In the administrative parts of the Facilities, CCC will encourage a paperless work environment where possible and to the extent permissible pursuant to the requirements of Health Canada.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

Selected consolidated financial information of CCC for the period from November 22, 2016 (date of incorporation) to December 31, 2016 and for the year ended December 31, 2017 is shown below. The CCC Financial Statements are attached as Schedule C.

	Year ended December 31, 2017	Date of Incorporation to December 31, 2016
Net Sales	Nil	Nil
Income (Loss)	($827,596)	($6)
per share basis	($0.05)	($0.00)
diluted per share basis	($0.05)	($0.00)
Net Income (Loss)	($827,596)	($6)
per share basis	($0.05)	($0.00)
diluted per share basis	($0.05)	($0.00)
Total Assets	$10,207,998	Nil
Total Long Term Liabilities	Nil	Nil

During the year ended December 31, 2017, CCC incurred net loss of $714,970 (December 31, 2016 - $6). As at December 31, 2017 CCC had positive working capital of $3,118,358 (December 31, 2016 - nil) and an accumulated deficit of $714,970 (December 31, 2016 - $6). The total assets for 2017 is $10,196,298 compared to nil for the prior period.

Below is a summary of the quarterly results of CCC, for the periods noted.

	2017				2016
	Q4	Q3	Q2	Q1	Q4
Net Sales	$nil	$nil	$nil	$nil	$nil
Income (Loss)	$150,454	$274,414	$402,708	$20	$6
per share basis,	($0.00)	($0.02)	($0.02)	($0.00)	($0.00)
diluted per share basis	($0.00)	($0.02)	($0.02)	($0.00)	($0.00)
Net Income (Loss)	$150,454	$274,414	$402,708	$20	$6
per share basis,	($0.00)	($0.02)	($0.02)	($0.00)	($0.00)
diluted per share basis	($0.00)	($0.02)	($0.02)	($0.00)	($0.00)

Selected consolidated financial information of Highland Grow for years ended December 31, 2017 and December 31, 2016 is shown below. Audited consolidated financial statements for Highland Grow for the years ended December 31, 2017 and December 31, 2016 are attached to this Listing Statement as Schedule E.

	Year ended December 31, 2017	Year ended December 31, 2016
Net Sales	Nil	Nil
Income (Loss)	($377,186)	($320,773)
per share basis	($377,186)	($320,773)
diluted per share basis	($377,186)	($320,773)
Net Income (Loss)	($377,186)	($320,773)
per share basis	($377,186)	($320,773)
diluted per share basis	($377,186)	($320,773)
Total Assets	$2,758,954	$791,238
Total Long Term Liabilities	Nil	Nil

During the year ended December 31, 2017, Highland Grow incurred net loss of $377,186 (December 31, 2016 - $320,773). As at December 31, 2017 Highland Grow had a negative working capital of $2,784,810 (December 31, 2016 - $788,674) and an accumulated deficit of $860,499 (December 31, 2016 - $483,313). The total assets for 2017 is $2,758,954 compared to $791,238 for the prior year.

Below is a summary of the quarterly results of Highland Grow, for the periods noted.

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	$nil	$nil	$nil	$nil	$nil	$nil	$nil	$nil
Income (Loss)	$267,342	$72,055	$21,171	$16,618	$297,319	$889	$16,337	$6,228
per share basis,	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)
diluted per share basis	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)
Net Income (Loss)	$nil	$nil	$nil	$nil	$nil	$nil	$nil	$nil
per share basis,	$267,342	$72,055	$21,171	$16,618	$297,319	$889	$16,337	$6,228
diluted per share basis	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)

MANAGEMENT'S DISCUSSION AND ANALYSIS

The CCC MD&A for the year ended December 31, 2017 and the Highland Grow MD&A for the year ended December 31, 2017 are attached to this Listing Statement as Schedule F.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of CCC as at October 2, 2018, before and after giving effect to the 2018 Share Issuances

Authorized Capital	As at December 31, 2017	As at October 2, 2018 after giving effect to the 2018 Share Issuances (unaudited)
Long-term debt	Nil	Nil
CCC Common Shares (unlimited)	18,794,005	21,232,895
CCC Warrants	188,292	258,888

OPTIONS TO PURCHASE SECURITIES

Options

Francis MacMaster Employment Agreement

Pursuant to an employment agreement dated May 19, 2017 between CCC, THC Dispensaries Canada Inc. (now Highland Grow) and Francis MacMaster, as president of Highland Grow (the **FM MacMaster Employment Agreement**), CCC granted to Mr. MacMaster, options to acquire CCC Common Shares or Common Shares in the event CCC has consummated a reverse takeover transaction, as applicable, (the **Option Shares**) having an aggregate value of $250,000, of which $50,000 worth of options is exercisable for an exercise price of $1.00 on the first, second, third, fourth and fifth anniversary dates of the entering into of the FM MacMaster Employment Agreement. The number of Option Shares that Mr. MacMaster shall be entitled to receive upon exercise of the option on each anniversary date shall be calculated as follows: (i) if the Option Shares have not commenced trading on any securities exchange on which securities are publicly traded on a given anniversary of the FM MacMaster Employment Agreement, by dividing $50,000 by the "Fair Market Value" of the relevant Option Shares on such anniversary date; and (ii) if the Option Shares have commenced trading on any securities exchange on which securities are publicly traded on a given anniversary of the FM MacMaster Employment Agreement, by dividing $50,000 by the "Fair Market Value" of the relevant Option Shares on such anniversary date. "Fair Market Value" for purposes of the FM MacMaster Employment Agreement means the most recent subscription price per Option Share paid by an arm's length subscriber in an issuance from treasury, provided that if no Option Shares have been issued during the six-month period preceding the proposed date of issuance, it shall be such value as is agreed between the board of directors of CCC or the Resulting Issuer, as applicable, and Mr. MacMaster.

Mr. MacMaster exercised his options to acquire $50,000 worth of CCC Common Shares on May 19, 2018, and has options with an aggregate value of $200,000 outstanding.

Common Share Purchase Warrants

CCC also has an aggregate of 258,888 CCC Warrants outstanding, with each whole CCC Warrant entitling the holder thereof to purchase one (1) CCC Common Share at exercise prices ranging from $1.00 to $5.00, of which, 247,902 CCC Warrants expire two (2) years after the date of issuance and 10,986 CCC Warrants expire 18 months after the date of issuance.

Obligations to Issue Common Shares

Jennifer MacMaster Employment Agreement

Pursuant to an employment agreement dated May 19, 2017 between CCC, THC Dispensaries Canada Inc. (now Highland Grow) and Jennifer MacMaster, an employee of Highland Grow (the **JM MacMaster Employment Agreement**"), upon termination without cause, CCC is obligated to provide Ms. MacMaster with (i) 50% of the base salary (the **Owed Salary**) owed for the balance of the term of the JM MacMaster Employment Agreement as well as benefits required for the balance of the term of the JM MacMaster Employment Agreement or pay in lieu for similar benefit coverage; and (ii) the notice or pay and benefits in lieu of notice required by the Nova Scotia Labour Standards Code. The amount of Owed Salary due to Ms. MacMaster in the event of termination without cause is to be satisfied by the issuance to Ms. MacMaster of CCC Common Shares or Common Shares in the event CCC has consummated a reverse takeover transaction, as applicable (in either case, the **Owed Shares**). Ms. MacMaster will be entitled to 50% of the Owed Shares upon the date of termination and 50% upon the issuance of the Highland Grow License. The number of Owed Shares Ms. MacMaster will be entitled to will be determined as follows: (i) if the Owed Shares have not commenced trading on the Exchange, by dividing the Owed Salary by the Fair Market Value of the Owed Shares; or (ii) if the Owed Shares have commenced trading on the Exchange, by dividing the Owed Salary by the five (5) day volume weighted average closing price per

Owed Share on the Exchange or other applicable exchange on which the Owed Shares are traded. "Fair Market Value" for purposes of the JM MacMaster Employment Agreement means the most recent subscription price per Owed Share paid by subscribers at arm's length to each Founder in an issuance from treasury, provided that if no Owed Shares have been issued during the six-month period preceding the proposed date of issuance, "Fair Market Value" shall be such value as is agreed between the board of directors of CCC and Ms. MacMaster.

Acquisition Agreements

In connection with the acquisition of P-209, CCC, or the Resulting Issuer, will have the obligation to issue CCC Common Shares or Common Shares, as applicable, with an aggregate Fair Market Value of $3,500,000 upon satisfaction of various conditions set forth in the applicable purchase agreement. See "*Part II – Information Concerning CCC – General Development of Business – P-209 Acquisition*".

In connection with the acquisition of Back Home, CCC, or the Resulting Issuer, will have the obligation to issue CCC Common Shares or Common Shares, as applicable, with an aggregate Fair Market Value of $2,500,000 upon satisfaction of various conditions set forth in the applicable purchase agreement. See "*Part II – Information Concerning CCC – General Development of Business – Back Home Acquisition*".

In connection with the acquisition of Weed VR, CCC, or the Resulting Issuer, will have the obligation to issue CCC Common Shares or Common Shares, as applicable, with an aggregate Fair Market Value of $600,000 upon satisfaction of various conditions set forth in the applicable purchase agreement. See "*Part II – Information Concerning CCC – General Development of Business – Weed VR Acquisition*".

Consulting Agreements

CCC entered into various, ordinary course and immaterial public relations agreements whereby it agreed to pay an aggregate of $1,359,094 in consideration for the services to be provided, of which, $789,200 has already been paid by CCC and the balance is to be paid by CCC or the Resulting Issuer, as applicable. See "*Part II – Information Concerning CCC – Promoters and Consultants*".

DESCRIPTION OF THE SECURITIES

The authorized capital of CCC includes an unlimited number of CCC Common Shares without nominal or par value, an unlimited number of CCC Special Class A Shares, one (1) CCC Special Class B Share and one (1) CCC Special Class C Share. As at October 2, 2018, 21,232,895 CCC Common Shares, one (1) CCC Special Class C Share, zero (0) CCC Special Class A Shares and zero (0) CCC Special Class B Shares are issued and outstanding as fully paid and non-assessable. In addition, as at July 9, 2018, 258,888 CCC Common Shares were reserved for issuance upon the due and proper exercise of CCC Warrants.

On May 23, 2018, CCC entered into an agreement with Echelon Wealth Partners Inc. (**Echelon**), pursuant to which, among other things, Echelon agreed to conduct on a best-efforts basis, a private placement of up to 3,000,000 CCC Common Shares at a price of $5.00 per share for aggregate gross proceeds of up to $15,000,000 (the **Aggregate Gross Proceeds**). It was subsequently agreed by Echelon and CCC that while some or all of the Aggregate Gross Proceeds may be raised by Echelon and CCC pursuant to a brokered private placement financing (the **Brokered Financing**), a portion of the Aggregate Gross Proceeds may be raised by CCC pursuant to a non-brokered private placement financing (the **Non-Brokered Financing**, and collectively with the Brokered Financing, the **Private Placement**). The CCC Common Shares sold pursuant to the Private Placement will be offered by way of exemptions from the prospectus requirements of applicable securities laws in all of the provinces of Canada and certain jurisdictions outside of Canada (as agreed to between CCC and Echelon in the case of the Brokered Financing). In consideration of Echelon acting as agent in connection with the Brokered Financing, CCC has agreed, subject to certain exceptions, to (i) pay Echelon a cash commission equal to 7% of the aggregate gross proceeds raised under the Brokered Financing and (ii) issue Echelon CCC

Warrants to purchase up to an additional 7% of the securities sold under the Brokered Financing on the same terms as the CCC Common Shares were offered under the Brokered Financing. In connection with the Non-Brokered Financing, subject to certain exceptions, a person who introduces and/or refers a subscriber who participates in the Non-Brokered Financing (a **Finder**) will be entitled to receive (i) a finder's fee equal to 5% of the aggregate gross proceeds raised from the sale of CCC Common Shares under the Non-Brokered Financing to those subscribers introduced and/or referred by the Finder and (ii) CCC Warrants to purchase up to an additional 5% of the of the aggregate number of Common Shares sold under the Non-Brokered Financing to those subscribers introduced and/or referred by the Finder on the same terms as the CCC Common Shares were offered under the Brokered Financing.

On August 30, 2018, an aggregate of 68,000 CCC Common Shares were issued at a price of $5.00 per CCC Common Share for aggregate gross proceeds of $340,000. Echelon was paid a cash commission of $33,350 and 4,760 CCC Warrants in consideration for the services provided in connection with the Brokered Financing. From August 3, 2018 to October 1, 2018, an aggregate of 1,034,704 CCC Common Shares were issued at a price of $5.00 per CCC Common Share for aggregate gross proceeds of $5,173,520 pursuant to the Non-Brokered Financing. The Finders were paid a cash fee of approximately $120,545.50, 13,318 CCC Warrants and 46,208 CCC Common Shares in consideration for the services provided in connection with the Non-Brokered Financing.

CCC Common Shares

The holders of CCC Common Shares are entitled to receive notice of and one vote per CCC Common Share at meetings of the shareholders of CCC and, upon liquidation, dissolution or winding-up, to share equally in such property or assets of CCC as are distributable to the holders of CCC Common Shares subject to the rights of holders of shares of any class ranking in priority to the CCC Common Shares.

Except as otherwise provided, the CCC Common Shares do not have any (i) pre-emptive, conversion or exchange rights, (ii) redemption, retraction, purchase for cancellation, surrender or sinking or purchase fund provisions, (iii) provisions permitting or restricting the issuance of additional securities or other material restrictions, or (iv) provisions requiring a security holder to contribute additional capital.

Certain CCC shareholders are parties to a shareholder agreement, under which those parties to the agreement have pre-emptive rights, tag-along rights and drag-along rights, subject to the specific terms and conditions of the shareholder agreement.

CCC Warrants

The holders of CCC Warrants are entitled, prior to the expiry date, to subscribe for and purchase that number of CCC Common Shares at an exercise price as set out in the CCC Warrant certificate issued to the holder of CCC Warrants.

The CCC Warrants do not have any (i) dividend rights, (ii) voting rights, (iii) rights upon dissolution or winding-up, (iv) pre-emptive rights, (v) redemption, retraction, purchase for cancellation, surrender or sinking or purchase fund provisions, (vi) provisions permitting or restricting the issuance of additional securities or other material restrictions, or (vii) provisions requiring a security holder to contribute additional capital.

For the terms specific to each issued and outstanding CCC Warrant, see "*Capitalization of CCC*".

CCC Special Class A Shares

As of October 2, 2018, there are no CCC Special Class A Shares issued and outstanding.

The holders of CCC Special Class A Shares are entitled to a preferential non-cumulative dividend at a variable amount, if, as and when declared by CCC's board of directors. Except with the consent in writing of the holders of all CCC Special Class A Shares outstanding, no dividends shall at any time be declared or paid upon, or set aside for payment on any CCC Common Shares or on the shares of any other class ranking junior to the CCC Special Class A Shares for any fiscal year unless and until the variable preferential non-cumulative dividend, as determined by CCC's board of directors, for such fiscal year on all CCC Special Class A Shares outstanding has been declared and paid or a sum set aside for payment thereof.

The CCC Special Class A Shares are redeemable from time to time and at any time by CCC upon the giving of notice. The redemption price shall be that amount or value which is equivalent to the fair market value of the property received by CCC in exchange for each CCC Special Class A Share (the **CCC Special Class A Redemption Price**), subject to adjustments where the Canada Revenue Agency declares the property received to have a fair market value different than that declared by CCC.

The CCC Special Class A Shares may be purchased for cancellation at any time and from time to time, in whole or in part, by CCC, pursuant to tenders or, with the unanimous consent of the holders of all of the issued and outstanding CCC Special Class A Shares, by private contract at the lowest price at which, in the opinion of CCC's board of directors, such CCC Special Class A Shares are obtainable, not exceeding the CCC Special Class A Redemption Price.

The holders of CCC Special Class A Shares are entitled to require CCC to redeem at any time or times after the issuance thereof all or any of the CCC Special Class A Shares for an amount equal to the aggregate of the CCC Special Class A Redemption Price of the CCC Special Class A Shares being redeemed plus all declared and unpaid dividends thereon.

Upon liquidation, dissolution or winding-up, the holders of CCC Special Class A Shares are entitled to share equally in such property or assets of CCC as are distributable to the holders of CCC Special Class A Shares in priority to the holders of CCC Common Shares and to the holders of shares of any other class ranking junior to the CCC Special Class A Shares.

The holders of CCC Special Class A Shares are not entitled to receive notice of, to attend or vote at any meeting of the CCC Shareholders, unless such business being transacted is solely and directly affecting the existence, rights and obligations of such CCC Special Class A Shares, in which case, the holder of the CCC Special Class A Shares shall be entitled to one vote in respect of each CCC Special Class A Share held. The rights of the holders of CCC Special Class A Shares may only be modified, amended or varied upon the approval of the holders of no less than two-thirds of the outstanding CCC Special Class A Shares represented and voted at such meeting in addition to any other approval required by the OBCA and the approval of holders of not less than two-thirds of the issued and outstanding CCC Common Shares, except where no CCC Special Class A Shares are issued and outstanding, in which case, modification, amendment or variation shall only require the approval of the holders of not less than two-thirds of the issued and outstanding CCC Common Shares in addition to any other approval required by the OBCA.

The CCC Special Class A Shares do not have any (i) surrender or sinking or purchase fund provisions, (ii) provisions permitting or restricting the issuance of additional securities or other material restrictions, or (iii) provisions requiring a security holder to contribute additional capital.

CCC Special Class B Share

As of October 2, 2018, there are no CCC Special Class B Shares issued and outstanding.

One CCC Special Class B Share was issued in connection with the acquisition of Highland Grow (see "*Narrative Description of the Business – Nova Scotia*"). The CCC Special Class B Share was converted into 525,000 CCC Common Shares in accordance with its terms following receipt of the Highland Grow Licence.

CCC Special Class C Share

As of October 2, 2018, there is one (1) CCC Special Class C Share issued and outstanding.

One CCC Special Class C Share was issued in connection with the acquisition of Highland Grow (See "*Narrative Description of the Business – Nova Scotia*").

The CCC Special Class C Share may, upon notice to CCC, be converted into fully paid and non-assessable CCC Common Shares upon receipt by Highland Grow of an ACMPR sales license, such number of CCC Common Shares to be issued to the holder of a CCC Special Class C Share at the time of conversion being determined by dividing $3,050,000.00 by the price per CCC Common Share paid by an arm's length party at the most recently completed subscription or capital raise by CCC provided CCC has completed a subscription or capital raise within a six-month period preceding the proposed conversion date, failing which, the price per CCC Common Share shall be such value as is agreed between CCC's board of directors and the holder of such CCC Special Class C Share.

The holder of a CCC Special Class C Share is not entitled to receive notice of, to attend or vote at any meeting of the shareholders of CCC, unless such business being transacted is solely and directly affecting the existence, rights and obligations of such CCC Special Class C Share, in which case, the holder of the CCC Special Class C Share shall be entitled to one vote in respect of each CCC Special Class C Share held. The rights of the holder of the CCC Special Class C Share may only be modified, amended or varied upon the approval of the holder of the CCC Special Class C Share in addition to any other approval required by the OBCA and the approval of holders of not less than two-thirds of the issued and outstanding CCC Common Shares, except where no CCC Special Class C Share is issued and outstanding, in which case, modification, amendment or variation shall only require the approval of the holders of not less than two-thirds of the issued and outstanding CCC Common Shares in addition to any other approval required by the OBCA.

The CCC Special Class C Share does not have any (i) dividend rights, (ii) rights upon dissolution or winding-up, (iii) pre-emptive rights, (iv) redemption, retraction, purchase for cancellation, surrender or sinking or purchase fund provisions, (vii) provisions permitting or restricting the issuance of additional securities or other material restrictions, or (viii) provisions requiring a security holder to contribute additional capital.

Prior Sales

The following table sets forth the number and price at which securities of CCC have been sold within the 12 month period prior to the date hereof.

Date	Number of CCC Securities	Class	Issue Price Per Security / Deemed Price Per Security / Exercise Price of Security ($)	Aggregate Issue Price / Deemed Aggregate Issue Price ($)
October 31, 2017	166,667	CCC Common Shares	$1.50	$250,000.50
November 3, 2017	773,732	CCC Common Shares	$1.50	$1,160,598.00
November 3, 2017	6,667	CCC Warrants(1)	$1.50	$10,000.00
November 30, 2017	69,434	CCC Common Shares	$1.50	$104,151.00
November 30, 2017	100,000	CCC Common Shares	$2.00	$200,000.00
November 30, 2017	5,000	CCC Warrants(1)	$2.00	$10,000.00
December 11, 2017	337,500	CCC Common Shares	$2.00	$675,000.00
December 11, 2017	16,875	CCC Warrants(1)	$2.00	$33,750.00
December 12, 2017	50,000	CCC Common Shares	$2.00	$100,000.00

Date	Number of CCC Securities	Class	Issue Price Per Security / Deemed Price Per Security / Exercise Price of Security ($)	Aggregate Issue Price / Deemed Aggregate Issue Price ($)
December 20, 2017	175,000	CCC Common Shares	$2.00	$350,000.00
December 21, 2017	525,000	CCC Common Shares	$2.00	$1,050,000.00
January 2, 2018	50,000	CCC Common Shares	$2.00	$100,000.00
January 12, 2018	250,000	CCC Common Shares	$2.00	$500,000.00
January 19, 2018	407,310	CCC Common Shares	$3.00	$1,221,930.00
January 19, 2018	17,032	CCC Warrants(1)	$3.00	$51,096.00
January 31, 2018	166,667	CCC Common Shares	$3.00	$500,001.00
January 31, 2018	12,000	CCC Warrants(1)	$3.00	$36,000.00
February 2, 2018	3,333	CCC Common Shares	$3.00	$9,999.00
February 27, 2018	40,000	CCC Common Shares	$4.00	$160,000.00
March 2, 2018	250,000	CCC Common Shares	$3.00	$750,000.00
April 25, 2018	37,500	CCC Common Shares	$4.00	$150,000.00
May 19, 2018	12,500	CCC Common Shares	$4.00	$50,000.00
May 24, 2018	12,500	CCC Common Shares	$4.00	$50,000.00
May 28, 2018	12,500	CCC Common Shares	$4.00	$50,000.00
June 11, 2018(2)	1	CCC Common Shares	$5.00	$5.00
August 3, 2018	75,500	CCC Common Shares	$5.00	$377,500.00
August 30, 2018	68,000	CCC Common Shares	$5.00	$340,000.00
August 30, 2018	4,760	CCC Warrants(1)	$5.00	$23,800.00
September 7, 2018	45,000	CCC Common Shares	$5.00	$225,000.00
September 14, 2018	282,200	CCC Common Shares	$5.00	$1,411,000.00
September 17, 2018	61,000	CCC Common Shares	$5.00	$305,000.00
September 17, 2018	300	CCC Warrants(1)	$5.00	$1,500.00
September 21, 2018	131,000	CCC Common Shares	$5.00	$655,000.00
September 25, 2018	162,000	CCC Common Shares	$5.00	$810,000.00
September 25, 2018	100	CCC Warrants(1)	$5.00	$500.00
September 28, 2018	311,640(3)	CCC Common Shares	$5.00	$1,558,200.00
September 28, 2018	9,775	CCC Warrants(1)	$5.00	$48,875.00
September 28, 2018	6,667	CCC Common Shares(4)	$1.50	$10,000.00
September 28, 2018	12,500	CCC Warrants(5)	$2.00	$25,000
October 1, 2018(6)	53,572	CCC Common Shares	$5.00	$267,860
October 1, 2018	14,129(6)	CCC Warrants	$5.00	$70,645

Notes:

(1) Except where otherwise mentioned, each CCC Warrant entitles the holder thereof to acquire one CCC Common Share at the corresponding exercise price for two years from the date of issuance.

(2) Issued in connection with the acquisition of Weed VR. See "*Part II – Information Concerning CCC – General Development of Business – Weed VR Acquisition*".

(3) Of the total CCC Common Shares issued on September 28, 2018, 33,636 CCC Common Shares were issued to Finders in consideration for their services in connection with the Non-Brokered Private Placement and 25,000 CCC Common Shares were issued in consideration for consulting services performed in connection with CCC"s acquisitions of its subsidiaries.

(4) These CCC Common Shares were granted as a finder's fee in consideration for services provided in connection with CCC's non-brokered private placement that took place from October 31, 2017 to November 30, 2017.

(5) These CCC Warrants were granted as a finder's fee in consideration for services provided in connection with CCC's non-brokered private placement that took place from November 30, 2017 to January 12, 2018.

(6) Of the total CCC Common Shares issued on October 1, 2018, 12,572 CCC Common Shares were issued to Finders in consideration for their services in connection with the Non-Brokered Private Placement and 16,000 CCC Common Shares were issued pursuant to a settlement agreement connected with CCC's acquisition of Highland Grow.

(7) Of the total CCC Warrants issued on October 1, 2018, 10,986 CCC Warrants entitle the holder thereof to acquire one CCC Common Share at the corresponding exercise price for 18 months from the date of issuance. The balance of the CCC Warrants issued entitle the holder thereof to acquire one CCC Common Share at the corresponding exercise price for two years from the date of issuance.

ESCROWED SECURITIES

To the knowledge of the directors and executive officers of CCC, none of the securities of CCC are held in, or otherwise subject to escrow as at October 2, 2018.

PRINCIPAL SECURITYHOLDERS

To the knowledge of management of CCC, no person or company owns, of record of beneficially, directly or indirectly, or exercises control or direction over more than 10% of any class of voting securities of CCC, except as disclosed below:

Name	Number of CCC Common Shares	Percentage of CCC Common Shares
Sasha Jacob[1]	9,960,000 CCC Common Shares	46.9%[2]

Notes:

(1) Sasha Jacob is the beneficial owner of, and exercises control and direction over an aggregate of 9,960,000 CCC Common Shares, of which 3,000,000 CCC Common Shares are held indirectly through Jacob Capital Management Inc., 4,200,000 CCC Common Shares are held indirectly through Jacob Securities Holdings Inc., 1,320,000 CCC Common Shares are held indirectly through April Jacob and 1,440,000 CCC Common Shares are held by Sasha Jacob directly.

(2) The percentage of CCC Common Shares that Sasha Jacob beneficially owns, directly or indirectly, or exercises control and direction over, on a fully diluted basis is 46.4%.

DIRECTORS AND OFFICERS

The following table lists the names, municipalities of residence of the directors and officers of CCC as of October 2, 2018, their positions and offices held with CCC, and their principal occupations or employment and the number of CCC Common Shares which are beneficially owned, directly or indirectly, or over which control or direction is exercised by each.

Name and Municipality of Residence	Principal Occupations for the Last Five Years	Period or periods during which each proposed director has served as a director or officer of CCC	Position with CCC	Number and Percent of CCC Common Shares
Brett James Toronto, Ontario	Principal and Partner of Sussex Strategy Group from 2000 to present.	March 3, 2017 to present	Director	12,500 (0.1%)[(1)]
George Smitherman Toronto, Ontario	Entrepreneur Owner of Smitherman Sustainable Solutions Inc. from April 2014 to present; Consultant and Owner of 7089150 Ontario Ltd. from September 2013 to present; and Consultant Partner of G and G Global Solutions from April 2011 to April 2014.	March 3, 2017 to present	Director	6,000 (0.03%)
Khurram Malik Toronto, Ontario	Head of Research and Research analyst at Jacob Securities Inc. from December 2007 to December 2015, Partner and Head of Research at Jacob Capital Management Inc. from December 2015 to present; President and Secretary of CCC from April 2017 to present.	April 1, 2017 to present	President and Secretary	600,000 (2.8%)
J. Mark Lievonen[(2)] Toronto, Ontario	President of Sanofi Pasteur Limited, a vaccine development, manufacturing and marketing company, from 1999 to 2016. He is a Director of Acerus Pharmeceuticals Corporation, Quest PharmaTech Inc., and the Gairdner Foundation. And has served on a number of industry and not-for-profit boards including Rx&D (now Innovative Medicines Canada), BIOTECanada, and the Markham Stouffville Hospital Foundation. Mr. Lievonen was appointed to the Order of Canada in 2015, named a Chevalier de l'Ordre National de Mérite by the government of France in 2007, and inducted into the Canadian Healthcare Marketing Hall of Fame in 2013.	Board Observer from May 23, 2018 to June 28, 2018, Director from June 28, 2018 to present	Director	Nil
Steven Poirier[(3)] Toronto, Ontario	Mr. Poirier currently manages SMP Management Consultants, specializing in strategy consulting to the beverage alcohol industry. Prior to this, Mr. Poirier spent over 25 years in the Canadian beverage alcohol industry having held senior positions in the Wine, Beer and Spirits industry. He served as president of Moosehead Breweries as well as Treasury Wine Estates,	July 11, 2018 to present	Director	Nil.

Name and Municipality of Residence	Principal Occupations for the Last Five Years	Period or periods during which each proposed director has served as a director or officer of CCC	Position with CCC	Number and Percent of CCC Common Shares
	and Senior Vice President of Sales for Arterra Wine Canada (formerly Constellation Brands). Mr. Poirier holds a Bachelor of Commerce degree majoring in Quantitative Methods from Concordia University as well as an MBA majoring in Finance and Marketing from York University.			

Notes:

(1) Mr. James also holds 12,500 CCC Warrants.

(2) Mr. Lievonen was appointed to the board of directors of CCC as an observer on May 23, 2018 and was elected to the board of directors of CCC at the CCC Meeting.

(3) Mr. Poirier was appointed to the board of directors of CCC on July 11, 2018.

CAPITALIZATION OF CCC

	Number of CCC Common Shares (non-diluted)[(1)]	Number of CCC Common Shares (fully diluted)[(1)]	% of Issued (non-diluted)[(1)]	% of Issued (fully diluted)[(1)]
<u>Public Float</u>				
Total Outstanding (A)	21,232,895	21,491,783	100%	100%
Held by Related Persons or employees of the Issuer or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	12,203,501	12,216,001	57.47%	56.84%
Total Public Float [(A)-(B)]	9,029,394	9,275,782	42.53%	43.16%
<u>Freely-Tradeable Float</u>				
Number of outstanding CCC Common Shares subject to resale restrictions, including restrictions imposed by polling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	13,037,500	13,037,500	61.40%	60.66%
Total Tradeable Float (A-C)	8,195,395	8,454,283	38.60%	39.34%

Notes:

(1) As of October 2, 2018. Does not include those options held by Mr. MacMaster as described in "*Part II – Information concerning CCC – Options to Purchase Securities*".

(2) Represents CCC Common Shares held by certain CCC shareholders who are parties to a shareholder agreement, under which those parties to the agreement have pre-emptive rights, tag-along rights and drag-along rights, subject to the specific terms and conditions of the shareholder agreement.

Public Securityholders (Beneficial)[(1)]

Size of Holding	Number of Holders	Total Number of CCC Common Shares
1 - 99 CCC Common Shares	-	-
100 - 499 CCC Common Shares	-	-
500 - 999 CCC Common Shares	2	1,000
1,000 -1,999 CCC Common Shares	1	1,130
2,000 - 2,999 CCC Common Shares	3	7,000
3,000 - 3,999 CCC Common Shares	4	12,668
4,000 - 4,999 CCC Common Shares	1	4,520
5,000 or more CCC Common Shares	141	9,003,076
Unable to confirm	-	-

Note:

(1) As of October 2, 2018. Does not include CCC Common Shares issued on the exercise of CCC Warrants not yet processed by CCC's transfer agent and non-public securityholders nor does it include those options held by Mr. MacMaster as described in "*Part II – Information concerning CCC – Options to Purchase Securities*".

Public Securityholders (Registered)[1]

Size of Holding	Number of Holders	Total Number of CCC Common Shares
1 - 99 CCC Common Shares	-	-
100 - 499 CCC Common Shares	-	-
500 - 999 CCC Common Shares	2	1,000
1,000 -1,999 CCC Common Shares	1	1,130
2,000 - 2,999 CCC Common Shares	4	9,000
3,000 - 3,999 CCC Common Shares	5	15,668
4,000 - 4,999 CCC Common Shares	1	4,520
5,000 or more CCC Common Shares	139	8,998,076

Note:

(1) As of October 2, 2018. Does not include CCC Common Shares issued on the exercise of CCC Warrants not yet processed by CCC's transfer agent and non-public securityholders nor does it include those options held by Mr. MacMaster as described in "*Part II – Information concerning CCC – Options to Purchase Securities*".

Non-Public Security holders (Registered)[1]

Size of Holding	Number of Holders	Total Number of CCC Common Shares
1 - 99 CCC Common Shares	1	1
100 - 499 CCC Common Shares	-	-
500 - 999 CCC Common Shares	-	-
1,000 -1,999 CCC Common Shares	-	-
2,000 - 2,999 CCC Common Shares	-	-
3,000 - 3,999 CCC Common Shares	-	-
4,000 - 4,999 CCC Common Shares	-	-
5,000 - or more CCC Common Shares	13	12,203,500

Note:

(1) As of October 2, 2018. Does not include CCC Common Shares issued on the exercise of CCC Warrants not yet processed by CCC's transfer agent nor does it include those options held by Mr. MacMaster as described in "*Part II – Information concerning CCC – Options to Purchase Securities*".

Convertible and Exchangeable Securities

Description of Security (Including conversion/exercise/terms including exercise/conversion price)	Number of convertible/exchangeable securities outstanding	Number of listed securities issuable upon conversion/exercise
CCC Warrants ($1.00)[1]	152,750	152,750
CCC Warrants ($1.50)[2]	13,667	13,667
CCC Warrants ($2.00)[3]	34,375	34,375
CCC Warrants ($3.00)[4]	29,032	29,032
CCC Warrants ($5.00)[5]	29,064	41,917
Total:	258,888	258,888
Options ($1.00)	[6]	[6]

Notes:

(1) Each CCC Warrant is exercisable for one CCC Common Share at a price of $1.00 per CCC Common Share. Of the total of 152,750 CCC Warrants, 73,750 CCC Warrants have an expiration date of February 27, 2019, 74,000 CCC Warrants have an expiration date of March 2, 2019 and 5,000 CCC Warrants have an expiration date of August 31, 2019.

(2) Each CCC Warrant is exercisable for one CCC Common Share at a price of $1.50 per CCC Common Share. The CCC Warrants have an expiration date of August 31, 2019.

(3) Each CCC Warrant is exercisable for one CCC Common Share at a price of $2.00 per CCC Common Share. Of the total of 34,375 CCC Warrants, 5,000 CCC Warrants have an expiration date of November 30, 2019, 16,875 CCC Warrants have an expiration date of December 11, 2019 and 25,000 CCC Warrants have an expiration date of September 28, 2020.

(4) Each CCC Warrant is exercisable for one CCC Common Share at a price of $3.00 per CCC Common Share. Of the total of 29,032 CCC Warrants, 17,032 CCC Warrants have an expiration date of January 19, 2020 and 12,000 CCC Warrants have an expiration date of January 31, 2020.

(5) Each CCC Warrant is exercisable for one CCC Common Share at a price of $5.00 per CCC Common Share. Of the total of 29,064 CCC Warrants, 4,760 CCC Warrants have an expiration date of August 30, 2020, 300 CCC Warrants have an expiration date of September 17, 2010, 100 CCC Warrants have an expiration date of September 25, 2010, 9,775 CCC Warrants have an expiration date of September 28, 2020, 3,143 CCC Warrants have an expiration date of October 1, 2020 and 10,986 CCC Warrants have an expiration date of April 1, 2020.

(6) CCC granted to Mr. MacMaster options to acquire Option Shares (as defined above) having an aggregate value of $250,000, of which $50,000 worth of options is exercisable for one Option Share at a price of $1.00 on the first, second, third, fourth and fifth anniversary dates of the entering into of the FM MacMaster Employment Agreement (as defined above). See "*Part II – Information concerning CCC – Options to Purchase Securities*" for more details.

EXECUTIVE COMPENSATION

Advisory Agreement

CCC has entered into an agreement with Jacob Capital Management Inc. (**JCM**) pursuant to which JCM is receiving an advisory fee of $15,000 per month (the **Advisory Fee**). Khurram Malik, an employee of JCM, is CCC's President and Secretary. The Advisory Fee is designed to pay JCM for the management of CCC. CCC does not pay any compensation directly to the personnel carrying out the executive and administrative services for CCC, but rather pays JCM the Advisory Fee, who in turn compensates its consultants and employees for providing such services to CCC. CCC does not have an employment agreement with Mr. Malik, CCC's sole executive officer.

Summary Compensation Table

The following table sets out information concerning the compensation from November 22, 2016 to December 31, 2016 and for the year ended December 31, 2017 to CCC's sole executive officer:

Name and Principal Position	Year	Salary ($)	Share-Based Awards ($)	Option-Based Awards ($)	Non-equity incentive plan compensation		All other Compensation ($)	Total compensation ($)
					Annual incentive plans ($)	Long-term incentive plans ($)		
Khurram Malik, President and Secretary	2017(1)	Nil	Nil	Nil	Nil	Nil	90,000(3)	90,000
	2016(2)	Nil	Nil	Nil	Nil	Nil	7,500(3)	7,500

Notes:

(1) Represents the period January 1, 2017 to December 31, 2017.
(2) Represents the period November 22, 2016 to December 31, 2016.
(3) Compensation attributable to a portion of the Advisory Fee received by JCM.

Directors Compensation

Compensation is not paid to directors of CCC.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No director, officer, promoter or member of management of CCC nor any of their Associates or Affiliates, is or has been indebted to CCC as at October 2, 2018.

PROMOTERS AND CONSULTANTS

Promoters

Sasha Jacob is considered a promoter of CCC. Mr. Jacob holds 9,960,000 CCC Common Shares (of which 3,000,000 CCC Common Shares are held indirectly through Jacob Capital Management Inc., 4,200,000 CCC Common Shares are held indirectly through Jacob Securities Holdings Inc., 1,320,000 CCC Common Shares are held indirectly through April Jacob and 1,440,000 CCC Common Shares are held by Sasha Jacob directly) representing 46.9% of the issued and outstanding CCC Common Shares. Sasha Jacob will hold 49,800,000 Common Shares upon completion of the Acquisition, representing 46.4% of the Common Shares to be issued and outstanding on completion of the Acquisition.

Consultants

CCC entered into various, ordinary course and immaterial public relations agreements whereby it agreed to pay an aggregate of $1,359,094 in consideration for the services to be provided, of which, $789,200 has already been paid by CCC and the balance is to be paid by CCC, or the Resulting Issuer. See "*Part II – Information Concerning CCC – Promoters and Consultants*".

LEGAL PROCEEDINGS

There are no legal proceedings material to CCC to which CCC is a party to or of which any of its property is the subject matter, and there are no such proceedings known to CCC to be contemplated.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No person or company who is a director or executive officer of CCC, a person or company that is the direct or indirect owner of, or who exercises control or direction over, more than 10% of the outstanding CCC Common Shares, or an associate or affiliate of any of the aforementioned persons or companies, has had any material interest in any transaction with CCC since incorporation that has materially affected or will materially affect CCC, other than the Acquisition.

See "*Part III – Information Concerning the Resulting Issuer – Directors and Officers*" and "*Part III – Information Concerning the Resulting Issuer – Principal Securityholders*" for the Common Shares issuable to Khurram Malik, CCC's sole executive officer, Brett James, a director of CCC, George Smitherman, a director of CCC, and Sasha Jacob, CCC's principal securityholder upon closing of the Acquisition.

AUDITOR

The auditors of CCC are Manning Elliott LLP, at their principal office located at 1050 W Pender St #1100, Vancouver, British Columbia V6E 3S7.

MATERIAL CONTRACTS

Except for contracts entered into by CCC in the ordinary course of business and as otherwise set forth herein, CCC has not entered into any material contracts and will not enter into any material contracts prior to the closing of the Acquisition. The Amalgamation Agreement is a material contract to CCC. A copy of the Amalgamation Agreement may be inspected during regular business hours at CCC's head office at 480 University Avenue, Suite 1401, Toronto, Ontario, M5G 1V2 until the closing of the Acquisition and for a period of 30 days thereafter and is also available under Orca's SEDAR profile at www.sedar.com. See "*Summary of the Listing Statement – The Acquisition*" for a summary of the Amalgamation Agreement.

In connection with CCC's acquisition of Highland Grow by way of a share purchase agreement dated May 19, 2017 (the **Highland Grow SPA**), the following material security agreements were also entered into by CCC and its Affiliates: (i) a securities pledge agreement dated May 19, 2017 (the **CCC Securities Pledge Agreement**) between CCC, as debtor, and Francis MacMaster, Jennifer MacMaster and MacMaster Choice Meats Incorporated, as the secured parties (collectively, the **Secured Parties**); and (ii) a general security agreement dated May 19, 2017 between Highland Grow, as debtor, and the Secured Parties, as the secured parties (the **Highland Grow GSA**).

In the CCC Securities Pledge Agreement, CCC granted the Secured Parties a security interest in all of the issued and outstanding shares of Highland Grow owned by CCC to secure CCC's due payment, observance and performance of its obligations pursuant to the CCC Securities Pledge Agreement, which include, but are not limited to, CCC's obligations under the Highland Grow SPA including its obligation to pay the purchase price (which payment has since been made, but for the conversion of the Special Class C Share), its guarantee of certain payment obligations owed by Highland Grow to MacMaster Choice Meats Incorporated (which payments have since been made) and its guarantee of Highland Grow's payment obligations owed to Francis MacMaster and Jennifer MacMaster pursuant to their respective employment agreements with Highland Grow.

In the Highland Grow GSA, Highland Grow granted a security interest in all present and after acquired personal property (excluding consumer goods) to secure CCC's due payment, observance and performance of its obligations pursuant to the Highland Grow GSA, which include, but are not limited to, Highland Grow's guarantee of CCC's performance of its obligations under the Highland Grow SPA including CCC's obligation to pay the purchase price (which payment has since been made, but for the conversion of the Special Class C Share), its payment obligations owed to MacMaster Choice Meats Incorporated (which payments have since been made) and its payment obligations owed to Francis

MacMaster and Jennifer MacMaster pursuant to their respective employment agreements with Highland Grow.

PART III – INFORMATION CONCERNING THE RESULTING ISSUER

Information contained in this Part III assumes completion of the Acquisition and all required approvals including approval by the Exchange.

CORPORATE STRUCTURE

Name and Incorporation

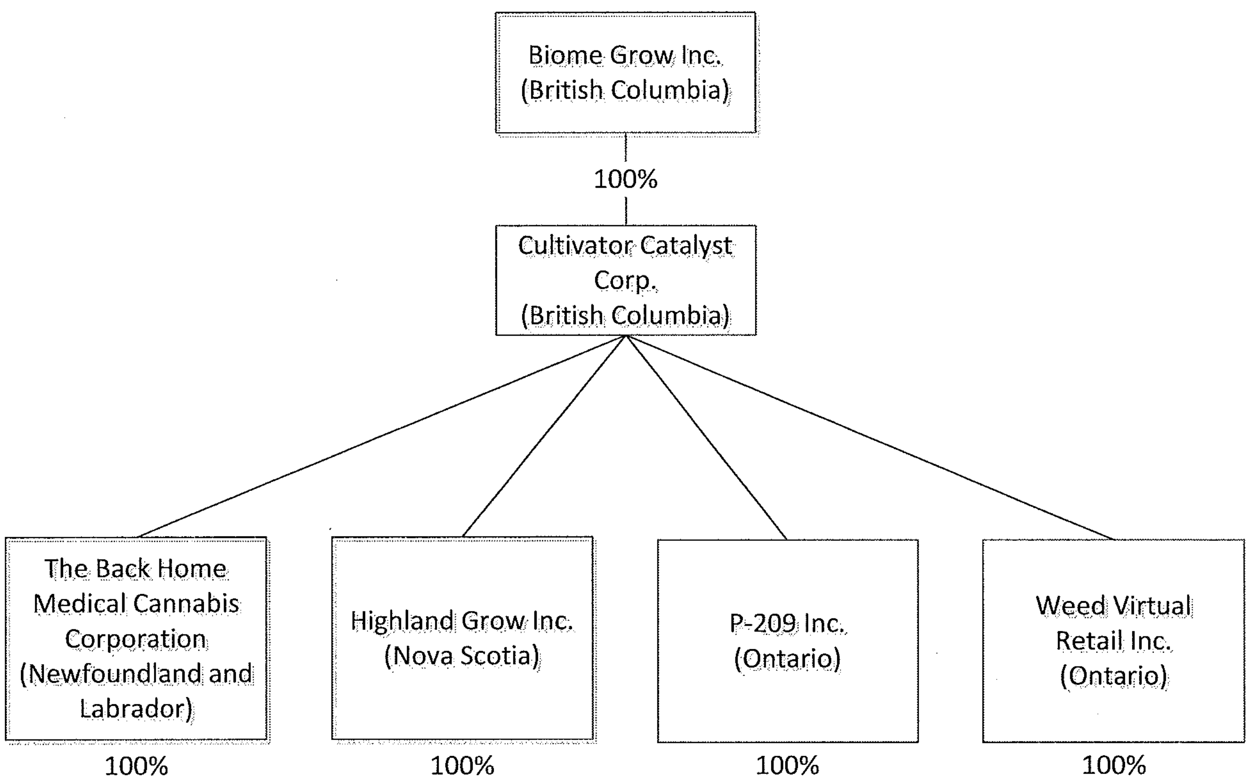
Following completion of the Acquisition, it is anticipated that the Resulting Issuer will file articles of amendment to change its name to "Biome Grow Inc." or such other name as may be determined in the sole discretion of the Board.

The Resulting Issuer's head office will be located at 480 University Avenue, Suite 1401, Toronto, Ontario, M5G 1V2 and its registered and records office will be located at 1800 – 510 West Georgia Street, Vancouver, British Columbia V6B 0M3.

In connection with the Closing, CCC will amalgamate with Orca Sub and the resulting amalgamated company will be a wholly-owned subsidiary of the Resulting Issuer. The Resulting Issuer will continue to be a company incorporated under the BCBCA.

Intercorporate Relationships

The following organizational chart reflects the proposed structure of the Resulting Issuer after completion of the Acquisition.



DESCRIPTION OF THE BUSINESS

Following the Closing, the Resulting Issuer will continue to carry on the business currently carried on by CCC. See "*Part II – Information Concerning CCC – Narrative Description of the Business*".

Stated Business Objectives

In addition to having the same stated business objectives as CCC, the Resulting Issuer intends to utilize the funds over the next 18 months after completion of the Amalgamation as described in the "Estimated Available Funds and Principal Uses" section below.

Milestones

Within 12 to 24 months following the completion of the Acquisition, the Resulting Issuer anticipates working towards several milestones, including:

- expansion of Nova Scotia Facility;
- building and licensing the Ontario Facility;
- building and licensing the Newfoundland Facility;
- developing the Resulting Issuer's business in the Atlantic Provinces;
- building out management and medical advisory executive team;
- signing supply agreements with provincial and private sector organizations;
- completing the acquisitions of proprietary technology assets;
- building out executive and operational teams associated with our two production facilities; and
- initiate research and development programs with our medical advisory board and academic institution partners.

SELECTED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

The following is a summary of selected financial information for the Resulting Issuer for the three months' ended March 31, 2018 which should be read in conjunction with the Pro Forma Financial Statements attached as to this Listing Statement as Schedule G.

	Orca as at March 31, 2018 ($)	CCC as at March 31, 2018 ($)	Pro Forma Adjustments[1] ($)	Pro Forma Consolidated ($)
Net Sales	Nil	Nil	-	Nil
Income (Loss)	18	(351,013)	-	(351,013)
per share basis	(0.00)	(0.02)	-	(0.02)
diluted per share basis	(0.00)	(0.02)	-	(0.02)
Net Income (Loss)	18	(351,013)	-	(351,013)
per share basis	(0.00)	(0.02)	-	(0.02)
diluted per share basis	(0.00)	(0.02)	-	(0.02)
Total Assets	$9,738	$15,719,013	7,050,000	$22,778,751

	Orca as at March 31, 2018 ($)	CCC as at March 31, 2018 ($)	Pro Forma Adjustments[1] ($)	Pro Forma Consolidated ($)
Total Long Term Liabilities	Nil	Nil	-	Nil

PRO FORMA CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Resulting Issuer as at December 31, 2017, before and after giving effect to the Acquisition and the Orca Share Consolidation.

Authorized Capital	Orca before giving effect to the Acquisition and the Orca Share Consolidation	CCC before giving effect to the Acquisition	*Pro Forma* Adjustments	Resulting Issuer after giving effect to the Acquisition and the Orca Share Consolidation
Long-term debt	Nil	Nil	Nil	Nil
Common Shares (unlimited)	57,662,633	18,794,005	110,352,138	107,317,729
Warrants	7,264,533	188,292	Nil	1,439,732

OPTIONS TO PURCHASE SECURITIES

The Resulting Issuer's Option Plan will be the Option Plan of Orca recently approved by Orca Shareholders at the Orca Meeting. Upon completion of the Acquisition no options of the Resulting Issuer will be outstanding, except for those held by Mr. MacMaster as described in "*Part II – Information Concerning CCC – Options to Purchase Securities*". It is the intention of the Resulting Issuer to grant options to each of the directors of the Resulting Issuer after closing of the Acquisition and pursuant to the Option Plan. Such grants will be made and disclosed in accordance with the Option Plan and the policies of the Exchange.

Upon the completion of the Acquisition and the Orca Share Consolidation, 1,439,732 Common Share purchase warrants of the Resulting Issuer will be outstanding, with each whole Common Share purchase warrant entitling the holder thereof to purchase one (1) Common Share.

DESCRIPTION OF THE SECURITIES

The share structure and the rights associated with the Common Shares will remain the same after the Acquisition.

The share structure and rights associated with the class B preferred shares in the capital of the Resulting Issuer are as described in Orca's information circular dated May 28, 2018 which is available under Orca's SEDAR profile.

The share structure and rights associated with the Orca Special Class C Shares were amended by way of the Share Term Amending Agreement between Orca and the sole holder of the Orca Special Class C Share, pursuant to which the number of Common Shares to be issued to such holder would be determined by dividing $3,050,000.00 by the five-day volume weighted average closing price per share (the **Market Price**) on the Exchange ending on the Business Day (as defined in the Share Term Amending Agreement) immediately preceding the day the Resulting Issuer receives written notice from such holder of his intention to convert his Orca Special Class C Share (the **Conversion Notice**) provided such Market Price shall be the greater of: (i) $0.80 per Common Share if the Conversion Notice is received on or before January 31, 2019 and thereafter, $0.50 per Common Share; and (ii) the closing price per Common Share (such closing price to be the closing market price on the day immediately preceding the day on which the Conversion Notice is received by the Resulting Issuer) less the maximum discount allowable pursuant to the policies of the Exchange.

PRO FORMA CAPITALIZATION

The following capitalization information is presented on a post-Orca Share Consolidation basis and assumes completion of the Acquisition and the Orca Share Consolidation.

	Number of Common Shares (non-diluted)[(1)]	Number of Common Shares (fully diluted)[(1)]	% of Issued (non-diluted)[(1)]	% of Issued (fully diluted)[(1)]
Public Float				
Total Outstanding (A)	107,317,729	108,757,459	100%	100%
Held by Related Persons or employees of the Issuer or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	61,017,505	61,080,005	56.86%	56.16%
Total Public Float [(A)-(B)]	46,300,223	47,677,454	43.14%	43.84%
Freely-Tradeable Float				
Number of outstanding Common Shares subject to resale restrictions, including restrictions imposed by polling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	65,312,500	65,312,500	60.86%	60.05%
Total Tradeable Float (A-C)	42,005,228	43,444,959	39.14%	39.95%

Notes:

(1) As of October 2, 2018. Such numbers do not include those options held by Mr. MacMaster as described in "*Part II – Information Concerning CCC – Options to Purchase Securities*".

(2) Of the total of 65,812,500 Common Shares: (i) 65,187,500 Common Shares represent Common Shares held by the Founders and by Francis MacMaster who are colectively parties to a shareholder agreement, under which those parties to the agreement have pre-emptive rights, tag-along rights and drag-along rights, subject to the specific terms and conditions of the shareholder agreement; and (ii) 125,000 Common Shares represent Common Shares held by a shareholder of the Resulting Issuer who has voluntarily agreed to have its Common Shares subject to escrow restrictions on the same terms as those Related Persons or employees of the Resulting Issuer or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Resulting Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in CCC upon exercise or conversion of other securities held) (See "*Part III – Information Concerning the Resulting Issuer – Escrowed Securities – Escrow Agreements*").

Public Securityholders (Beneficial)[(1)]

Size of Holding	Number of Holders	Total Number of Common Shares
1 - 99 Common Shares	109	3,775
100 - 499 Common Shares	47	7,089
500 - 999 Common Shares	4	2,211
1,000 -1,999 Common Shares	9	11,734
2,000 - 2,999 Common Shares	10	24,294

Size of Holding	Number of Holders	Total Number of Common Shares
3,000 - 3,999 Common Shares	2	7,586
4,000 - 4,999 Common Shares	2	8,500
5,000 or more Common Shares	162	45,969,790
Unable to confirm		265,244

Note:
(1) As of October 2, 2018. Does not include Common Shares issued on the exercise of Orca Warrants not yet processed by the Resulting Issuer's transfer agent and non-public securityholders nor does it include those options held by Mr. MacMaster as described in "*Part II – Information Concerning CCC – Options to Purchase Securities*".

Public Securityholders (Registered)(1)

Size of Holding	Number of Holders	Total Number of Common Shares
1 - 99 Common Shares	89	3,265
100 - 499 Common Shares	44	6,724
500 - 999 Common Shares	3	1,711
1,000 -1,999 Common Shares	7	8,604
2,000 - 2,999 Common Shares	10	24,293.58
3,000 - 3,999 Common Shares	2	7,586
4,000 - 4,999 Common Shares	2	8,500
5,000 or more Common Shares	160	46,255,000

Note:
(1) As of October 2, 2018. Does not include Common Shares issued on the exercise of Orca Warrants not yet processed by Resulting Issuer's transfer agent and non-public securityholders nor does it include those options held by Mr. MacMaster as described in "*Part II – Information Concerning CCC – Options to Purchase Securities*".

Non-Public Security holders (Registered)(1)

Size of Holding	Number of Holders	Total Number of Common Shares
1 - 99 Common Shares	1	5
100 - 499 Common Shares	-	-
500 - 999 Common Shares	-	-
1,000 -1,999 Common Shares	-	-
2,000 - 2,999 Common Shares	-	-
3,000 - 3,999 Common Shares	-	-
4,000 - 4,999 Common Shares	-	-
5,000 - or more Common Shares	13	61,017,500

Note:
(1) As of October 2, 2018. Does not include Common Shares issued on the exercise of Orca Warrants not yet processed by Resulting Issuer's transfer agent nor does it include those options held by Mr. MacMaster as described in "*Part II – Information Concerning CCC – Options to Purchase Securities*".

Convertible and Exchangeable Securities

Description of Security (Including conversion/exercise/terms including exercise/conversion price)	Number of convertible/exchangeable securities outstanding	Number of listed securities issuable upon conversion/exercise
Orca Warrants ($0.20)(1)	763,750	763,750
Orca Warrants ($0.30)(2)	68,335	68,335
Orca Warrants ($0.40)(3)	171,875	171,875
Orca Warrants ($0.60)(4)	145,160	145,160
Orca Warrants ($1.00)(5)	145,320	145,320
Orca Warrants ($20.00)(6)	126,576	126,576
Orca Warrants ($27.50)(7)	18,714	18,714
Totals:	1,439,730	1,439,730
Options ($1.00)	(8)	(8)

Notes:

(1) Each Orca Warrant is exercisable for one Common Share at a price of $0.20 per Common Share. Of the total of 763,750 Orca Warrants, 368,750 Orca Warrants have an expiration date of February 27, 2019, 370,000 Orca Warrants have an expiration date of March 2, 2019 and 25,000 Orca Warrants have an expiration date of August 31, 2019.

(2) Each Orca Warrant is exercisable for one Common Share at a price of $0.30 per Common Share. The Orca Warrants have an expiration date of August 31, 2019.

(3) Each Orca Warrant is exercisable for one Common Share at a price of $0.40 per Common Share. Of the total of 171,875 Orca Warrants, 25,000 Orca Warrants have an expiration date of November 30, 2019, 84,375 Orca Warrants have an expiration date of December 11, 2019 and 62,500 have an expiration date of September 28, 2020.

(4) Each Orca Warrant is exercisable for one Common Share at a price of $0.60 per Common Share. Of the total of 145,160 Orca Warrants, 85,160 Orca Warrants have an expiration date of January 19, 2020 and 60,000 Orca Warrants have an expiration date of January 31, 2020.

(5) Each Orca Warrant is exercisable for one Common Share at a price of $1.00 per Common Share. Of the total of 209,585 Orca Warrants, 23,800 Orca Warrants have an expiration date of August 30, 2020, 1,500 Orca Warrants have an expiration date of September 17, 2010, 500 Orca Warrants have an expiration date of September 25, 2010, 48,875 Orca Warrants have an expiration date of September 28, 2020, 15,715 Orca Warrants have an expiration date of October 1, 2020 and 54,930 Orca Warrants have an expiration date of April 1, 2019.

(6) Each Orca Warrant is exercisable for one Common Share at a price of $20.00 per Common Share. Of the total of 126,576 Orca Warrants, 15,577 Orca Warrants have an expiration date of July 27, 2020, 8,976 Orca Warrants have an expiration date of July 28, 2020, 37,266 Orca Warrants have an expiration date of September 25, 2020, 27,645 Orca Warrants have an expiration date of November 30, 2020, 12,592 Orca Warrants have an expiration date of February 1, 2021, 5,241 Orca Warrants have an expiration date of February 16, 2021, 2,700 Orca Warrants have an expiration date of March 4, 2021, 14,711 Orca Warrants have an expiration date of April 18, 2021 and 1,866 Orca Warrants have an expiration date of August 16, 2021.

(7) Each Orca Warrant is exercisable for one Common Share at a price of $27.50 per Common Share. The Orca Warrants have an expiration date of May 11, 2020.

(8) CCC granted to Mr. MacMaster options to acquire Option Shares (as defined above) having an aggregate value of $250,000, of which $50,000 worth of options is exercisable for one Option Share at a price of $1.00 on the first, second, third, fourth and fifth anniversary dates of the entering into of the FM MacMaster Employment Agreement (as defined above). See "*Part II – Information Concerning CCC – Options to Purchase Securities*" for more details.

ESTIMATED AVAILABLE FUNDS AND PRINCIPAL PURPOSES

Estimated Available Funds

Based on information available as at October 2, 2018, upon completion of the Acquisition, the Resulting Issuer is expected to have approximately $8,238,616 in Available Funds, which includes the following:

Estimated Funds Available	Amount ($)
Pro Forma consolidated working capital[(1)]	8,538,616
Estimated fees and expenses of the Acquisition	300,000
Total Estimated Available Funds	**8,238,616**

Note:

(1) Consolidated working capital is derived from the Pro Forma Financial Statements attached as Schedule G.

Principal Purposes of Funds

Based on information available as at October 2, 2018, the following table sets forth the principal purposes for which the estimated funds available to the Resulting Issuer upon completion of the Acquisition and the current estimated amounts to be used for each such principal purpose:

Principal Use of Available Funds	Amount ($)
Working Capital	1,338,616
Construction of the Facilities	7,200,000
Total	**8,238,616**

In addition to commitments shown in the Principal Purposes of Funds table above, the Resulting Issuer may also use available funds for potential future acquisitions as these opportunities arise.

Notwithstanding the foregoing, there may be circumstances where, for sound business reasons, a reallocation of funds is necessary in order for the Resulting Issuer to achieve its objectives as set out herein.

DIVIDEND POLICY

As of October 2, 2018, it is not contemplated that any dividends will be declared and paid in the immediate or foreseeable future following completion of the Acquisition. The Resulting Issuer expects to retain earnings to finance further growth. The Board will determine if and when dividends should be declared and paid in the future and any such determination will be based in part on the financial position, business, environment, operating results, capital requirements, contractual restrictions on paying dividends, if any, and any other factors the Board may consider and deem relevant at the time.

PRINCIPAL SECURITYHOLDERS

To the knowledge of management of Orca, no person or company is anticipated to own beneficially, directly or indirectly, or exercise control or direction over more than 10% of any class of voting securities of the Resulting Issuer upon completion of the Acquisition other than as set out below.

Name	Number of Common Shares	Percentage of Common Shares
Sasha Jacob	49,800,000(1)	46.4%(2)

Notes:

(1) Represents Common Shares registered to Jacob Capital Management Inc. (15,000,000), Jacob Securities Holdings Inc. (21,000,000), April Jacob (6,600,000) and (7,200,000) held by Sasha Jacob directly.

(2) The percentage of Common Shares that Sasha Jacob beneficially owns, directly or indirectly, or exercises control and direction over, on a fully diluted basis is 45.8%.

DIRECTORS AND OFFICERS

The following table lists the names, municipalities of residence of the proposed directors and officers of the Resulting Issuer upon completion of the Acquisition, their proposed positions and offices to be held with the Resulting Issuer, and their principal occupations or employment and the number of securities of the Resulting Issuer which will be beneficially owned, directly or indirectly, or over which control or direction will be exercised by each upon completion of the Acquisition. Brett James, George Smitherman and J. Mark Lievonen, current directors of CCC and Khurram Malik, CCC's current President and Secretary, are expected to serve as directors of the Resulting Issuer. It is also expected that upon closing of the Acquisition Steven Poirier, a current director of CCC will be appointed to the Board of the Resulting Issuer.

Name and Municipality of Residence	Principal Occupations for the Last Five Years	Period or periods during which each proposed director has served as a director or officer of CCC or Orca	Proposed Position With the Resulting Issuer	Number and Percent of Common Shares
Brett James Toronto, Ontario	Principal and Partner of Sussex Strategy Group from 2000 to present.	Director of CCC from March 3, 2017 to present	Director	62,500 (0.1%)(2)
George Smitherman Toronto, Ontario	Entrepreneur Owner of Smitherman Sustainable Solutions Inc. from April 2014 to present; Consultant and Owner of 7089150 Ontario Ltd. from September 2013 to present; and Consultant Partner of G and G Global Solutions from April 2011 to April 2014.	Director of CCC from March 3, 2017 to present	Director	30,000 (0.03%)
Khurram Malik Toronto, Ontario	Head of Research and Research analyst at Jacob Securities Inc. from December 2007 to December 2015; Partner and Head of Research at Jacob Capital Management Inc. from December 2015 to present; President and Secretary of CCC from April 2017 to present.	Officer of CCC from April 1, 2017 to present	Director and Interim Chief Executive Officer	3,000,000 (2.8%)

Name and Municipality of Residence	Principal Occupations for the Last Five Years	Period or periods during which each proposed director has served as a director or officer of CCC or Orca	Proposed Position With the Resulting Issuer	Number and Percent of Common Shares
J. Mark Lievonen(3) Toronto, Ontario	President of Sanofi Pasteur Limited, a vaccine development, manufacturing and marketing company, from 1999 to 2016. He is a Director of Acerus Pharmeceuticals Corporation, Quest PharmaTech Inc., and the Gairdner Foundation. And has served on a number of industry and not-for-profit boards including Rx&D (now Innovative Medicines Canada), BIOTECanada, and the Markham Stouffville Hospital Foundation. Mr. Lievonen was appointed to the Order of Canada in 2015, named a Chevalier de l'Ordre National de Mérite by the government of France in 2007, and inducted into the Canadian Healthcare Marketing Hall of Fame in 2013.	Board Observer of CCC from May 23, 2018 to June 28, 2018, Director of CCC from June 28, 2018 to present	Director	Nil
Abbey Abdiye Vancouver, British Columbia	Chartered Professional Accountant (CPA) and Certified Management Accountant (CMA). Currently Chief Financial Officer of Orca, Tower One Wireless Corp., a CSE-listed company, Ceylon Graphite Corp., a TSX-listed company; and Crop Infrastructure Corp., a CSE-listed company. Former Chief Financial Officer of Biomark Diagnostics Inc., a CSE-listed company.	Officer of Orca from June 7, 2017	Chief Financial Officer	Nil

Notes:

(1) The Audit Committee of the Resulting Issuer is expected to be comprised of Brett James, George Smitherman and Mark Lievonen. Any other committees of the Resulting Issuer and their composition will be determined by board of directors of the Resulting Issuer.

(2) Mr. James will also hold 62,500 Orca Warrants upon closing of the Acquisition.

(3) Mr. Lievonen was appointed to the board of directors of CCC as an observer on May 23, 2018 and was elected as a director of CCC at the CCC Meeting.

(4) It is expected that after closing of the Acquisition, Steven Poirier, a current director of CCC, will be appointed to the Board. Mr. Poirier will hold no Common Shares upon closing of the Acquisition.

As a group, the directors and officers of the Resulting Issuer will hold approximately 3,092,500 consolidated Common Shares, representing approximately 3% of all issued and outstanding Common Shares.

The following is a brief description of each of the proposed directors and members of management for the Resulting Issuer (including details with regard to their principal occupations for the last five years):

Khurram Malik is a proposed director and interim CEO of the Resulting Issuer and is currently the President and Secretary of CCC. Mr. Malik also holds the position of Partner and Head of Research at Jacob Capital Management Inc., an advisory firm that provides strategic and financial advisory services to companies in the power, infrastructure, technology, energy and mining sectors. Mr. Malik has worked in capital markets for over 15 years with companies ranging in size from Berkshire Hathaway and American International Group to early stage cannabis and cleantech companies. His career spans from working in New York with UBS PaineWebber and Morgan Stanley to leading boutique investment banks in Canada.

The bulk of Mr. Malik's career has been in the equity research realm with coverage of the property-casualty insurance, industrials, airlines, hardware technology, cleantech, cannabis, and water sectors.

With respect to cannabis, Mr. Malik was the first research analyst in North America to publish a report on the sector and is regularly quoted in the media with respect to his views and forecasts on the global cannabis market. Moreover, Mr. Malik has provided financial and strategic advice over the last five years to over 20 cannabis companies around the world including applicants and licensed producers in Canada. With respect to CCC, Mr. Malik was tasked with designing a platform that would not only create compelling value for shareholders, but also grow to be a leading global platform 5-10 years out in what is currently a young industry that is constantly changing. It is expected that Mr. Malik will devote 60% of his time to the business of the Resulting Issuer. Mr. Malik is an independent contractor of the Resulting Issuer and it is not anticipated that Mr. Malik will enter into an employment, non-competition or non-disclosure agreement with the Resulting Issuer.

Brett James is a proposed director of the Resulting Issuer and is currently the Vice President of Sussex Strategy Group (**Sussex**). Prior to joining Sussex, Mr. James operated his own consulting practice servicing clients in government as well as in the health care, finance and energy sectors. He also spent two years as a Senior Associate at APCO Canada, part of one of the world's largest public affairs agencies. Before entering the private sector, Mr. James worked for Ontario's Minister of Health, serving as a senior advisor and Communications Assistant to the Minister. He was involved in the development and roll-out of several government initiatives ranging from hospital restructuring, dialysis and MRI expansions, to physician negotiations and drug regulatory reform. Prior to and through the 1995 Ontario provincial election, Mr. James held several different positions in the office of former Premier Mike Harris where he played a key role in developing the party's outreach capabilities, as well as providing event and issue briefings to the leader. Mr. James remains heavily involved in local, provincial and federal politics. It is expected that Mr. James will devote 20% of his time to the business of the Resulting Issuer. Mr. James is an independent contractor of the Resulting Issuer and it is not anticipated that Mr. James will enter into a non-competition or non-disclosure agreement with the Resulting Issuer.

George Smitherman is a proposed director of the Resulting Issuer. Mr. Smitherman currently provides investing and consulting services to Smitherman Sustainable Solutions Inc. and 7089150 Ltd. Mr. Smitherman is currently a director of THC BioMed Intl Ltd. and Global UAV Technologies Ltd. Mr. Smitherman was the Principal and Chairman of G&G Global Solutions from April, 2011 until April, 2014. Mr. Smitherman was formerly the CEO and a director of Alta Vista Ventures Ltd. (now Global UAV Technologies Ltd.). During a 12-year career in politics, Mr. Smitherman has held several key positions in the Ontario Government, including Minister of Health and Long-Term Care and Deputy Premier. Mr. Smitherman is an advocate for renewable energy and a noted expert on energy and infrastructure policy. Mr. Smitherman's tenure as Ontario Minister of Energy & Infrastructure was distinguished by the seminal *Green Energy Act*. He serves as a Member of Advisory Board at Inerjys Ventures Inc. He was also a candidate for the mayoralty of Toronto. It is expected that Mr. Smitherman will devote 20% of his time to the business of the Resulting Issuer. Mr. Smitherman is an independent contractor of the Resulting Issuer and it is not anticipated that Mr. Smitherman will enter into a non-competition or non-disclosure agreement with the Resulting Issuer.

J. Mark Lievonen, C.M., FCPA, FCA, BBA, MBA, LL.D is a proposed director of the Resulting Issuer. Mr. Lievonen is President of Sanofi Pasteur Limited, the Canadian vaccine division of Sanofi, which he joined in 1983. Under his leadership, Sanofi Pasteur has become a billion-dollar enterprise in Canada, manufacturing over 50 million doses of vaccines for both domestic and international markets. A veteran of the industry for over 30 years, Mark began his career in Finance and rose through Sanofi Pasteur's ranks, guiding the company through a number of significant milestones and initiatives. Beyond his work in the biopharmaceutical industry, Mr. Lievonen has always been a passionate advocate for public health access, education, and giving back to the community. He is a former Chair of the Markham Stouffville Hospital Foundation, and served as an ex-officio member on the Markham Stouffville Hospital Board. Mr. Lievonen received the Queen's Golden and Diamond Jubilee Medallions, Lifetime Achievement Awards from Life Sciences Ontario and the Pharmaceutical Sciences Group, an Honorary Doctor of Laws degree from York University and in 2015 Mr. Lievonen was appointment to the Order of Canada. He was named a Chevalier de l'Ordre National de Mérite by the government of France in 2007, and was inducted into Canadian Healthcare Marketing Hall of Fame in 2013. It is expected that Mr. Lievonen will devote 20% of his time to the business of the Resulting Issuer. Mr. Lievonen is an independent contractor of the Resulting Issuer and it is not anticipated that Mr. Lievonen will enter into a non-competition or non-disclosure agreement with the Resulting Issuer.

Abbey Abdiye is the proposed Chief Financial Officer of the Resulting Issuer. Mr. Abdiye has extensive experience in the financial sector in both public and private companies. He is a Chartered Professional Accountant (CPA), and currently the Chief Financial Officer of Orca, Ceylon Graphite Corp., Tower One Wireless Corp. and Crop Infrastructure Corp., where he is responsible for all financial, fiscal management, regulatory compliance matters and reporting aspects of company operations. Mr. Abdiye also provides strategic guidance and direction in capital structuring and engages in innovative financing programs to leverage sales and development. As Chief Financial Officer, Mr. Abdiye will provide leadership and coordination in the administrative, business planning, reporting, and budgeting efforts of the Resulting Issuer. He will oversee the Resulting Issuer's financial reporting, internal controls, corporate governance management systems, annual audit and regulatory compliance matters. Mr. Abdiye obtained a Bachelor of Business Administration degree from Simon Fraser University and a Co-op Education certificate. It is expected that Mr. Abdiye will devote approximately 30% of his time to the business of the Resulting Issuer to effectively fulfill his duties as the Chief Financial Officer. Mr. Abdiye is an independent contractor of the Resulting Issuer. It is not anticipated that Mr. Abdiye will enter into an employment, non-competition, or confidentiality agreement with the Resulting Issuer.

Work Commitment to the Resulting Issuer

All of the proposed executive officers of the Resulting Issuer will work on a part time basis for the Resulting Issuer. None of the executive officers of the Resulting Issuer are anticipated to enter into employment agreements with the Resulting Issuer. The directors will devote their time and expertise as required by the Resulting Issuer.

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of Orca, as of the date hereof and within the ten years before the date hereof, no proposed director or officer of the Resulting Issuer is or has been a director or officer of any person or company that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under applicable securities law, for a period of more than 30 consecutive days; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

To the knowledge of Orca, no proposed director or officer of the Resulting Issuer has:

(a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable security holder making a decision about the Acquisition.

Personal Bankruptcies

To the knowledge of Orca, no director or officer of the Resulting Issuer, or a personal holding company of any of them, has, within the ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangements, or compromise with creditors or had a receiver manager or trustee appointed to hold the assets of that individual.

Conflicts of Interest

Some of the individuals proposed for appointment as directors or officers of the Resulting Issuer upon Closing are also directors, officers and/or promoters of other reporting and non-reporting issuers. To the knowledge of the directors and officers of Orca and CCC, there are no existing conflicts of interest between the Resulting Issuer and any of the individuals proposed for appointment as directors or officers upon Closing, as of the date hereof.

Other Reporting Issuer Experience

The following table sets out the proposed directors or officers of the Resulting Issuer that are, or have been within the last five years, directors or officers of other reporting issuers:

Name	Name and Jurisdiction of Reporting Issuer	Position	From	To
Brett James	Ceylon Graphite Corp. (TSX-V)	Director	December 28, 2016	Present
George Smitherman	Ceylon Graphite Corp. (TSX-V) THC BioMed Intl Ltd. (CSE) Global UAV Technologies Inc.	Director Director CEO and Director	December 28, 2016 January 14, 2015 January 22, 2016	Present Present June, 2017
J. Mark Lievonen	Acerus Pharmaceuticals Corporation (TSX) Oncolytics Biotech Inc. (TSX) Quest PharmaTech Inc. (TSX-V) Sanofi Pasteur Limited	Director Director Director President	December 7, 2017 April 5, 2004 July 13, 2017 March 1999	Present Present Present December 2016
Abbey Abdiye	Ceylon Graphite Corp. (TSX-V) Tower One Wireless Corp. (CSE, OTCBB) Crop Infrastructure Corp. (CSE) Biomark DiagnosticsInc. (CSE) Orca (CSE)	CFO CFO CFO CFO CFO	January 22, 2017 April 27, 2016 November 15, 2016 September 2014 June 7, 2017	Present Present Present June 2017 Present

EXECUTIVE COMPENSATION

The objectives, criteria and analysis of the compensation of the executive officers of the Resulting Issuer will be determined by the board of directors of the Resulting Issuer and are expected to be substantially similar to how CCC compensated its executive officers.

The NEOs of the Resulting Issuer shall consist of Khurram Malik, Interim CEO of the Resulting Issuer, and Abbey Abdiye, CFO of the Resulting Issuer. It is expected that the Resulting Issuer will enter into a consulting agreement with Khurram Malik (CEO). Mr. Malik is expected to receive an annual base salary of approximately $100,000. It is expected that the Resulting Issuer will enter into a consulting agreement with Abbey Abdiye (CFO). Mr. Abdiye is expected to receive an annual base salary of approximately $60,000. Following completion of the Acquisition and subject to the policies of the Exchange, Mr. Malik and Mr. Abdiye may receive compensation securities of the Resulting Issuer but such issuances and amounts have not yet been determined.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No director, officer, promoter, member of management, nominee for election as director of the Resulting Issuer, nor any of their Associates or Affiliates, is or has been indebted to Orca or CCC or is expected to be indebted to the Resulting Issuer following the closing of the Acquisition.

PROMOTERS AND CONSULTANTS

Promoters

Sasha Jacob is considered a promoter of CCC and may be considered a promoter of the Resulting Issuer. Mr. Jacob holds 9,960,000 CCC Common Shares (of which 3,000,000 CCC Common Shares are held indirectly through Jacob Capital Management Inc., 4,200,000 CCC Common Shares are held indirectly through Jacob Securities Holdings Inc., 1,320,000 CCC Common Shares are held indirectly through April Jacob and 1,440,000 CCC Common Shares are held by Sasha Jacob directly), which represents 46.9% of the issued and outstanding CCC Common Shares and will hold 49,800,000 Common Shares upon completion of the Acquisition, which represents 46.4% of the issued and outstanding Common Shares.

Consultants

The Resulting Issuer will be subject to those consulting agreements applicable to Orca as described *"Part I – Information Concerning Orca – Consultants"*, and to those consulting agreements applicable to CCC as described *"Part II – Information Concerning CCC – Promoters and Consultants"*

ESCROWED SECURITIES

Escrow Agreements

Pursuant to the conditional approval of the Acquisition by the Exchange, all officers, directors, promoters and principal securityholders of the Resulting Issuer will be required to deposit their Common Shares into escrow with the Escrow Agent pursuant to the terms of the Escrow Agreement consistent with the requirements set forth in NP 46-201 in respect of an "established issuer" (as such term is defined in NP 46-201). In addition, a shareholder of the Resulting Issuer has voluntarily agreed to deposit its Common Shares into escrow with the Escrow Agent pursuant to the terms of the Escrow Agreement consistent with the requirements set forth in NP 46-201 in respect of an "established issuer" (as such term is defined in NP 46-201). An aggregate of 61,142,505 Common Shares (representing approximately 57.0% of the outstanding Common Shares upon Closing) will be held in escrow to be released in four equal tranches of 25% over 18 months from the date of Closing, all in accordance with NP 46-201 and the terms and conditions of the Escrow Agreements.

PART IV – RISK FACTORS

The current business of CCC and its subsidiaries will be the business of the Resulting Issuer upon completion of the Acquisition. Accordingly, risk factors relating to CCC's current business will be risk factors relating to the Resulting Issuer's business and references to CCC in these risk factors should, where the context requires, be read to include the risks of the Resulting Issuer. Due to the nature of CCC's business, the legal and economic climate in which it operates and its present stage of development, CCC is subject to significant risks. The risks presented below should not be considered to be exhaustive and may not be all of the risks that the Resulting Issuer and CCC may face. CCC's future development and operating results may be very different from those expected as at the date of the Listing Statement. Additional risks and uncertainties not presently known to CCC or that CCC currently considers immaterial may also impair the business and operations of the Resulting Issuer and cause the trading price of the Common Shares to decline. If any of the following or other risks occur, the Resulting Issuer's business, prospects, financial condition, results of operations and cash flows could be materially adversely impacted. In that event, the trading price of the Common Shares could decline and investors could lose all or part of their investment. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described below or other unforeseen risks. Readers should carefully consider all such risks and other information elsewhere in the Listing Statement before making an investment in CCC or the Resulting Issuer and should not rely upon forward-looking statements as a prediction of future results. Risk factors relating to CCC and therefore the Resulting Issuer, include, but are not limited to, the factors set out below.

BUSINESS RISKS

Reliance on Licenses

CCC's ability to cultivate, store and (eventually) sell cannabis for medical purposes in Canada is dependent on its licenses and, in particular, its Highland Grow Licence. The Highland Grow Licence is subject to ongoing compliance, reporting requirements and renewal. The Highland Grow Licence expires on December 1, 2020. Although CCC believes it will meet the requirements of the ACMPR for future renewals of the Highland Grow Licence, there can be no guarantee that Health Canada will renew the Highland Grow Licence or, if renewed, that it will be renewed on the same or similar terms or that Health Canada will not revoke the Highland Grow Licence. Should CCC fail to comply with the requirements of the Highland Grow Licence or should Health Canada not renew the Highland Grow Licence when required, or renew the Highland Grow Licence on different terms or revoke the Highland Grow Licence, there would be a material adverse effect on CCC's business, financial condition and results of operations.

There can be no guarantee that the additional ACMPR applications currently under review in connection with the P-209 Application or the Back Home Application will be granted, or if granted, will be granted on terms acceptable to the Resulting Issuer.

Government licences are currently, and in the future may be, required in connection with CCC's operations, in addition to other currently unknown permits and approvals which may be required. To the extent such permits and approvals are required and not obtained, CCC may be prevented from operating and/or expanding its business, which could have a material adverse effect on CCC's business, financial condition and results of operations.

Regulatory Compliance

Successful execution of CCC's business objectives is contingent, in part, upon compliance with regulatory requirements enacted by governmental authorities, including the ACMPR and the Cannabis Act and its regulations, and obtaining all regulatory approvals, permits and licenses where necessary, for the future sale of its products. The commercial medical cannabis industry is a new industry in Canada and the ACMPR is a new regime and has no close precedent in Canadian law. The effect of Health Canada's administration, application and enforcement of the regime established by the ACMPR and/or the Cannabis Act on CCC and its business, and any delays in obtaining, or failure to obtain, applicable regulatory approvals which may be required, may significantly delay or impact the development of markets, products and sales initiatives and could have a material adverse effect on CCC's business, financial condition and results of operations.

Legislation Changes

CCC's operations are subject to the ACMPR and various other laws, regulations and guidelines relating to the manufacture, packaging/labelling, advertising, sale, transportation, storage and disposal of cannabis for medical purposes but also includes laws and regulations relating to controlled substances, health and safety, privacy, the conduct of operations and the protection of the environment. To the knowledge of CCC's management, other than routine corrections that may be required by Health Canada from time to time, CCC is currently in material compliance with all existing laws, regulations and guidelines. If any changes to such laws, regulations or guidelines occur, which are matters beyond the control of CCC, CCC may incur significant costs in complying with such changes or it may be unable to comply therewith, which in turn may result in a material adverse effect on CCC's business, financial condition and results of operations.

Furthermore, the legislative framework pertaining to the Canadian adult-use cannabis market will be subject to significant provincial and territorial regulation, which may vary across provinces and territories and result in an asymmetric regulatory and market environment, different competitive pressures and significant additional compliance and other costs and/or limitations on CCC's ability to participate in such markets. While the impact of any new legislative framework for the regulation of the Canadian adult-use cannabis market is uncertain, any of the foregoing could result in a material adverse effect on CCC's business, financial condition and operating results.

Effects of Medical Cannabis

Research in Canada, the U.S. and internationally regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis or isolated cannabinoids (such as CBD and THC) remains in early stages. There have been relatively few clinical trials on the benefits of cannabis or isolated cannabinoids (such as CBD and THC). Future research studies and clinical trials may reach negative conclusions regarding the medical benefits, viability, safety, efficacy, dosing, social acceptance or other facts and perceptions related to medical cannabis, which could have a material adverse effect on the demand for CCC's products with the potential to lead to a material adverse effect on CCC's business, financial condition and results of operations.

Reliance on Facilities

CCC's activities and resources are currently primarily focused on the Nova Scotia Facility to which the Highland Grow Licence is tied. Adverse changes or developments affecting the Nova Scotia Facility, including but not limited to a force majeure event or a breach of security, could have a material adverse effect on the CCC's business, financial condition and prospects. Any breach of the security measures and other facility requirements, including any failure to comply with recommendations or requirements arising from inspections by Health Canada, could also have an impact on CCC's ability to continue operating under the Highland Grow Licence or the prospect of renewing the Highland Grow Licence or would result in a revocation of the Highland Grow Licence.

If CCC is unable to secure a commercial production licence in respect of the Nova Scotia Facility and cultivation licences in respect of the Ontario Facility and Newfoundland Facility, the expectations of management with respect to the increased future cultivation and growing capacity may not be borne out, which could have a material adverse effect on CCC's business, financial condition and results of operations. Further, construction delays or cost over-runs in respect of the build-outs of the Nova Scotia Facility, the Ontario Facility and the Newfoundland Facility, howsoever caused, could have a material adverse effect on CCC's business, financial condition and results of operations.

Industry Risks

CCC is operating its business in a relatively new medical cannabis industry and market. In addition to being subject to general business risks, this is a business involving an agricultural product and a regulated consumer product, and CCC needs to continue to build brand awareness in this industry and market through significant investments in its strategy, its production capacity, quality assurance, and compliance with regulations. These activities may not promote CCC's brand and products as effectively as intended, or at all. Competitive conditions, consumer tastes, patient requirements and spending patterns in this new industry and market are relatively unknown and may have unique circumstances that differ from existing industries and markets.

In addition, the ACMPR also permits patients to produce a limited amount of cannabis for their own medical purposes or to designate a person to produce a limited amount of cannabis on their behalf and the Cannabis Act permits personal cultivation as well. This could potentially significantly reduce the market for CCC's products, which could have a material adverse effect on CCC's business, financial condition and results of operations.

Accordingly, there are no assurances that this industry and market will continue to exist or grow as currently estimated or anticipated, or function and evolve in a manner consistent with management's expectations and assumptions. Any event or circumstance that affects the medical and adult-use cannabis industry and market could have a material adverse effect on CCC's business, financial condition and results of operations.

Competition

CCC does currently face and expects to continue to face intense competition from other Licensed Producers and companies, some of which can be expected to have longer operating histories and more financial resources, manufacturing and marketing experience than CCC. In addition, there is potential that the medical cannabis industry will undergo consolidation, creating larger companies with financial resources, manufacturing and marketing capabilities, and products that are greater than those of CCC. As a result of this competition, CCC may be unable to maintain its operations or develop them as currently proposed on terms it considers acceptable or at all. Increased competition by larger, better-financed competitors with geographic advantages could materially and adversely affect CCC's business, financial condition and results of operations.

There are several hundred applicants for Licensed Producer status. The number of licences granted and the number of Licensed Producers ultimately authorized by Health Canada could have an impact on the operations of CCC. CCC expects to face additional competition from new market entrants that are granted licences under the ACMPR or existing licence holders which are not yet active in the industry. If a significant number of new licences are granted by Health Canada in the near term, CCC may experience increased competition for market share and may experience downward price pressure on its products as new entrants increase production. CCC also faces competition from illegal dispensaries and the black market that are unlicensed and unregulated, and that are selling cannabis and cannabis products, including products with higher concentrations of active ingredients, and using delivery methods, including edibles and extract vaporizers, that CCC is prohibited from offering as they are not currently permitted by the ACMPR or otherwise. Any inability or unwillingness of law enforcement authorities to enforce existing laws prohibiting the unlicensed cultivation and sale of cannabis and cannabis-based products could result in the perpetuation of the black market for cannabis and/or have a material adverse effect on the perception of cannabis use. Any or all of these events could have a material adverse effect on CCC's business, financial condition and results of operations.

If the number of users of cannabis for medical purposes in Canada increases, the demand for products will increase and CCC expects that competition will become more intense, as current and future competitors begin to offer an increasing number of diversified products. To remain competitive, CCC will require a continued high level of investment in research and development, sales and patient support. CCC may not have sufficient resources to maintain research and development, sales and patient support efforts on a competitive basis which could have a material adverse effect on CCC's business, financial condition and results of operations.

Key Persons

The success of CCC is currently largely dependent on the performance of its management team and the management team of its subsidiaries (collectively, **Key Persons** and each, a **Key Person**). CCC's future success depends on its continuing ability to attract, develop, motivate and retain highly qualified and skilled employees. Qualified individuals are in high demand, and CCC may incur significant costs to attract and retain them. In addition, CCC's lean management structure may be strained as CCC pursues growth opportunities in the future. The loss of the services of a Key Person, or an inability to attract other suitably qualified persons when needed, could have a material adverse effect on CCC's ability to execute on its business plan and strategy, and CCC may be unable to find adequate replacements on a timely basis, or at all. CCC does not currently maintain key-person insurance on the lives of any of its Key Persons.

Further, each Key Person of a Licensed Producer is subject to a security clearance by Health Canada. Currently, under the ACMPR a security clearance cannot be valid for more than five years and must be renewed before the expiry of a current security clearance. There is no assurance that any of CCC's existing personnel who presently or may in the future require a security clearance will be able to obtain or renew such clearances or that new personnel who require a security clearance will be able to obtain one. A failure by a Key Person to maintain or renew his or her security clearance, would result in a material adverse effect on CCC's business, financial condition and results of operations. In addition, if a Key Person leaves CCC, and CCC is unable to find a suitable replacement that has a security clearance required by the ACMPR in a timely manner, or at all, there could occur a material adverse effect on CCC's business, financial condition and results of operations.

Risks Inherent in an Agricultural Business

CCC's business will involve the growing of medical (and eventually adult-use) cannabis, an agricultural product. As such, the business is subject to the risks inherent in the agricultural business, such as insects, plant diseases and similar agricultural risks. Although CCC expects that its products will be grown indoors under climate controlled conditions, carefully monitored by trained personnel, there can be no assurance that natural elements will not have a material adverse effect on the production of its products.

Reliance on Local Provincial Regulators

In each province in which CCC operates, subject to the receipt of requisite licenses and approvals from Health Canada and provincial legislation, the local provincial regulators (such as Liquor Control Boards) will be CCC's largest sales channel. If CCC is not able to meet the standards of contract, CCC's ability to generate predictable cash flow in those relevant provinces could be severely altered.

Factors which may Prevent Realization of Growth Targets

CCC is currently in the early development stage. CCC's growth strategy contemplates outfitting facilities with additional production resources. There is a risk that these additional resources will not be achieved on time, on budget, or at all, as they can be adversely affected by a variety of factors, including some that are discussed elsewhere in these risk factors and the following:

- delays in obtaining, or conditions imposed by, regulatory approvals;
- plant design errors;
- environmental pollution;
- non-performance by third party contractors;
- increases in materials or labour costs;
- construction performance falling below expected levels of output or efficiency;
- breakdown, aging or failure of equipment or processes;
- contractor or operator errors;
- labour disputes, disruptions or declines in productivity;
- inability to attract sufficient numbers of qualified workers;
- disruption in the supply of energy and utilities; and
- major incidents and/or catastrophic events such as fires, explosions, earthquakes or storms.

As a result, there is a risk that CCC may not meet the anticipated demand or to meet future demand when it arises.

CCC may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, CCC expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If CCC's revenues do not increase to offset these expected increases in costs and operating expenses, CCC will not be profitable.

Limited Operating History

CCC is an early stage company having been founded in late 2016 and, as a result, it has a limited operating history upon which its business and future prospects may be evaluated. CCC will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its operating goals. In order for CCC to meet future operating requirements, CCC will need to continue to be successful in its marketing and sales efforts. Additionally, where CCC experiences increased sales, CCC's current operational infrastructure may require changes to scale CCC's business efficiently and effectively to keep pace with demand, and achieve long-term profitability. If CCC's products and services are not accepted by new customers, CCC's operating results may be materially and adversely affected.

Additional Financing

The acquisition of ACMPR applications or other similar entities, the building and operation of production facilities and businesses are capital intensive activities. In order to execute the anticipated growth strategy, CCC will require some additional equity and/or debt financing to support on-going operations, to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to CCC when needed or on terms which are acceptable. CCC's inability to raise financing to support on-going operations or to fund capital expenditures or acquisitions could limit CCC's growth and may have a material adverse effect upon future profitability.

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

Vulnerability to Rising Energy Costs

Medical (and eventually adult-use) cannabis growing operations consume considerable energy, making such operations vulnerable to rising energy costs. Rising or volatile energy costs may adversely impact the business of CCC and its ability to operate profitably.

Transportation Disruptions

Due to the perishable and premium nature of agricultural products, CCC will depend on fast and efficient courier services to distribute its product. Any prolonged disruption of this courier service could have an adverse effect on the financial condition and results of operations of CCC. Rising costs associated with the courier services used by CCC to ship its products may also adversely impact the business of CCC and its ability to operate profitably.

Unfavourable Publicity or Consumer Perception

CCC believes the medical and adult-use cannabis industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of the medical cannabis produced. Consumer perception of cannabis products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of medical cannabis products. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favourable to the medical cannabis market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for CCC's products and the business, results of operations, financial condition and cash flows of CCC. CCC's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on CCC, the demand for medical and/or adult-use cannabis products, and the business, results of operations, financial condition and cash flows of CCC. Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of medical and/or adult-use cannabis in general, or CCC's products specifically, or associating the consumption of medical and/or adult-use cannabis with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed.

Product Liability

As a manufacturer and distributor of products designed to be ingested by humans, CCC will face an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused significant loss or injury. In addition, the manufacture and sale of medical and adult-use cannabis products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of medical and adult-use cannabis products alone or in combination with other medications or substances could occur. CCC may be subject to various product liability claims, including, among others, that CCC's products caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning possible side effects or interactions with other substances. A product liability claim or regulatory action against CCC could result in increased costs, could adversely affect CCC's reputation with its clients and consumers generally, and could have a material adverse effect on CCC's results of operations and financial condition. There can be no assurances that CCC will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all.

The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of CCC's potential products.

Product Recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If any medical or adult-use cannabis products are recalled due to an alleged product defect or for any other reason, CCC could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. Further, a product recall may trigger a significant decline in sales and CCC may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention which will take attention away from managing and growing the business. Although CCC intends to have detailed procedures in place for testing finished products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of CCC's products were subject to recall, the image of that brand and CCC could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for CCC's products and could have a material adverse effect on the results of operations and financial condition of CCC. Additionally, product recalls may lead to increased scrutiny of CCC's operations by Health Canada or other regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Reliance on Key Inputs

CCC's business will be dependent on a number of key inputs and their related costs including raw materials and supplies related to its growing operations, as well as electricity, water and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition and operating results of CCC. Some of these inputs may only be available from a single supplier or a limited group of suppliers. If a sole source supplier was to go out of business, CCC might be unable to find a replacement for such source in a timely manner or at all. If a sole source supplier were to be acquired by a competitor, that competitor may elect not to sell to CCC in the future. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the business, financial condition and operating results of CCC.

Difficulty to Forecast

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

Operating Risk and Insurance Coverage

CCC intends to obtain insurance to protect its assets, operations and employees. While CCC believes insurance coverage can adequately address all material risks to which it may be exposed and is adequate and customary in its current state of operations, such insurance is subject to coverage limits and exclusions and may not be available for the risks and hazards to which CCC is exposed. In addition, no assurance can be given that such insurance will be adequate to cover CCC's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If CCC were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if CCC were to incur such liability at a time when it is not able to obtain liability insurance, its business, results of operations and financial condition could be materially adversely affected.

Holding Company

CCC is a holding company and its principal assets are its ownership of equity interests in its subsidiaries. It has no independent means of generating revenue. It intends to cause its subsidiaries to make distributions to it as the direct or indirect holder of 100% of the equity interests of such subsidiaries in amounts sufficient to make payments in respect of its obligations. To the extent that it needs funds and its subsidiaries are unable or otherwise restricted from making such distributions under applicable law, regulation or due to contractual obligations, its liquidity and financial condition could be adversely affected.

Acquisitions and Integration

CCC examines on a regular basis opportunities to acquire additional assets and businesses. Any acquisition that CCC may choose to complete may be of a significant size, may change the scale of CCC's business and operations, and may expose CCC to new geographic, political, operating and financial risks. CCC's success in its acquisition activities depends on its ability to identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition, and integrate the acquired operations successfully with those of CCC. Any acquisitions would be accompanied by risks. For example, CCC may have difficulty integrating and assimilating the operations and personnel of any acquired companies or assets, realizing anticipated synergies and maximizing the financial and strategic position of the combined enterprise, and maintaining uniform standards, policies and controls across the organization. The integration of the acquired business or assets may disrupt CCC's ongoing business and its relationships with employees and customers. In the event that CCC chooses to raise debt capital to finance any such acquisition, CCC's leverage will be increased. If CCC chooses to use equity as consideration for such acquisition, existing shareholders may suffer dilution and such dilution could be significant. Alternatively, CCC may choose to finance any such acquisition with its existing resources. There can be no assurance that CCC would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

Further, the acquired business or assets may have unknown liabilities which may be significant. Although management will attempt to evaluate the risks inherent in each transaction and to evaluate acquisition candidates appropriately, it may not properly ascertain all such risks and the acquired businesses and assets may not perform as expected or enhance the value of the Resulting Issuer as a whole. Acquired companies or businesses also may have larger than expected liabilities that are not covered by the indemnification, if any, that CCC is able to obtain from the sellers. Furthermore, the historical financial statements of the companies CCC has acquired or may acquire in the future are often prepared by management of such companies and are not necessarily independently verified by management of CCC. In addition, any pro forma financial statements prepared by CCC to give effect to such acquisitions may not accurately reflect the results of operations of such companies that would have been achieved had the acquisition of such entities been completed at the beginning of the applicable periods. Finally, there are no assurances that CCC will continue to acquire businesses at valuations consistent with its prior acquisitions or that it will complete acquisitions at all.

Legal Proceedings

From time to time, CCC may be a party to legal and regulatory proceedings, including matters involving governmental agencies, entities with whom it does business and other proceedings arising in the ordinary course of business. CCC will evaluate its exposure to these legal and regulatory proceedings and establish reserves for the estimated liabilities in accordance with generally accepted accounting principles. Assessing and predicting the outcome of these matters involves substantial uncertainties. Unexpected outcomes in these legal proceedings, or changes in management's evaluations or predictions and accompanying changes in established reserves, could have an adverse impact on CCC's financial results.

FINANCIAL AND ACCOUNTING RISKS

Access to Capital

In executing its business plan, CCC makes, and will continue to make, substantial investments and other expenditures related to acquisitions, research and development and marketing initiatives. CCC will have further capital requirements and other expenditures as it proceeds to expand its business or take advantage of opportunities for acquisitions or other business opportunities that may be presented to it. CCC may incur major unanticipated liabilities or expenses. CCC can provide no assurance that it will be able to obtain the necessary financing to meet the growth needs of CCC.

Estimates or Judgments Relating to Critical Accounting Policies

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. CCC bases its estimates on historical experience and on various other assumptions that it believes to be reasonable under the circumstances, as provided in the CCC Annual MD&A attached as Schedule D, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. CCC's operating results may be adversely affected if the assumptions change or if actual circumstances differ from those in the assumptions, which could cause CCC's operating results to fall below the expectations of securities analysts and investors, resulting in a decline in the share price of the Resulting Issuer. Significant assumptions and estimates used in preparing the financial statements include but are not limited to the following: significant accounting estimates (including inputs used in impairment calculations; the assessment of indications of impairment of the property, plant and equipment and related determination of useful lives of property, plant and equipment; the measurement of deferred income tax assets and liabilities; and the inputs used in accounting for share-based payments) and significant accounting judgments (including assessments of indications of impairments; judgments used in determining if an acquisition constitutes a business combinations or asset acquisition; the determination of categories of financial assets and financial liabilities; and the evaluation of the CCC's ability to continue as a going concern).

Tax Risks

The Resulting Issuer will operate and will be subject to income tax and other forms of taxation (which are not based upon income) in multiple tax jurisdictions. Taxation laws and rates which determine taxation expenses may vary significantly in different jurisdictions, and legislation governing taxation laws and rates is also subject to change. Therefore, the Resulting Issuer's earnings may be impacted by changes in the proportion of earnings taxed in different jurisdictions, changes in taxation rates, changes in estimates of liabilities and changes in the amount of other forms of taxation. The Resulting Issuer may have exposure to greater than anticipated tax liabilities or expenses. The Resulting Issuer will be subject to income taxes and non-income taxes in a variety of jurisdictions and its tax structure is subject to review by various taxation authorities and the determination of the Resulting Issuer's provision for income taxes and other tax liabilities will require significant judgment.

RISKS RELATED TO THE COMMON SHARES AND COMPLETION OF THE ACQUISITION

Market for the Common Shares

There can be no assurance that an active trading market for the Common Shares will develop or, if developed, that any market will be sustained. Fluctuations in the market price of the Common Shares could cause an investor to lose all or part of its investment in Common Shares. Factors that could cause fluctuations in the trading price of the Common Shares include, but are not limited to: (i) announcements of new offerings, products, services or technologies; commercial relationships, acquisitions or other events by the Resulting Issuer or its competitors; (ii) price and volume fluctuations in the overall stock market from time to time; (iii) significant volatility in the market price and trading volume of medical cannabis companies; (iv) fluctuations in the trading volume of the Common Shares or the size of the Resulting Issuer's public float; (v) actual or anticipated changes or fluctuations in the Resulting Issuers results of operations; (vi) whether the Resulting Issuer's results of operations meet the expectations of securities analysts or investors; (vii) actual or anticipated changes in the expectations of investors or securities analysts; (viii) litigation involving the Resulting Issuer, its industry, or both; (ix) regulatory developments in Canada, the United States, and foreign countries; (x) general economic conditions and trends; (xi) major catastrophic events; (xii) escrow releases or sales of large blocks of the Common Shares; (xiii) departures of Key Persons or members of management; or (xiv) an adverse impact on the Resulting Issuer from any of the other risks cited in this Listing Statement.

Reporting Issuer Status

From the date of incorporation to the date of this Listing Statement, CCC has not been subject to the continuous and timely disclosure requirements of Canadian securities laws or other rules, regulations and policies of the Exchange. As a reporting issuer, the Resulting Issuer will be subject to reporting requirements under applicable securities law and stock exchange policies. CCC is working with its legal, accounting and financial advisors to identify those areas in which changes should be made to CCC's financial management control systems to manage its obligations as a subsidiary of a public company. Compliance with these requirements will increase legal and financial compliance costs, make some activities more difficult, time consuming or costly and increase demand on existing systems and resources. Among other things, the Resulting Issuer will be required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm the Resulting Issuer's business and results of operations. The Resulting Issuer may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses. Management of CCC expects that being a reporting issuer will make it more expensive to maintain director and officer liability insurance. This factor could also make it more difficult for the Resulting Issuer to retain qualified directors and executive officers.

Significant Sales of Common Shares

Although Common Shares held by existing shareholders of Orca are expected to be freely tradable under applicable securities legislation, the Common Shares held by CCC's directors, executive officers, Control Persons and certain other securityholders of CCC will be subject to escrow resale restrictions pursuant to the policies of the CSE. Sales of a substantial number of the Common Shares in the public market after the expiry of escrow restrictions, or the perception that these sales could occur, could adversely affect the market price of the Common Shares and may make it more difficult for investors to sell Common Shares at a favourable time and price.

Analyst Coverage

The trading market for the Common Shares will, to some extent, depend on the research and reports that securities or industry analysts publish about the Resulting Issuer or its business. The Resulting Issuer will not have any control over these analysts. If one or more of the analysts who covers the Resulting Issuer should downgrade the Common Shares or change their opinion of the Resulting Issuer's business prospects, the Resulting Issuer's share price would likely decline. If one or more of these analysts ceases coverage of the Resulting Issuer or fails to regularly publish reports on the Resulting Issuer, the Resulting Issuer could lose visibility in the financial markets, which could cause the Resulting Issuer's share price or trading volume to decline.

Completion of the Acquisition is Subject to Conditions Precedent

The completion of the Acquisition is subject to a number of conditions precedent, including the approval by the CSE, Orca Shareholders, CCC Shareholders and regulatory authorities. Certain of such conditions precedent are outside the control of either or both of Orca and CCC, and there can be no assurance that these conditions will be satisfied.

Termination of the Amalgamation Agreement

The Amalgamation Agreement specifies that the parties' obligation to effect the Acquisition is conditional upon the satisfaction of a number of conditions, including receipt of all required regulatory approvals. If any of these conditions are not satisfied or waived, the Acquisition may not be completed. Each of Orca and CCC has the right, in certain circumstances, in addition to termination rights relating to the failure to satisfy the conditions of Closing, to terminate the Amalgamation Agreement. Accordingly, Orca or CCC cannot provide any assurance, that the Amalgamation Agreement will not be terminated by either of Orca or CCC prior to the completion of the Acquisition.

PART V – GENERAL MATTERS

AUDITOR, TRANSFER AGENT AND REGISTRAR

On completion of the Acquisition, the auditor of the Resulting Issuer is expected to be Manning Elliott LLP, located at 1050 W Pender St #1100, Vancouver, BC V6E 3S7.

On completion of the Acquisition, Computershare Investor Services Inc. located at 510 Burrard St, Vancouver, British Columbia V6C 3B9 will be the transfer agent and registrar for the Resulting Issuer.

EXPERTS

No experts, including individuals or companies who are named as having prepared or certified a part of this Listing Statement or prepared or certified a report or valuation described or included in this Listing Statement have, or will have immediately following completion of the Acquisition, any direct or indirect interest in the Resulting Issuer or CCC.

OTHER MATERIAL FACTS

Orca is not aware of any other material facts relating to Orca, CCC or the Resulting Issuer that are not disclosed under the preceding items and are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to Orca, CCC and the Resulting Issuer, assuming completion of the Acquisition, other than those set forth herein.

BOARD APPROVAL

The Board has approved this Listing Statement. Where information contained in this Listing Statement rests particularly within the knowledge of a Person other than Orca, Orca has relied upon information furnished by such Person.

CERTIFICATE OF ORCA TOUCHSCREEN TECHNOLOGIES LTD.

Pursuant to a resolution duly passed by its Board of Directors, Orca Touchscreen Technologies Ltd. hereby applies for the listing of the above mentioned securities on the CSE. The foregoing contains full, true and plain disclosure of all material information relating to Orca Touchscreen Technologies Ltd. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

DATED this 3rd day of October, 2018.

Brian Gusko, Chief Executive Officer

Abbey Abdiye, Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS OF ORCA TOUCHSCREEN TECHNOLOGIES LTD.

Christine Mah, Director

Nigel Alexander Horsley, Director

CERTIFICATE OF CULTIVATOR CATALYST CORP.

The foregoing as it relates to Cultivator Catalyst Corp. constitutes full, true and plain disclosure of all material facts relating to the securities of Cultivator Catalyst Corp.

Khurram Malik, President

Sasha Jacob, Promoter

ON BEHALF OF THE BOARD OF DIRECTORS OF CULTIVATOR CATALYST CORP.

George Smitherman, Director

Brett James, Director

J. Mark Lievonen, Director

Steven Poirier, Director

CERTIFICATE OF CULTIVATOR CATALYST CORP.

The foregoing as it relates to Cultivator Catalyst Corp. constitutes full, true and plain disclosure of all material facts relating to the securities of Cultivator Catalyst Corp.

Khurram Malik, President

Sasha Jacob, Promoter

ON BEHALF OF THE BOARD OF DIRECTORS OF CULTIVATOR CATALYST CORP.

George Smitherman, Director	Brett James, Director
J. Mark Lievonen, Director	Steven Poirier, Director

CERTIFICATE OF CULTIVATOR CATALYST CORP.

The foregoing as it relates to Cultivator Catalyst Corp. constitutes full, true and plain disclosure of all material facts relating to the securities of Cultivator Catalyst Corp.

Khurram Malik, President

Sasha Jacob, Promoter

ON BEHALF OF THE BOARD OF DIRECTORS OF CULTIVATOR CATALYST CORP.

George Smitherman, Director	Brett James, Director
J. Mark Lievonen, Director	Steven Poirier, Director

CERTIFICATE OF CULTIVATOR CATALYST CORP.

The foregoing as it relates to Cultivator Catalyst Corp. constitutes full, true and plain disclosure of all material facts relating to the securities of Cultivator Catalyst Corp.

Khurram Malik, President

Sasha Jacob, Promoter

ON BEHALF OF THE BOARD OF DIRECTORS OF CULTIVATOR CATALYST CORP.

George Smitherman, Director

Brett James, Director

J. Mark Lievonen, Director

Steven Poirier, Director

CERTIFICATE OF CULTIVATOR CATALYST CORP.

The foregoing as it relates to Cultivator Catalyst Corp. constitutes full, true and plain disclosure of all material facts relating to the securities of Cultivator Catalyst Corp.

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ON BEHALF OF THE BOARD OF DIRECTORS OF CULTIVATOR CATALYST CORP.

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J. Mark Lievonen, Director

Steven Poirier, Director

CERTIFICATE OF CULTIVATOR CATALYST CORP.

The foregoing as it relates to Cultivator Catalyst Corp. constitutes full, true and plain disclosure of all material facts relating to the securities of Cultivator Catalyst Corp.

Khurram Malik, President

Sasha Jacob, Promoter

ON BEHALF OF THE BOARD OF DIRECTORS OF CULTIVATOR CATALYST CORP.

George Smitherman, Director

Brett James, Director

J. Mark Lievonen, Director

Steven Poirier, Director

SCHEDULE A
FINANCIAL STATEMENTS OF ORCA

ORCA TOUCHSCREEN TECHNOLOGIES LTD.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED JUNE 30, 2018 AND 2017

(UNAUDITED)

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	June 30, 2018	December 31, 2017
ASSETS		
Current		
Cash	$ 1,048	$ 1,279
Amounts receivable	9,593	8,459
	$ 10,641	$ 9,738
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital (Note 3)	4,035,052	4,035,052
Reserve (Note 3)	1,107,106	1,107,106
Deficit	(5,131,517)	(5,132,402)
	$ 10,641	$ 9,738

Nature of operations and going concern (Note 1)
Subsequent event (Note 7)

Approved and authorized by the Board:

/s/ "Brian Gusko"	Director	*/s/ "Christine Mah"*	Director
Brian Gusko		**Christine Mah**	

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

(Unaudited)

	Three months ended June 30, 2018	Three months ended June 30, 2017	Six months ended June 30, 2018	Six months ended June 30, 2017
	$	$	$	$
Expenses				
Audit and accounting fees	-	-	-	3,500
Consulting fees	-	1,000	-	1,758
Filing and regulatory	769	2,331	3,573	3,565
General and administrative	-	3,450	-	4,109
Interest expense	231	-	231	-
Professional fees	19,000	-	19,000	-
Royalty payments	-	12,000	-	24,000
Loss before other items	(20,000)	(18,781)	(22,804)	(36,932)
Other items:				
Gain on forgiveness of debt	20,885	-	23,707	
Gain on settlement of liabilities	-	112,922	-	112,922
Net comprehensive income for the period	885	94,141	903	75,990
Net income per share – basic and diluted	0.00	0.00	0.00	0.00
Weighted average number of common shares outstanding	57,662,633	56,006,438	57,662,633	56,006,438

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	For the six months ended June 30, 2018	2017
CASH FLOWS USED IN OPERATING ACTIVITIES		
Income for the period	$ 903	$ 75,990
Items not affecting cash:		
Gain on forgiveness of debt	(23,707)	(112,922)
Changes in non-cash working capital items:		
Amounts receivable	(1,133)	(310)
Prepaid expenses	-	438
Accounts payable and accrued liabilities	-	57,768
Due to related parties	-	(21,711)
	(23,938)	(747)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan received	23,707	-
Change in cash during the period	(231)	(747)
Cash, beginning of period	1,279	747
Cash, end of period	$ 1,048	$ -
Other Supplemental Disclosure:		
Interest paid	$ -	$ -
Income tax paid	$ -	$ -

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Share capital							
	Number	Amount		Reserve		Share Subscriptions		
Balance, December 31, 2016	56,006,438	$ 3,993,647	$	1,077,567	$	29,539	$	(5,31
Share issued for debt	1,505,632	37,641						
Share issued costs	150,563							
Income and comprehensive income for the period	-	-		-		-		7
Balance, June 30, 2017	57,662,663	$ 4,031,288	$	1,077,567	$	29,539	$	(5,24
Balance, December 31, 2017	57,662,633	$ 4,035,052	$	1,107,106	$	-	$	(5,13
Income and comprehensive income for the period	-	-		-		-		
Balance, June 30, 2018	57,662,633	$ 4,035,052	$	1,107,106	$	-	$	(5,13

The accompanying notes are an integral part of these interim condensed consolidated financial statemen

1. NATURE OF OPERATIONS AND GOING CONCERN

Orca Touchscreen Technologies Ltd. (the "Company" or "Orca Touchscreen") was incorporated on December 31, 2013 under the *Business Corporation Act* of British Columbia. The head office of the Company is 1500 – 701 West Georgia Street, Vancouver, British Columbia, V7Y 1C6.

These interim condensed consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At June 30, 2018, the Company has a working capital of $9,756, has not achieved profitable operations and has accumulated losses of $5,132,402 since inception and expects to incur further losses in the development of its business. This material uncertainty may cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The interim condensed consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The interim condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2017, which have been prepared in accordance with IFRS as issued by IASB. The accounting policies used are consistent with those of the previous financial year, except for recent accounting pronouncements as described below. The Board of Directors approved the interim condensed consolidated financial statements on August 27, 2018.

Basis of Consolidation and Presentation

These interim condensed consolidated financial statements incorporate the financial statements of the Company and its wholly controlled subsidiary Orca Mobile Solutions Ltd. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The interim condensed consolidated financial statements include the accounts of the Company and its direct wholly-owned subsidiary. All significant intercompany transactions and balances have been eliminated.

Recent Accounting Pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or International Financial Reporting Interpretations Committee. During the period ended June 30, 2018, the Company adopted IFRS 9 and 15. These standards did not have significant impact on the Company's financial statements.

(Expressed in Canadian Dollars)

3. SHARE CAPITAL AND RESERVES

(a) Authorized share capital

Unlimited number of common and preferred shares without par value.

(b) Issued share capital

As at June 30, 2018 and December 31, 2017, 57,662,633 common shares were issued and outstanding.

(c) Escrow agreement

As at June 30, 2018 and December 31, 2017, no common shares of the Company are held in escrow.

(d) Stock options

On July 15, 2014, the Company adopted a stock option plan authorizing the Company to grant options to officers, directors, employees and consultants to acquire, in the aggregate, up to 10% of the issued and outstanding common stock of the Company. The options can be granted for a maximum of five years and vest as determined by the Board of Directors. The exercise price of each option granted may not be less than the greater of the closing market prices
of the common shares on (i) the trading day prior to the date of grant and (ii) the date of grant, pursuant to Canadian Securities Exchange Policy 6.

There were no stock options outstanding at June 30, 2018 and December 31, 2017 or granted during the periods ended June 30, 2018 and 2017.

(e) Warrants

There were no warrants granted during the period ended June 30, 2018 and 2017.

Details of warrants activity is as follows:

	Number of warrants	Exercise Price	Expiry Date
Balance outstanding, December 31, 2016, 2017 and June 30, 2018	7,264,533	$0.42	-

The weighted average remaining life of warrants outstanding is 2.31 years.

(f) Reserve

The Company's equity reserve is comprised of share-based payments and the fair value of warrants issued.

4. RELATED PARTY TRANSACTIONS AND BALANCES

Related party transactions are comprised of services rendered by directors and/or officers of the Company and a company controlled by an officer of the Company. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

Key management personnel are the Chief Executive Officer, the Chief Financial Officer, the Secretary and three Directors of the Company.

There was no related party balances as at June 30, 2018 and December 31, 2017 and there were no transactions with related partied during the periods ended June 30, 2018 and 2017.

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

Fair value hierarchy

The following table summarizes the fair value hierarchy under which the Company's financial instruments are valued.

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

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of loans receivable, accounts payable and due to related parties approximate their fair value because of the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2018, the Company had a cash balance of $1,048.

There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipated it will need additional capital in the future to finance on-going developments of its technology, such capital to be derived from the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future development of its technology, although the Company has been successful in the past in financing its activities through the previously mentioned financing activities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and the success of its technology. In recent years, the securities markets have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash, loan receivable and investment. The Company limits exposure to credit risk on liquid financial assets by maintaining its cash with high-credit quality financial institutions.

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Financial risk factors (continued)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash and restricted cash. The Company's current policy will be to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at June 30, 2018, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Foreign currency risk

The Company is not exposed to any foreign currency risk fluctuations.

c) Price risk

The Company is currently not exposed to any price risk.

6. CAPITAL MANAGEMENT

The Company considers capital to be the sole element of shareholders' equity. 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 operations. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

7. SUBSEQUENT EVENT

On December 4, 2017, the Company and Cultivator Catalyst Corp. ("CCC") entered into a letter of intent, (the "LOI") pursuant to which the Company agreed to acquire all the issued and outstanding shares and securities convertible into shares of CCC pursuant to the terms of an amalgamation agreement dated April 25, 2018 among the Company, CCC and 1151856 B.C. Ltd. (the "Amalgamation Agreement"), a wholly-owned subsidiary of the Company formed to facilitate the Transaction.

Pursuant to the Amalgamation Agreement, the Company will indirectly acquire all of the issued and outstanding common shares and special class C shares in the capital of CCC ("CCC Shares") and securities of CCC convertible into CCC Shares in exchange for common shares (the "Payment Shares") and special class C shares, each as applicable, in the capital of the Company pursuant to an exchange ratio of five Payment Shares for each CCC common share and one special class C share of the Company for each special class C share of CCC (collectively, the "Exchange Ratio"). In addition, all of the outstanding common share purchase warrants of CCC will be exchanged for common share purchase warrants of the Company based on the Exchange Ratio (the "Transaction").

7. SUBSEQUENT EVENT (continued)

Prior to closing of the Transaction and subject to the rules of the Canadian Securities Exchange, the Company will complete a consolidation of its common shares on the basis of one new common share in the capital of the Company for fifty old common shares. Furthermore, upon completion of the Transaction it is intended that the Company will be re-named Biome Grow Inc. and shareholders of CCC will own a controlling interest in the issued and outstanding shares in the capital of Biome Grow Inc.

CCC is in the process of completing a brokered private placement financing to raise gross proceeds of approximately $15,000,000 (the "Financing") by the issuance of 3,000,000 units at $5.00 per unit. Each unit consists of one CCC common share and one CCC common share purchase warrant. Each CCC common share purchase warrant entitles the holder to purchase one CCC common share at $5.00 per share for up to 2 years. In connection with the Financing, the agent will be paid an 7% cash commission and will be issued 210,000 warrants with same terms to the warrants included in the Financing.

Since January 1, 2018, CCC has raised gross proceeds of $2,391,930 by the issuance of 863,977 CCC common shares.

The boards of directors of the Company and CCC have each unanimously approved the terms of the Amalgamation Agreement.

The Amalgamation Agreement will be subject to certain customary conditions including approval of the Company's and CCC shareholders and various regulatory approvals. The Amalgamation Agreement contains customary deal protection mechanisms and non-solicitation provisions.

ORCA TOUCHSCREEN TECHNOLOGIES LTD.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED MARCH 31, 2018 AND 2017

(UNAUDITED)

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

		March 31, 2018		December 31, 2017
ASSETS				
Current				
Cash	$	1,163	$	1,279
Amounts receivable		8,593		8,459
	$	9,756	$	9,738
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)				
Shareholders' equity (deficiency)				
Share capital (Note 3)		4,035,052		4,035,052
Reserve (Note 3)		1,107,106		1,107,106
Deficit		(5,132,402)		(5,132,420)
	$	9,756	$	9,738

Nature of operations and going concern (Note 1)
Subsequent event (Note 7)

Approved and authorized by the Board:

/s/ "Brian Gusko"	Director	*/s/ "Christine Mah"*	Director
Brian Gusko		**Christine Mah**	

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

For the three months ended March 31,

	2018	2017
EXPENSES		
Audit and accounting fees	-	3,500
Consulting fees	-	758
Filing and regulatory	2,804	1,234
General and administrative	-	659
Royalty payments	-	12,000
Loss before other items	(2,804)	(18,151)
Other items:		
Gain on forgiveness of debt	2,822	-
Net and comprehensive income (loss) for the period	18	(18,151)
Income (loss) per common share – basic and diluted	0.00	(0.00)
Weighted average number of common shares outstanding	57,662,633	55,006,438

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

		For the three months ended March 31, 2018		2017
CASH FLOWS USED IN OPERATING ACTIVITIES				
Income (loss) for the period		18		(18,151)
Items not affecting cash:				
Gain on forgiveness of debt		(2,822)		-
Changes in non-cash working capital items:				
Amounts receivable		(134)		(310)
Prepaid expenses		-		438
Accounts payable and accrued liabilities		-		17,276
Due to related parties		-		-
		(2,938)		(747)
CASH FLOWS FROM FINANCING ACTIVITIES				
Loan received		2,822		-
Change in cash during the period		(116)		(747)
Cash, beginning of period		1,279		747
Cash, end of period	$	1,163	$	-

Other Supplemental Disclosure:

Interest paid	$	-	$	-
Income tax paid	$	-	$	-

ORCA TOUCHSCREEN TECHNOLOGIES LTD.

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Share capital							
	Number		**Amount**		**Reserve**		**Share Subscriptions**	
Balance, December 31, 2016	56,006,438	$	3,993,647	$	1,077,567	$	29,539	$
Loss and comprehensive loss for the period			-		-		-	
Balance, March 31, 2017	56,006,438	$	3,993,647	$	1,077,567	$	29,539	$
Balance, December 31, 2017	57,662,633	$	4,035,052	$	1,107,106	$	-	$
Income and comprehensive income for the period	-		-		-		-	
Balance, March 31, 2018	57,662,633	$	4,035,052	$	1,107,106	$	-	$

The accompanying notes are an integral part of these interim condensed consolidated financial stateme

1. NATURE OF OPERATIONS AND GOING CONCERN

Orca Touchscreen Technologies Ltd. (the "Company" or "Orca Touchscreen") was incorporated on December 31, 2013 under the *Business Corporation Act* of British Columbia. The head office of the Company is 1500 – 701 West Georgia Street, Vancouver, British Columbia, V7Y 1C6.

These interim condensed consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At March 31, 2018, the Company has a working capital of $9,756, has not achieved profitable operations and has accumulated losses of $5,132,402 since inception and expects to incur further losses in the development of its business. This material uncertainty may cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The interim condensed consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The interim condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2017, which have been prepared in accordance with IFRS as issued by IASB. The accounting policies used are consistent with those of the previous financial year, except for recent accounting pronouncements as described below. The Board of Directors approved the interim condensed consolidated financial statements on May 28, 2018.

Basis of Consolidation and Presentation

These interim condensed consolidated financial statements incorporate the financial statements of the Company and its wholly controlled subsidiary Orca Mobile Solutions Ltd. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The interim condensed consolidated financial statements include the accounts of the Company and its direct wholly-owned subsidiary. All significant intercompany transactions and balances have been eliminated.

Recent Accounting Pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or International Financial Reporting Interpretations Committee. During the period ended March 31, 2018, the Company adopted IFRS 9 and 15. These standards did not have significant impact on the Company's financial statements.

(Expressed in Canadian Dollars)

3. SHARE CAPITAL AND RESERVES

(a) Authorized share capital

Unlimited number of common and preferred shares without par value.

(b) Issued share capital

As at March 31, 2018 and December 31, 2017, 57,662,633 common shares were issued and outstanding.

(c) Escrow agreement

As at March 31, 2018 and December 31, 2017, no common shares of the Company are held in escrow.

(d) Stock options

On July 15, 2014, the Company adopted a stock option plan authorizing the Company to grant options to officers, directors, employees and consultants to acquire, in the aggregate, up to 10% of the issued and outstanding common stock of the Company. The options can be granted for a maximum of five years and vest as determined by the Board of Directors. The exercise price of each option granted may not be less than the greater of the closing market prices of the common shares on (i) the trading day prior to the date of grant and (ii) the date of grant, pursuant to Canadian Securities Exchange Policy 6.

There were no stock options outstanding at March 31, 2018 and December 31, 2017 or granted during the periods ended March 31, 2018 and 2017.

(e) Warrants

There were no warrants granted during the period ended March 31, 2018 and 2017.

Details of warrants activity is as follows:

	Number of warrants	Exercise Price	Expiry Date
Balance outstanding, December 31, 2016, 2017 and March 31, 2018	7,264,533	$0.42	-

The weighted average remaining life of warrants outstanding is 2.57 years.

(f) Reserve

The Company's equity reserve is comprised of share-based payments and the fair value of warrants issued.

4. RELATED PARTY TRANSACTIONS AND BALANCES

Related party transactions are comprised of services rendered by directors and/or officers of the Company and a company controlled by an officer of the Company. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

Key management personnel are the Chief Executive Officer, the Chief Financial Officer, the Secretary and three Directors of the Company.

There was no related party balances as at March 31, 2018 and December 31, 2017 and there were no transactions with related partied during the periods ended March 31, 2018 and 2017.

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

Fair value hierarchy

The following table summarizes the fair value hierarchy under which the Company's financial instruments are valued.

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

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of loans receivable, accounts payable and due to related parties approximate their fair value because of the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2018, the Company had a cash balance of $1,163.

There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipated it will need additional capital in the future to finance on-going developments of its technology, such capital to be derived from the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future development of its technology, although the Company has been successful in the past in financing its activities through the previously mentioned financing activities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and the success of its technology. In recent years, the securities markets have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash, loan receivable and investment. The Company limits exposure to credit risk on liquid financial assets by maintaining its cash with high-credit quality financial institutions.

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Financial risk factors (continued)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash and restricted cash. The Company's current policy will be to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at March 31, 2018, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Foreign currency risk

The Company is not exposed to any foreign currency risk fluctuations.

c) Price risk

The Company is currently not exposed to any price risk.

6. CAPITAL MANAGEMENT

The Company considers capital to be the sole element of shareholders' equity. 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 operations. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

7. SUBSEQUENT EVENT

On December 4, 2017, the Company and Cultivator Catalyst Corp. ("CCC") entered into a letter of intent, as extended (the "LOI") pursuant to which the Company agreed to acquire all the issued and outstanding shares and securities convertible into shares of CCC pursuant to the terms of an amalgamation agreement dated April 25, 2018 among the Company, CCC and 1151856 B.C. Ltd. (the "Amalgamation Agreement"), a wholly-owned subsidiary of the Company formed to facilitate the Transaction (as defined herein).

Pursuant to the Amalgamation Agreement, the Company will indirectly acquire all of the issued and outstanding common shares and special class C shares in the capital of CCC ("CCC Shares") and securities of CCC convertible into CCC Shares in exchange for common shares (the "Payment Shares") and special class C shares, each as applicable, in the capital of the Company pursuant to an exchange ratio of five Payment Shares for each CCC common share and one special class C share of the Company for each special class C share of CCC (collectively, the "Exchange Ratio"). In addition, all of the outstanding common share purchase warrants of CCC will be exchanged for common share purchase warrants of the Company based on the Exchange Ratio (the "Transaction").

Prior to closing of the Transaction and subject to the rules of the Canadian Securities Exchange, the Company will complete a consolidation of its common shares on the basis of one new common share in the capital of the Company for fifty old common shares. Furthermore, upon completion of the Transaction it is intended that the Company will be re-named Biome Grow Inc. and shareholders of CCC will own a controlling interest in the issued and outstanding shares in the capital of Biome Grow Inc.

7. SUBSEQUENT EVENT (continued)

CCC is in the process of completing a brokered private placement financing to raise gross proceeds of approximately $15,000,000 (the "Financing") by the issuance of 3,000,000 units at $5.00 per unit. Each unit consists of one CCC common share and one CCC common share purchase warrant. Each CCC common share purchase warrant entitles the holder to purchase one CCC common share at $5.00 per share for up to 2 years. In connection with the Financing, the agent will be paid an 7% cash commission and will be issued 210,000 warrants with same terms to the warrants included in the Financing.

Since January 1, 2018, CCC has raised gross proceeds of $2,391,930 by the issuance of 863,977 CCC common shares.

The boards of directors of the Company and CCC have each unanimously approved the terms of the Amalgamation Agreement.

The Amalgamation Agreement will be subject to certain customary conditions including approval of the Company's and CCC shareholders and various regulatory approvals. The Amalgamation Agreement contains customary deal protection mechanisms and non-solicitation provisions.

ORCA TOUCHSCREEN TECHNOLOGIES LTD.

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

(Expressed in Canadian Dollars)

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Orca Touchscreen Technologies Ltd.

We have audited the accompanying consolidated financial statements of Orca Touchscreen Technologies Ltd. which comprise the consolidated statements of financial position as at December 31, 2017 and 2016, and the consolidated statements of comprehensive income (loss), changes in cash flows and equity (deficiency) for the years then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Orca Touchscreen Technologies Ltd. as at December 31, 2017 and 2016, and its financial performance and cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Orca Touchscreen Technologies Ltd. to continue as a going concern.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
March 8, 2018

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	As at December 31, 2017	As at December 31, 2016
ASSETS		
Current		
Cash	$ 1,279	$ 747
Amounts receivable	8,459	7,426
Prepaid expenses	-	438
	9,738	8,611
Loan receivable (Note 3)	-	-
Intangible asset (Note 4)	-	-
Investment (Note 5)	-	-
	$ 9,738	$ 8,611
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current		
Accounts payable and accrued liabilities	$ -	$ 127,806
Due to related parties (Note 8)	-	98,085
	-	225,891
Shareholders' equity (deficiency)		
Share capital (Note 7)	4,035,052	3,993,647
Reserve (Note 7)	1,107,106	1,077,567
Share subscriptions	-	29,539
Deficit	(5,132,420)	(5,318,033)
	9,738	(217,280)
	$ 9,738	$ 8,611

Nature of operations and going concern (Note 1)

Approved and authorized by the Board:

/s/ "Brian Gusko"	Director	*/s/ "Christine Mah"*	Director
Brian Gusko		**Christine Mah**	

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Expressed in Canadian Dollars)

		Year ended December 31, 2017		Year ended December 31, 2016
EXPENSES				
Audit and accounting fees	$	14,286	$	16,920
Business development		-		184,600
Consulting fees		758		179,885
Filing and regulatory		14,052		33,022
General and administrative		4,355		9,062
Investor relations		-		10,462
Legal fees		2,000		46,823
Management fees (Note 8)		-		88,500
Royalty payments (Notes 4 and 8)		24,000		48,000
Share-based payment (Note 7)		-		44,245
Travel		-		44,268
Loss before other items		(59,451)		(705,787)
Other items:				
Gain on forgiveness of debt		127,644		-
Gain on settlement of liabilities (Note 7)		117,420		-
Impairment of intangible asset (Note 4)		-		(40,674)
Write-off of investment (Note 5)		-		(112,080)
Write-off of loan receivable (Note 3)		-		(200,000)
Write-off of short term loan (Note 6)		-		15,000
Net and comprehensive income (loss) for the year	$	185,613	$	(1,043,541)
Loss per common share – basic and diluted	$	(0.00)	$	(0.02)
Weighted average number of common shares outstanding		56,945,705		55,226,919

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Year ended December 31, 2017	Year ended December 31, 2016
CASH FLOWS USED IN OPERATING ACTIVITIES		
Income (loss) for the year	$ 185,613	$ (1,043,541)
Items not affecting cash:		
Gain on forgiveness of debt	(127,644)	-
Gain on settlement of liabilities	(117,420)	-
Shares issued for services	3,764	-
Impairment of intangible asset	-	40,674
Share based payments	-	44,245
Write-off of investment	-	112,080
Write-off of loan receivable	-	200,000
Write-off of short-term loan	-	(15,000)
Changes in non-cash working capital items:		
Amounts receivable	(1,033)	7,663
Prepaid expenses	438	136,719
Accounts payable and accrued liabilities	54,014	82,923
Due to related parties	-	95,440
	(2,268)	(338,797)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placements - shares	-	215,999
Share issuance costs	-	(182,034)
Loan received	2,800	15,000
	2,800	48,965
CASH FLOWS USED IN INVESTING ACTIVITIES		
Restricted cash	-	5,750
Loan advanced	-	(100,000)
	-	(94,250)
Change in cash during the year	532	(384,082)
Cash, beginning of year	747	384,829
Cash, end of year	$ 1,279	$ 747

Other Supplemental Disclosure:

Interest paid	$ -	$ -
Income tax paid	$ -	$ -

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)
(Expressed in Canadian Dollars)

	Share capital					
	Number	Amount	Reserve	Share Subscriptions	Deficit	Total
Balance, December 31, 2015	52,295,234	$ 3,080,976	$ 1,014,666	$ 926,901	$ (4,274,492)	$ 748,051
Share units issued for cash and subscriptions received	3,711,204	1,094,705	18,656	(897,362)	-	215,999
Share unit issue costs	-	(182,034)	-	-	-	(182,034)
Share-based compensation	-	-	44,245	-	-	44,245
Loss and comprehensive loss for the year	-	-	-	-	(1,043,541)	(1,043,541)
Balance, December 31, 2016	56,006,438	$ 3,993,647	$ 1,077,567	$ 29,539	$ (5,318,033)	$ (217,280)
Balance, December 31, 2016	56,006,438	$ 3,993,647	$ 1,077,567	$ 29,539	$ (5,318,033)	$ (217,280)
Shares issued for debt	1,505,632	37,641	-	-	-	37,641
Shares issued for services	150,563	3,764	-	-	-	3,764
Reclassification to contributed surplus	-	-	29,539	(29,539)	-	-
Income and comprehensive income for the year	-	-	-	-	185,613	185,613
Balance, December 31, 2017	57,662,633	$ 4,035,052	$ 1,107,106	$ -	$ (5,132,420)	$ 9,738

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Orca Touchscreen Technologies Ltd. (the "Company" or "Orca Touchscreen") was incorporated on December 31, 2013 under the *Business Corporation Act* of British Columbia. The head office of the Company is 1500 – 701 West Georgia Street, Vancouver, British Columbia, V7Y 1C6.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At December 31, 2017, the Company has a working capital of $9,738, has not achieved profitable operations and has accumulated losses of $5,132,420 since inception and expects to incur further losses in the development of its business. This material uncertainty may cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These consolidated financial statements for the year ended December 31, 2017, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements were authorized for issue by the Board of Directors on March 8, 2018.

Basis of Consolidation and Presentation

The consolidated financial statements have been prepared on a historical cost basis in Canadian dollars, which is the Company's and it's wholly owned subsidiary's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates.

These consolidated financial statements incorporate the financial statements of the Company and its wholly controlled subsidiary Orca Mobile Solutions Ltd. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The consolidated financial statements include the accounts of the Company and its direct wholly-owned subsidiary. All significant intercompany transactions and balances have been eliminated.

(a) Basis of Measurement

The consolidated financial statements have been prepared on an accrual basis and are based on historical costs.

The consolidated financial statements are presented in Canadian dollars which is also the Company's and the subsidiary's functional currency.

(b) Significant accounting estimates and judgments

The preparation of the consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the consolidated reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting year. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. 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 and future years if the revision affects both current and future years. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Critical accounting judgments

Critical accounting judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Going concern

The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

Critical accounting estimates

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

Assumptions used in the calculation of the fair value assigned to share-based payments and warrants issued as part of private placement units

The Company uses the Black-Scholes option pricing model for valuation of share-based payments and warrants issued as part of private placement units. Option pricing models require the input of subjective assumptions, including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's equity reserves.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities.

(c) Cash

Cash includes cash on deposit at financial institutions.

(d) Income taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in net income (loss), except to the extent that it relates to items recognized directly in equity or in other comprehensive loss.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current and deferred income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Income taxes (continued)

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

(e) Share capital

The proceeds from the exercise of stock options and warrants and the cost initially recognized on their issuance are recorded within share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company.

Commissions paid to agents, and other related share issue costs, such as finder's fees, legal, auditing, and printing, on the issue of the Company's shares are charged directly to share capital.

Valuation of equity units issued in private placements

The proceeds from the issue of units are allocated between common shares and common share purchase warrants on a relative fair value basis. The fair value of the common share purchase warrants is determined using the Black-Scholes option pricing model.

Earnings (loss) per share

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

(f) Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period using the graded vesting method. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in profit or loss. Amounts related to the issuance of shares are recorded as a reduction of capital stock.

When the value of goods or services received in exchange for the share-based payments cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations.

All equity-settled share-based payments are reflected in reserves until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to capital stock, and adjusted for any consideration paid.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Share-based payments (continued)

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation or settlement as an acceleration of vesting and immediately recognizes the amount that otherwise would have been recognized for services received over the revised vesting period.

(g) Financial instruments

Financial assets

The Company classifies its financial assets in the following categories: fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at recognition.

Fair value through profit or loss ("FVTPL")

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through profit or loss. The Company's cash is classified as FVTPL.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity date. Loans and receivables are initially recognized at fair value and subsequently carried at amortized cost less any impairment. The Company does not have any assets classified as loans and receivables.

Impairment of financial assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial liabilities

The Company classifies its financial liabilities in the following categories: other financial liabilities.

Other financial liabilities

Other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit or loss over the period to maturity using the effective interest method.

Other financial liabilities are classified as current or non-current based on their maturity date. Other financial liabilities include accounts payable and due to related parties.

(h) Intangible assets

Intangible assets consist of touchscreen technology and patents acquired externally and are recorded at cost less accumulated amortization and impairment losses. The intangible assets are amortized on a straight-line basis over 5.63 years starting January 1, 2015.

Research costs are expensed as incurred. Development costs are expensed as incurred unless they meet certain criteria for deferral and amortization. The Company assesses whether it has met the relevant criteria for deferral and amortization at each reporting date.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Intangible assets (continued)

Impairment of tangible and intangible assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(i) New standards, interpretations and amendments adopted

As of January 1, 2016, the Company adopted the new and amended IFRS pronouncements in accordance with transitional provisions outlined in the respective standards. The Company has adopted the following new standards without any significant effect on its consolidated financial statements.

IFRS 11 Accounting for Acquisitions of Interests in Joint Operations
The amendments provide specific guidance on accounting for the acquisition of an interest in a joint operation that is a business.

IAS 27 Equity Method in Separate Financial Statements
The amendment restores the option to use the equity method to account for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements.

IAS 1 Presentation of Financial Statements
The amendments are part of an overall disclosure initiative to improve the effectiveness of disclosure in financial statements.

(j) New standards not yet adopted

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are not mandatory for accounting periods beginning before January 1, 2017. They have not been early adopted in these consolidated financial statements, and are expected to affect the Company in the period of initial application. In all cases the Company intends to apply these standards from application date as indicated below.

<u>Effective for annual periods beginning on or after January 1, 2017</u>

IAS 7 Statement of Cash Flows
The amendments to improve information provided to users of financial statements about an entity's changes in liabilities arising from financing activities.

IAS 12 Income Taxes
The amendments relate to the recognition of deferred tax assets for unrealized losses associated with debt instruments measured at fair value.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) New standards not yet adopted (continued)

Effective for annual periods beginning on January 1, 2018

IFRS 2 Share-based Payment

The amendments clarify the classification and measurement of share-based payment transactions.

IFRS 9 Financial Instruments – Classification and Measurement

IFRS 9 is the first step in the process to replace IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 introduces new requirements for classifying and measuring financial assets and liabilities and carries over from the requirements of IAS 39.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 is a new standards which supersedes 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 comprehensive five-step framework for the timing and measurement of revenue recognition.

Effective for annual periods beginning on January 1, 2019

New standard IFRS 16 Leases

IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties of a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model.

3. LOAN RECEIVABLE

On December 11, 2015, the Company, through its wholly-owned subsidiary Orca Mobile, agreed to advance the principal amount of $200,000 to an unrelated third party, Smart Sollen Inc. ("Smart Sollen") of Seoul, South Korea to be used to develop its operations to procure and sell electronic components to various joint venture companies in which Orca Mobile would acquire an interest (Note 5). The principal amount was advanced in two instalments: $100,000 on December 11, 2015 and $100,000 on January 31, 2016. The term of the agreement was 2 years. Smart Sollen agreed to repay the principal plus interest at a simple rate of 6% per annum by no later than the fifth business day following the last day of the term provided however that Orca Mobile may at any time and from time to time in its sole discretion and on 30 days' notice convert all of the principal and interest then due into 51% of the issued and outstanding common shares of Smart Sollen as fully paid and non-assessable which would entitle Orca Mobile to appoint a majority of the members of the board of directors of Smart Sollen. If on the sixth business day following the end of the term, Orca Mobile had not so converted and if Smart Sollen failed to pay the unpaid principal and interest then due, then the unpaid principal and interest then due shall be deemed to have converted automatically as aforementioned and Orca Mobile would be entitled to appoint a majority of the directors as aforementioned. During the year ended December 31, 2016, the Company wrote off the loan receivable of $200,000 and associated interest accrued of $11,951 as management of the Company deemed the loan to be uncollectible.

4. INTANGIBLE ASSET

On May 12, 2014, the Company, through its wholly-owned subsidiary Orca Mobile, entered into an asset purchase agreement and a patent and technology license agreement with Sollensys Corporation ("Sollensys"), a company incorporated and based in South Korea.

Sollensys is a related party to the Company as its principal shareholder, a former senior officer and a director GwanJe (Frank) Woo, is a principal shareholder and CEO and President of the Company (Note 8).

(Expressed in Canadian Dollars)

4. INTANGIBLE ASSET (continued)

In accordance with these agreements, the Company acquired:

i. Sollensys' patent for folding and laminating touch sensor panels to produce touchscreens for $50,000 (paid);
ii. an exclusive 6-year worldwide license to use all of Sollensys' technology and remaining 18 patents for consideration of a royalty payable as to:

- 10% on gross revenues derived from the patents; and
- 80% of the net revenues received from the sale of Sollensys products sold by the Company.

Royalty payments are due on the last day of December each year during the term and are payable as to $4,000 per month on the first day of each month beginning July 1, 2014 as a guaranteed advance payment of the royalty. During the year ended December 31, 2017, the Company incurred $24,000 (2016 - $48,000) in royalty payments pursuant to the terms of the agreement. During the fiscal year ended December 31, 2017, Sollensys forgave all the outstanding amounts owing.

The intangible assets were being amortized on a straight-line basis over 5.63 years starting January 1, 2015. During the year ended December 31, 2016, the Company determined that no future benefit is expected to be derived from the intangible assets and as a result recorded an impairment of $40,674.

	2017	2016
Cost	$ 50,000	$ 50,000
Accumulated amortization	(9,326)	(9,326)
Writedown of intangible asset	(40,674)	(40,674)
Ending balance	$ -	$ -

5. INVESTMENT

On September 30, 2014, the Company entered into a letter of intent with Sollensys and Mr. Carlos Fernando Rivers Sandoval, governing the proposed incorporation of a Guatemala joint venture company called Sollen-Mobile SA ("Sollen Guatemala") for the purpose of developing, manufacturing and marketing computer and telecommunications hardware and software. The initial paid-in capital of Sollen Guatemala was US$300,000, of which the Company paid US$100,000 ($112,080 CDN) for its 30% share of the investment.

On February 11, 2016, the Company, through its wholly-owned subsidiary, Orca Mobile, entered into a definitive agreement for the joint venture which governs the investment in and the management of Sollen Guatemala.

During the year ended December 31, 2016, the investment in Sollen Guatemala was written down to $nil as the Company ceased operations in Guatemala to focus on other opportunities.

6. SHORT-TERM LOANS

During the year ended December 31, 2016, short-term loans totaling $15,000 were received by the Company from Smart Sollen for general working capital. The short-term loans bears interest at a simple rate of 6% per annum, are unsecured and are payable on demand. During the year ended December 31, 2016, the Company wrote off the short-term loan payable of $15,000 to Smart Sollen.

7. SHARE CAPITAL AND RESERVES

(a) Authorized share capital

Unlimited number of common and preferred shares without par value.

(b) Issued share capital

As at December 31, 2017, 57,662,633 common shares were issued and outstanding (2016 – 56,006,438).

Details of common shares issued during the years ended December 31, 2017 and 2016 are as follows:

For the year ended December 31, 2017:

i. The Company entered into settlement agreements with various creditors and issued 1,505,632 common shares with a fair value of $37,640 to settle accounts payable totalling $155,060. As a result, the Company recorded a gain on settlement of liabilities of $117,420.

ii. In connection with the settlement agreements, the Company issued 150,563 common shares with a fair value of $3,764. The fair value of shares was recorded as filing fee.

For the year ended December 31, 2016:

i. On February 1, 2016, the Company completed a private placement of 1,259,244 units at a price of $0.30 per unit for gross proceeds of $377,773. Each unit is comprised of one common share and one-half warrant, with each full warrant exercisable at $0.40 for one common share of the Company at a price of $0.40 for a period of five years. The Company paid finders a commission of $66,834 which was recorded as a share issuance cost;

ii. On February 16, 2016, the Company completed a private placement of 524,190 units at a price of $0.30 per unit for gross proceeds of $157,257. Each unit is comprised of one common share and one-half warrant, with each full warrant exercisable at $0.40 for one common share of the Company at a price of $0.40 for a period of five years. The Company paid finders a commission of $27,000 which was recorded as a share issuance cost;

iii. On March 4, 2016, the Company completed a private placement of 270,000 units at a price of $0.30 per unit for gross proceeds of $81,000. Each unit is comprised of one common share and one-half warrant, with each full warrant exercisable at $0.40 for one common share of the Company at a price of $0.40 for a period of five years. The Company paid finders a commission of $16,200 which was recorded as a share issuance cost.

iv. On April 18, 2016, the Company completed a private placement of 1,471,150 units at a price $0.30 per unit for gross proceeds of $441,345. Each unit is comprised of one common share and one-half warrant, with each full warrant exercisable at $0.40 for one common share of the Company at a price of $0.40 for a period of five years. The Company paid finders a commission of $72,000 which was recorded as a share issuance cost.

v. On August 16, 2016, the Company completed a private placement of 186,620 units at a price $0.30 per unit for gross proceeds of $55,986. Each unit is comprised of one common share and one-half warrant, with each full warrant exercisable at $0.40 for one common share of the Company at a price of $0.40 for a period of five years.

(Expressed in Canadian Dollars)

7. SHARE CAPITAL AND RESERVES (continued)

(c) Escrow agreement

Pursuant to a stock restriction agreement, 8,902,000 common shares of the Company are subject to restrictions on transfer. The restricted shares are to be released at 10% on the listing date and an additional 15% every six months thereafter with the final tranche being released on June 13, 2017. As at December 31, 2017, nil (2016 – 1,335,300) common shares of the Company are restricted.

(d) Stock options

On July 15, 2014, the Company adopted a stock option plan authorizing the Company to grant options to officers, directors, employees and consultants to acquire, in the aggregate, up to 10% of the issued and outstanding common stock of the Company. The options can be granted for a maximum of five years and vest as determined by the Board of Directors. The exercise price of each option granted may not be less than the greater of the closing market prices of the common shares on (i) the trading day prior to the date of grant and (ii) the date of grant, pursuant to Canadian Securities Exchange Policy 6.

There were no options granted during the years ended December 31, 2017 and 2016.

For the year ended December 31, 2017, share based compensation expense of $nil (2016 - $44,245) based on the grant date fair value of the awards recognized over the vesting period, was recorded in net loss.

Details of stock options activities for the year ended December 31, 2017 and 2016 are as follows:

	Number of options	Weighted Average Exercise Price
Balance outstanding, December 31, 2015 and 2016	2,900,000	$0.20
Granted	-	-
Expired	(2,900,000)	($0.20)
Balance outstanding, December 31, 2017	-	-
Balance exercisable, December 31, 2017	-	-

(e) Warrants

There were no warrants granted during the year ended December 31, 2017.

The fair value of warrants issued during the years ended December 31, 2017 and December 31, 2016 were determined using the Black Scholes pricing model with the following assumptions:

	2017	2016
Share price	$ -	$0.03
Risk-free interest rate	-	0.59%~0.89%
Annualized volatility	-	100%
Expected dividend yield	-	Nil
Expected warrant life in years	-	5.0

(Expressed in Canadian Dollars)

7. SHARE CAPITAL AND RESERVES (continued)

(e) Warrants (continued)

Details of warrants activity is as follows:

	Number of warrants	Exercise Price	Expiry Date
Balance outstanding, December 31, 2014	-	$ -	-
May 11, 2015 private placement	935,708	0.55	2020-05-11
July 27, 2015 private placement	778,859	0.40	2020-07-27
July 28, 2015 private placement	448,797	0.40	2020-07-28
September 25, 2015 private placement	1,863,302	0.40	2020-09-25
November 30, 2015 private placement	1,382,265	0.40	2020-11-30
Balance outstanding, December 31, 2015	5,408,931	$0.43	
February 1, 2016 private placement	629,622	0.40	2021-02-01
February 16, 2016 private placement	262,095	0.40	2021-02-16
March 4, 2016 private placement	135,000	0.40	2021-03-04
April 18, 2016 private placement	735,575	0.40	2021-04-18
August 16, 2016 private placement	93,310	0.40	2021-08-16
Balance outstanding, December 31, 2016 and 2017	7,264,533	$0.42	-

The weighted average remaining life of warrants outstanding is 2.81 years.

The weighted average fair value of warrants issued in 2017 is $nil (2016 - $0.01).

(f) Reserve

The Company's equity reserve is comprised of share-based payments and the fair value of warrants issued.

8. RELATED PARTY TRANSACTIONS AND BALANCES

Related party transactions are comprised of services rendered by directors and/or officers of the Company and a company controlled by an officer of the Company. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

Key management personnel are the Chief Executive Officer, the Chief Financial Officer, the Secretary and three Directors of the Company. The remuneration of key management personnel is as follows:

	Year ended December 31, 2017	Year ended December 31, 2016
Management fees	$ -	$ 88,500
Accounting fees	-	13,500
Legal fees	2,000	32,656
Share-based payments	-	37,379
	$ 2,000	$ 172,035

As at December 31, 2017 $nil (2016 - $98,085) was due to officers and directors of the Company for unpaid management fees.

As described in Note 4, the Company, through its wholly-owned subsidiary Orca Mobile, entered into an asset purchase agreement and a patent and technology license agreement, both with Sollensys. Sollensys is a related party to the Company as its principal shareholder, was a former senior officer and a director of the Company. In 2017, the Company incurred $24,000 (2016 - $48,000) in advance royalty expenses for continuing use of the patent. The Agreement was cancelled as of July 1, 2017.

(Expressed in Canadian Dollars)

9. INCOME TAX

The difference between tax expense for the periods and the expected income taxes based on the statutory tax rate arises as follows:

	2017	2016
	$	$
Net income (loss) for the period	185,613	(1,043,541)
Expected tax recovery at a combined federal and provincial rate of 26%	48,259	(271,321)
Net adjustments for deductible and non-deductible items and change of rates	(56,004)	(46,857)
Tax benefit not recognized	7,745	318,178
Deferred income tax recovery	-	-

No deferred tax asset has been recognized in respect of the following losses and temporary differences as it is not considered probable that sufficient future taxable profit will allow the deferred tax asset to be recovered:

	2017	2016
	$	$
Non-capital loss carry forwards	1,420,481	1,376,750
Share issuance costs	91,618	127,604
Total unrecognized deferred tax assets	1,512,099	1,504,354

Management had determined that the realization of the potential income tax benefits related to the non-capital losses is uncertain at this time, and cannot be viewed as more likely than not. Accordingly, the Company has recorded the potential deferred income tax asset.

At December 31, 2017, the Company has Canadian non-capital losses of approximately $5,261,000 (2016 - $5,295,000) which, if not utilized to reduce income in future periods will expire as follows:

Expiry of income tax non-capital loss carry-forwards	
December 31, 2034	56,000
December 31, 2035	3,801,000
December 31, 2036	1,193,000
December 31, 2037	211,000
	$ 5,261,000

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

Fair value hierarchy

The following table summarizes the fair value hierarchy under which the Company's financial instruments are valued.

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

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of loans receivable, accounts payable and due to related parties approximate their fair value because of the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2017, the Company had a cash balance of $1,279 to settle current liabilities of $nil.

There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipated it will need additional capital in the future to finance on-going developments of its technology, such capital to be derived from the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future development of its technology, although the Company has been successful in the past in financing its activities through the previously mentioned financing activities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and the success of its technology. In recent years, the securities markets have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash, loan receivable and investment. The Company limits exposure to credit risk on liquid financial assets by maintaining its cash with high-credit quality financial institutions.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Financial Instruments (continued)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash and restricted cash. The Company's current policy will be to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at December 31, 2017, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Foreign currency risk

The Company is not exposed to any foreign currency risk fluctuations.

c) Price risk

The Company is currently not exposed to any price risk.

12. CAPITAL MANAGEMENT

The Company considers capital to be the sole element of shareholders' equity. 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 operations. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

ORCA TOUCHSCREEN TECHNOLOGIES LTD.

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2016 and 2015

(Expressed in Canadian Dollars)

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

11th floor, 1050 West Pender Street, Vancouver, BC, Canada V6E 3S7
Tel: 604. 714. 3600 Fax: 604. 714. 3669 Web: manningelliott.com

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Orca Touchscreen Technology Ltd.

We have audited the accompanying consolidated financial statements of Orca Touchscreen Technology Ltd. which comprise the consolidated statement of financial position as at December 31, 2016, and the consolidated statements of comprehensive loss, changes in equity (deficiency) and cash flows for the year then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Orca Touchscreen Technology Ltd. as at December 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Orca Touchscreen Technology Ltd. to continue as a going concern.

Other Matter
The consolidated financial statements of Orca Touchscreen Technology Ltd. for the year ended December 31, 2015 were audited by another auditor who expressed an unmodified opinion on those statements on April 29, 2016.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
May 1, 2017

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

		As at December 31, 2016		As at December 31, 2015
ASSETS				
Current				
Cash	$	747	$	384,829
Restricted cash		-		5,750
Accounts receivable		7,426		15,089
Prepaid expenses		438		137,157
		8,611		542,825
Loan receivable (Note 3)		-		100,000
Intangible asset (Note 4)		-		40,674
Investment (Note 5)		-		112,080
	$	8,611	$	795,579
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)				
Current				
Accounts payable and accrued liabilities	$	127,806	$	44,883
Due to related parties (Note 10)		98,085		2,645
		225,891		47,528
Shareholders' equity (deficiency)				
Share capital (Note 9)		3,993,647		3,080,976
Reserve (Note 9)		1,077,567		1,014,666
Share subscriptions		29,539		926,901
Deficit		(5,318,033)		(4,274,492)
		(217,280)		748,051
	$	8,611	$	795,579

Nature of operations and going concern (Note 1)

Approved and authorized by the Board:

/s/ "Soo Rae Park"	Director	*/s/ "Yong Chul Kim"*	Director
Soo Rae Park		**Yong Chul Kim**	

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

		Year ended December 31, 2016		Year ended December 31, 2015
EXPENSES				
Amortization of intangible asset (Note 4)	$	-	$	9,326
Audit and accounting fees		16,920		49,626
Business development (Note 7)		184,600		2,492,308
Consulting fees		179,885		400,800
Filing and regulatory		33,022		39,139
General and administrative		9,062		76,076
Interest expense (recovery)		-		(253)
Investor relations (Note 8)		10,462		34,423
Legal fees		46,823		421,359
Management fees (Note 10)		88,500		73,145
Royalty payments (Notes 4 and 10)		48,000		48,000
Share-based payment (Note 9)		44,245		90,883
Travel		44,268		53,264
Loss before other items		(705,787)		(3,788,096)
Other items:				
Impairment of intangible asset (Note 4)		(40,674)		-
Write-off of investment (Note 5)		(112,080)		-
Write-off of loan receivable (Note 3)		(200,000)		-
Write-off of short term loan (Note 6)		15,000		-
Net and comprehensive loss for the year	$	(1,043,541)	$	(3,788,096)
Loss per common share – basic and diluted	$	(0.02)	$	(0.08)
Weighted average number of common shares outstanding		55,226,919		44,890,581

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

		Year ended December 31, 2016		Year ended December 31, 2015
CASH FLOWS USED IN OPERATING ACTIVITIES				
Loss for the year	$	(1,043,541)	$	(3,788,096)
Items not affecting cash:				
Amortization of intangible asset		-		9,325
Impairment of intangible asset		40,674		-
Share based payments		44,245		90,883
Write-off of investment		112,080		-
Write-off of loan receivable		200,000		-
Write-off of short-term loan		(15,000)		-
Changes in non-cash working capital items:				
Accounts receivable		7,663		(15,089)
Prepaid expenses		136,719		(76,978)
Accounts payable and accrued liabilities		82,923		(16,970)
Due to related parties		95,440		(5,355)
		(338,797)		(3,802,280)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from private placements - shares		215,999		4,026,045
Share issuance costs		(182,034)		(575,264)
Loan received		15,000		(110,929)
Share subscription		-		926,901
		48,965		4,266,753
CASH FLOWS USED IN INVESTING ACTIVITIES				
Restricted cash		5,750		(5,750)
Loan advanced		(100,000)		(100,000)
		(94,250)		(105,750)
Change in cash during the year		(384,082)		358,723
Cash, beginning of year		384,829		26,106
Cash, end of year	$	747	$	384,829
Other Supplemental Disclosure:				
Interest paid	$	-	$	4,200
Income tax paid	$	-	$	-

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

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)
(Expressed in Canadian Dollars)

	Share capital				
	Number	Amount	Reserve	Share Subscriptions	
Balance, December 31, 2014	40,440,000	$ 368,500	$ 185,479	$ -	$
Shares issued for cash	1,037,382	518,691	-	-	
Share units issued for cash	10,817,852	2,769,049	738,304	-	
Shares subscribed	-	-	-	926,901	
Share unit issue costs	-	(575,264)	-	-	
Share-based compensation	-	-	90,883	-	
Loss and comprehensive loss for the year	-	-	-	-	
Balance, December 31, 2015	52,295,234	3,080,976	1,014,666	926,901	
Share units issued for cash and subscriptions received	3,711,204	1,094,705	18,656	(897,362)	
Share unit issue costs	-	(182,034)	-	-	
Share-based compensation	-	-	44,245	-	
Loss and comprehensive loss for the year	-	-	-	-	
Balance, December 31, 2016	56,006,438	$ 3,993,647	$ 1,077,567	$ 29,539	$

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Orca Touchscreen Technologies Ltd. (the "Company" or "Orca Touchscreen") was incorporated on December 31, 2013 under the *Business Corporation Act* of British Columbia. The head office of the Company is 1500 – 701 West Georgia Street, Vancouver, British Columbia, V7Y 1C6. The Company has invested in touchscreen technology in an effort to develop and sell electronic devices.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At December 31, 2016, the Company has a working capital deficiency of $217, 280, has not achieved profitable operations and has accumulated losses of $5,318,033 since inception and expects to incur further losses in the development of its business. This material uncertainty may cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These consolidated financial statements for the year ended December 31, 2016, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements were authorized for issue by the Board of Directors on May 1, 2017.

Basis of Consolidation and Presentation

The consolidated financial statements have been prepared on a historical cost basis in Canadian dollars, which is the Company's and its wholly owned subsidiary's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates.

These consolidated financial statements incorporate the financial statements of the Company and its wholly controlled subsidiary Orca Mobile Solutions Ltd. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The consolidated financial statements include the accounts of the Company and its direct wholly-owned subsidiary. All significant intercompany transactions and balances have been eliminated.

(a) Basis of Measurement

The financial statements have been prepared on an accrual basis and are based on historical costs.

The financial statements are presented in Canadian dollars which is also the Company's and the subsidiary's functional currency.

(b) Significant accounting estimates and judgments

The preparation of financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting year. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. 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 and future years if the revision affects both current and future years. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Critical accounting judgments

Critical accounting judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Going concern

The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

Intangible assets

The recoverability of expenditures incurred on its intangible. The Company evaluates these amounts at least annually for indicators of impairment.

Critical accounting estimates

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

Assumptions used in the calculation of the fair value assigned to share-based payments and warrants issued as part of private placement units

The Company uses the Black-Scholes option pricing model for valuation of share-based payments and warrants issued as part of private placement units. Option pricing models require the input of subjective assumptions, including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's equity reserves.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities.

(c) Cash and restricted cash

Cash includes cash on deposit at financial institutions.

Restricted cash consisted of a GIC held at the bank to secure the Company's corporate credit card.

(d) Income taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in net income (loss), except to the extent that it relates to items recognized directly in equity or in other comprehensive loss.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current and deferred income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Income taxes (continued)

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

(e) Share capital

The proceeds from the exercise of stock options and warrants and the cost initially recognized on their issuance are recorded within share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company.

Commissions paid to agents, and other related share issue costs, such as finder's fees, legal, auditing, and printing, on the issue of the Company's shares are charged directly to share capital.

Valuation of equity units issued in private placements

The proceeds from the issue of units are allocated between common shares and common share purchase warrants on a relative fair value basis. The fair value of the common share purchase warrants is determined using the Black-Scholes option pricing model.

Earnings (loss) per share

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

(f) Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period using the graded vesting method. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in profit or loss. Amounts related to the issuance of shares are recorded as a reduction of capital stock.

When the value of goods or services received in exchange for the share-based payments cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

All equity-settled share-based payments are reflected in reserves until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to capital stock, and adjusted for any consideration paid.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Share-based payments (continued)

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation or settlement as an acceleration of vesting and immediately recognizes the amount that otherwise would have been recognized for services received over the revised vesting period.

(g) Financial instruments

Financial assets

The Company classifies its financial assets in the following categories: fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at recognition.

Fair value through profit or loss ("FVTPL")

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through profit or loss. The Company's cash and restricted cash are classified as FVTPL.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity date. Loans and receivables are initially recognized at fair value and subsequently carried at amortized cost less any impairment. Loans and receivables are comprised of loan receivable.

Impairment of financial assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial liabilities

The Company classifies its financial liabilities in the following categories: other financial liabilities.

Other financial liabilities

Other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit or loss over the period to maturity using the effective interest method.

Other financial liabilities are classified as current or non-current based on their maturity date. Other financial liabilities include accounts payable and due to related parties.

(h) Intangible assets

Intangible assets consist of touchscreen technology and patents acquired externally and are recorded at cost less accumulated amortization and impairment losses. The intangible assets are amortized on a straight-line basis over 5.63 years starting January 1, 2015.

Research costs are expensed as incurred. Development costs are expensed as incurred unless they meet certain criteria for deferral and amortization. The Company assesses whether it has met the relevant criteria for deferral and amortization at each reporting date.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Intangible assets (continued)

Impairment of tangible and intangible assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(i) New standards, interpretations and amendments adopted

As of January 1, 2016, the Company adopted the new and amended IFRS pronouncements in accordance with transitional provisions outlined in the respective standards. The Company has adopted the following new standards without any significant effect on its consolidated financial statements.

IFRS 11 Accounting for Acquisitions of Interests in Joint Operations
The amendments provide specific guidance on accounting for the acquisition of an interest in a joint operation that is a business.

IAS 27 Equity Method in Separate Financial Statements
The amendment restores the option to use the equity method to account for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements.

IAS 1 Presentation of Financial Statements
The amendments are part of an overall disclosure initiative to improve the effectiveness of disclosure in financial statements.

(j) New standards not yet adopted

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are not mandatory for accounting periods beginning before January 1, 2017. They have not been early adopted in these consolidated financial statements, and are expected to affect the Company in the period of initial application. In all cases the Company intends to apply these standards from application date as indicated below.

<u>Effective for annual periods beginning on or after January 1, 2017</u>

IAS 7 Statement of Cash Flows
The amendments to improve information provided to users of financial statements about an entity's changes in liabilities arising from financing activities.

IAS 12 Income Taxes
The amendments relate to the recognition of deferred tax assets for unrealized losses associated with debt instruments measured at fair value.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) New standards not yet adopted (continued)

<u>Effective for annual periods beginning on January 1, 2018</u>

IFRS 2 Share-based Payment

The amendments clarify the classification and measurement of share-based payment transactions.

IFRS 9 Financial Instruments – Classification and Measurement

IFRS 9 is the first step in the process to replace IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 introduces new requirements for classifying and measuring financial assets and liabilities and carries over from the requirements of IAS 39.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 is a new standards which supersedes 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 comprehensive five-step framework for the timing and measurement of revenue recognition.

<u>Effective for annual periods beginning on January 1, 2019</u>

New standard IFRS 16 Leases

IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties of a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model.

3. LOAN RECEIVABLE

On December 11, 2015, the Company, through its wholly-owned subsidiary Orca Mobile, agreed to advance the principal amount of $200,000 to an unrelated third party, Smart Sollen Inc. ("Smart Sollen") of Seoul, South Korea to be used to develop its operations to procure and sell electronic components to various joint venture companies in which Orca Mobile would acquire an interest (Note 5). The principal amount was advanced in two instalments: $100,000 on December 11, 2015 and $100,000 on January 31, 2016. The term of the agreement was 2 years. Smart Sollen agreed to repay the principal plus interest at a simple rate of 6% per annum by no later than the fifth business day following the last day of the term provided however that Orca Mobile may at any time and from time to time in its sole discretion and on 30 days' notice convert all of the principal and interest then due into 51% of the issued and outstanding common shares of Smart Sollen as fully paid and non-assessable which would entitle Orca Mobile to appoint a majority of the members of the board of directors of Smart Sollen. If on the sixth business day following the end of the term, Orca Mobile had not so converted and if Smart Sollen failed to pay the unpaid principal and interest then due, then the unpaid principal and interest then due shall be deemed to have converted automatically as aforementioned and Orca Mobile would be entitled to appoint a majority of the directors as aforementioned. During the year ended December 31, 2016, the Company wrote off the loan receivable of $200,000 and associated interest accrued of $11,951 as management of the Company deemed the loan to be uncollectible.

4. INTANGIBLE ASSET

On May 12, 2014, the Company, through its wholly-owned subsidiary Orca Mobile, entered into an asset purchase agreement and a patent and technology license agreement with Sollensys Corporation ("Sollensys"), a company incorporated and based in South Korea.

Sollensys is a related party to the Company as its principal shareholder, a senior officer and a director GwanJe (Frank) Woo, is a principal shareholder and CEO and President of the Company (Note 10).

(Expressed in Canadian Dollars)

4. INTANGIBLE ASSET (continued)

In accordance with these agreements, the Company acquired:

i. Sollensys' patent for folding and laminating touch sensor panels to produce touchscreens for $50,000 (paid);
ii. an exclusive 6-year worldwide license to use all of Sollensys' technology and remaining 18 patents for consideration of a royalty payable as to:

- 10% on gross revenues derived from the patents; and
- 80% of the net revenues received from the sale of Sollensys products sold by the Company.

Royalty payments are due on the last day of December each year during the term and are payable as to $4,000 per month on the first day of each month beginning July 1, 2014 as a guaranteed advance payment of the royalty. During the year ended December 31, 2016, the Company incurred $48,000 (2015 - $48,000) in royalty payments pursuant to the terms of the agreement. As at December 31, 2016, $57,292 of advanced royalties are included in accounts payable and accrued liabilities.

The intangible assets were being amortized on a straight-line basis over 5.63 years starting January 1, 2015. The accumulated amortization as at December 31, 2016 is $nil (2015 - $9,326). During the year ended December 31, 2016, the Company determined that no future benefit is expected to be derived from the intangible assets and as a result recorded an impairment of $40,674.

	2016	2015
Cost	$ 50,000	$ 50,000
Accumulated amortization	(9,326)	(9,326)
Writedown of intangible asset	(40,674)	-
Ending balance	$ -	$ 40,674

5. INVESTMENT

On September 30, 2014, the Company entered into a letter of intent with Sollensys and Mr. Carlos Fernando Rivers Sandoval, governing the proposed incorporation of a Guatemala joint venture company called Sollen-Mobile SA ("Sollen Guatemala") for the purpose of developing, manufacturing and marketing computer and telecommunications hardware and software. The initial paid-in capital of Sollen Guatemala was US$300,000, of which the Company paid US$100,000 ($112,080 CDN) for its 30% share of the investment.

On February 11, 2016, the Company, through its wholly-owned subsidiary, Orca Mobile, entered into a definitive agreement for the joint venture which governs the investment in and the management of Sollen Guatemala.

During the year ended December 31, 2016, the investment in Sollen Guatemala was written down to $nil as the Company ceased operations in Guatemala to focus on other opportunities.

6. SHORT-TERM LOANS

During the year ended December 31, 2016, short-term loans totaling $15,000 were received by the Company from Smart Sollen for general working capital. The short-term loans bears interest at a simple rate of 6% per annum, are unsecured and are payable on demand. During the year ended December 31, 2016, the Company wrote off the short-term loan payable of $15,000 to Smart Sollen against the loan receivable from Smart Sollen which was deemed uncollectible (Note 3).

7. BUSINESS DEVELOPMENT

On March 18, 2015, the Company entered into a service agreement with a private equity and venture capital firm (the "Firm") based in Singapore pursuant to which the Firm agreed to provide business development services. The initial term of the agreement is three years, unless terminated by either party on thirty days' written notice. Subsequently, by amendment dated October 31, 2015, the Company and the Firm agreed to change the Firm's compensation to a rate of $500 per hour as invoiced. For the year ended December 31, 2016, business development expenses were $184,600 (2015 - $2,492,308).

8. INVESTOR RELATIONS

On January 30, 2015, the Company entered into a consulting agreement with an investor relations consultant (the "Consultant") of Toronto, Ontario, by which the Consultant agreed to act as the Company's investor relations consultant by providing proactive, customized investor and media relations services. The initial term of the agreement was for 1 year, beginning January 2015. The term renews automatically on a month-to-month basis until terminated by either party on 30 days' written notice. For the year ended December 31, 2016, the Company paid $10,000 (2015 – $28,000) to the Consultant for investor relation services rendered. On May 31, 2016, the agreement was terminated by mutual agreement.

9. SHARE CAPITAL AND RESERVES

(a) Authorized share capital

Unlimited number of common and preferred shares without par value.

(b) Issued share capital

As at December 31, 2016, 56,006,438 common shares were issued and outstanding (2015 – 52,295,234).

Details of common shares issued during the years ended December 31, 2016 and 2015 are as follows:

For the year ended December 31, 2016:

i. On February 1, 2016, the Company completed a private placement of 1,259,244 units at a price of $0.30 per unit for gross proceeds of $377,773. Each unit is comprised of one common share and one-half warrant, with each full warrant exercisable at $0.40 for one common share of the Company at a price of $0.40 for a period of five years. The Company paid finders a commission of $66,834 which was recorded as a share issuance cost;

ii. On February 16, 2016, the Company completed a private placement of 524,190 units at a price of $0.30 per unit for gross proceeds of $157,257. Each unit is comprised of one common share and one-half warrant, with each full warrant exercisable at $0.40 for one common share of the Company at a price of $0.40 for a period of five years. The Company paid finders a commission of $27,000 which was recorded as a share issuance cost;

iii. On March 4, 2016, the Company completed a private placement of 270,000 units at a price of $0.30 per unit for gross proceeds of $81,000. Each unit is comprised of one common share and one-half warrant, with each full warrant exercisable at $0.40 for one common share of the Company at a price of $0.40 for a period of five years. The Company paid finders a commission of $16,200 which was recorded as a share issuance cost.

iv. On April 18, 2016, the Company completed a private placement of 1,471,150 units at a price $0.30 per unit for gross proceeds of $441,345. Each unit is comprised of one common share and one-half warrant, with each full warrant exercisable at $0.40 for one common share of the Company at a price of $0.40 for a period of five years. The Company paid finders a commission of $72,000 which was recorded as a share issuance cost.

v. On August 16, 2016, the Company completed a private placement of 186,620 units at a price $0.30 per unit for gross proceeds of $55,986. Each unit is comprised of one common share and one-half warrant, with each full warrant exercisable at $0.40 for one common share of the Company at a price of $0.40 for a period of five years.

9. SHARE CAPITAL AND RESERVES (continued)

(b) Issued share capital (continued)

For the year ended December 31, 2015:

i. On January 23, 2015, the Company issued 1,037,382 common shares at a price of $0.50 for gross proceeds of $518,691.

ii. On May 11, 2015, the Company completed a private placement of 1,871,413 units at a price of $0.44 per unit for gross proceeds of $823,422. Each unit was comprised of one common share and one-half warrant. The Company issued 935,708 warrants whereby each warrant holder is entitled to purchase one Company share at an exercise price of $0.55 for a period of 5 years from the issuance date of such warrant. The Company paid finders a commission of $150,054 which was recorded as a share issuance cost.

iii. On July 27, 2015, the Company completed a private placement of 1,557,716 units at a price of $0.30 per unit for gross proceeds of $467,315. Each unit was comprised of one common share and one-half warrant. The Company issued 778,859 warrants whereby each warrant holder is entitled to purchase one Company share at an exercise price of $0.40 for a period of 5 years from the issuance date of such warrant The Company paid finders a commission of $77,972 which was recorded as a share issuance cost.

iv. On July 28, 2015, the Company completed a private placement of 897,594 units at a price of $0.30 per unit for gross proceeds of $269,278. Each unit was comprised of one common share and one-half warrant. The Company issued 448,797 warrants whereby each warrant holder is entitled to purchase one Company share at an exercise price of $0.40 for a period of 5 years from the issuance date of such warrant. The Company paid finders a commission of $44,930 which was recorded as a share issuance cost.

v. On September 25, 2015, the Company completed a private placement of 3,726,604 units at a price of $0.30 per unit for gross proceeds of $1,117,981. Each unit was comprised of one common share and one-half warrant. The Company issued 1,863,302 warrants whereby each warrant holder is entitled to purchase one Company share at an exercise price of $0.40 for a period of 5 years from the issuance date of such warrant. The Company paid finders a commission of $139,273 which was recorded as a share issuance cost.

vi. On November 30, 2015, the Company completed a private placement of 2,764,525 units at a price of $0.30 per unit for gross proceeds of $829,358. Each unit was comprised of one common share and one-half warrant. The Company issued 1,382,265 warrants whereby each warrant holder is entitled to purchase one Company share at an exercise price of $0.40 for a period of 5 years from the issuance date of such warrant. The Company paid finders a commission of $163,035 which was recorded as a share issuance cost.

(c) Escrow Aagreement

Pursuant to a stock restriction agreement, 8,902,000 common shares of the Company are subject to restrictions on transfer. The restricted shares are to be released at 10% on the listing date and an additional 15% every six months thereafter with the final tranche being released on June 13, 2017. As at December 31, 2016, 1,335,300 (2015 – 4,005,900) common shares of the Company are restricted.

(d) Stock options

On July 15, 2014, the Company adopted a stock option plan authorizing the Company to grant options to officers, directors, employees and consultants to acquire, in the aggregate, up to 10% of the issued and outstanding common stock of the Company. The options can be granted for a maximum of five years and vest as determined by the Board of Directors. The exercise price of each option granted may not be less than the greater of the closing market prices of the common shares on (i) the trading day prior to the date of grant and (ii) the date of grant, pursuant to Canadian Securities Exchange Policy 6.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL AND RESERVES (continued)

(d) Stock options (continued)

On December 18, 2015, the Company granted to its directors, officers and certain consultants stock options exercisable to purchase an aggregate of 2,900,000 common shares at an exercise price of $0.20 expiring on December 18, 2020. Of these stock options, 1,200,000 vest immediately with the remainder vesting at 25% every three months following the date of grant with the first vesting on March 18, 2016.

There were no options granted during the year ended December 31, 2016.

The fair value of options granted during the year ended December 31, 2015 was determined using the Black-Scholes pricing model with the following assumptions:

	2015
Share price	$0.04
Risk-free interest rate	0.74%
Annualized volatility	100%
Expected dividend yield	Nil
Expected option life in years	4.97~5.00

For the year ended December 31, 2016, share based compensation expense of $44,245 (2015 - $90,883) based on the grant date fair value of the awards recognized over the vesting period, was recorded in net loss.

Details of stock options activities for the year ended December 31, 2016 and 2015 are as follows:

	Number of options	Weighted Average Exercise Price
Balance outstanding, December 31, 2014	600,000	$0.80
Granted	2,900,000	$0.20
Expired	(600,000)	$0.80
Balance outstanding, December 31, 2015 and 2016	2,900,000	$0.20
Balance exercisable, December 31, 2016	2,900,000	$0.20

The weighted average remaining life of options outstanding is 3.96 years.

The weighted average fair value of stock options issued in 2016 is $nil (2015 - $0.30).

(e) Warrants

The fair value of warrants issued during the years ended December 31, 2016 and December 31, 2015 were determined using the Black Scholes pricing model with the following assumptions:

	2016	2015
Share price	$0.03	$0.04
Risk-free interest rate	0.59%~0.89%	0.81%~0.96%
Annualized volatility	100%	100%
Expected dividend yield	Nil	Nil
Expected warrant life in years	5.0	5.0

(Expressed in Canadian Dollars)

9. SHARE CAPITAL AND RESERVES (continued)

(e) Warrants (continued)

Details of warrants activity is as follows:

	Number of warrants	Exercise Price	Expiry Date
Balance outstanding, December 31, 2014	-	$ -	-
May 11, 2015 private placement	935,708	0.55	2020-05-11
July 27, 2015 private placement	778,859	0.40	2020-07-27
July 28, 2015 private placement	448,797	0.40	2020-07-28
September 25, 2015 private placement	1,863,302	0.40	2020-09-25
November 30, 2015 private placement	1,382,265	0.40	2020-11-30
Balance outstanding, December 31, 2015	5,408,931	$0.43	
February 1, 2016 private placement	629,622	0.40	2021-02-01
February 16, 2016 private placement	262,095	0.40	2021-02-16
March 4, 2016 private placement	135,000	0.40	2021-03-04
April 18, 2016 private placement	735,575	0.40	2021-04-18
August 16, 2016 private placement	93,310	0.40	2021-08-16
Balance outstanding, December 31, 2016	7,264,533	$0.42	-

The weighted average remaining life of warrants outstanding is 3.81 years.

The weighted average fair value of warrants issued in 2016 is $0.01 (2015 - $0.19).

(f) Reserve

The Company's equity reserve is comprised of share-based payments and the fair value of warrants issued.

10. RELATED PARTY TRANSACTIONS AND BALANCES

Related party transactions are comprised of services rendered by directors and/or officers of the Company and a company controlled by an officer of the Company. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

Key management personnel are the Chief Executive Officer, the Chief Financial Officer, the Secretary and three Directors of the Company. The remuneration of key management personnel is as follows:

	Year ended December 31, 2016	Year ended December 31, 2015
Management fees	$ 88,500	$ 73,145
Accounting fees	13,500	7,500
Legal fees	32,656	17,189
Share-based payments	37,379	90,883
	$ 172,035	$ 188,717

As at December 31, 2016 $98,085 (2015 - $2,645) was due to officers and directors of the Company for unpaid management fees.

On May 12, 2014, the Company, through its wholly-owned subsidiary Orca Mobile, entered into an asset purchase agreement and a patent and technology license agreement, both with Sollensys. Sollensys is a related party to the Company as its principal shareholder, a senior officer and a director is GwanJe (Frank) Woo, a principal shareholder and CEO and President of the Company (Note 4).

(Expressed in Canadian Dollars)

10. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

During 2014, the Company paid Sollensys $50,000 in consideration of a patent for folding and laminating touch sensor panels to produce touchscreens; the payment was capitalized as an intangible asset (Note 4). In 2016 the Company incurred $48,000 (2015 - $48,000) in advance royalty expenses for continuing use of the patent.

11. INCOME TAX

The difference between tax expense for the periods and the expected income taxes based on the statutory tax rate arises as follows:

	2016	2015
	$	$
Net loss for the period	(1,043,541)	(3,788,096)
Expected tax recovery at a combined federal and provincial rate of 26%	(271,321)	(984,905)
Net adjustments for deductible and non-deductible items	(46,857)	(3,378)
Tax benefit not recognized	318,178	988,283
Deferred income tax recovery	-	-

No deferred tax asset has been recognized in respect of the following losses and temporary differences as it is not considered probable that sufficient future taxable profit will allow the deferred tax asset to be recovered:

	2016	2015
	$	$
Non-capital loss carry forwards	1,376,750	1,066,521
Share issuance costs	127,604	119,655
Total unrecognized deferred tax assets	1,504,354	1,186,176

Management had determined that the realization of the potential income tax benefits related to the non-capital losses is uncertain at this time, and cannot be viewed as more likely than not. Accordingly, the Company has recorded the potential deferred income tax asset.

At December 31, 2016, the Company has Canadian non-capital losses of approximately $5,295,000 (2015 - $4,102,000) which, if not utilized to reduce income in future periods will expire as follows:

Expiry of income tax non-capital loss carry-forwards	
December 31, 2033	$ 12,000
December 31, 2034	289,000
December 31, 2035	3,801,000
December 31, 3036	1,193,000
	$ 5,295,000

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

Fair value hierarchy

The following table summarizes the fair value hierarchy under which the Company's financial instruments are valued.

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

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of loans receivable and accounts payable approximate their fair value because of the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2016, the Company had a cash balance of $747 to settle current liabilities of $225,891.

There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipated it will need additional capital in the future to finance on-going developments of its technology, such capital to be derived from the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future development of its technology, although the Company has been successful in the past in financing its activities through the previously mentioned financing activities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and the success of its technology. In recent years, the securities markets have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and cash equivalents, loans receivable, and short-term investments. The Company limits exposure to credit risk on liquid financial assets by maintaining its cash with high-credit quality financial institutions.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Financial Instruments (continued)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash and restricted cash. The Company's current policy will be to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at December 31, 2016, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Foreign currency risk

The majority of the Company's business is conducted in South Korea and Guatemala in United States dollars. As such, the Company is exposed to foreign currency risk in fluctuations between the Canadian dollar and the US dollar. Fluctuations in the exchange rate between the Canadian dollar and the US dollar may have a material adverse effect on the Company's business and financial condition. Fluctuations do not have a significant impact on operating results.

c) Price risk

The markets for touchscreens are fragmented, highly competitive and rapidly changing. With the introduction of technological advances and new entrants into these markets at a rapid pace, the Company expects competition to intensify in the future, which could harm the Company's ability to develop a customer base for its products and to begin generating revenue.

13. CAPITAL MANAGEMENT

The Company considers capital to be the sole element of shareholders' equity. 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 sale and distribution of its products. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

SCHEDULE B
MANAGEMENT'S DISCUSSION AND ANALYSIS OF ORCA

ORCA TOUCHSCREEN TECHNOLOGIES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE SIX MONTHS ENDED JUNE 30, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS
Dated August 27, 2018
for the Six Months Ended June 30, 2018

INTRODUCTION

The following Management Discussion and Analysis ("MD&A") of Orca Touchscreen Technologies Ltd. (the "Company" or "Orca Touchscreen") has been prepared by Management in accordance with the requirements of National Instrument 51-102. The information contained in this MD&A is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this MD&A is not intended to be a comprehensive review of all matters and developments concerning the Company. Specific risks facing the Company are set out explicitly in Appendix 1 of this MD&A. In addition, certain statements in this report incorporate forward looking information and readers are advised to review the cautionary note regarding such statements in Appendix 2 of this MD&A.

This MD&A should be read in conjunction with the Company's audited financial statements as at December 31, 2017 and the related notes contained therein and the Company's unaudited condensed consolidated interim financial statements for the six months June 30, 2018 and the related notes contained therein both of which have been prepared under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, unless specifically noted.

COMPANY OVERVIEW

Orca Touchscreen Technologies Ltd. was incorporated under the Business Corporations Act (British Columbia) on December 31, 2013. The head office of the Company is 1500 – 701 West Georgia Street, Vancouver, British Columbia, V7Y 1C6.

On September 18, 2014, the Company commenced trading on the Canadian Securities Exchange ("CSE") under the trading symbol "OAA". During that year, the Company completed a four-for-one forward stock split and obtained listings for trading on 3 markets: Canadian Securities Exchange, Frankfurt Stock Exchange and OTCQB.

The Company has focused its attention on completing the following transaction:

On December 4, 2017, the Company and Cultivator Catalyst Corp. ("CCC") entered into a letter of intent, (the "LOI") pursuant to which the Company agreed to acquire all the issued and outstanding shares and securities convertible into shares of CCC pursuant to the terms of an amalgamation agreement dated April 25, 2018 among the Company, CCC and 1151856 B.C. Ltd. (the "Amalgamation Agreement"), a wholly-owned subsidiary of the Company formed to facilitate the Transaction.

Pursuant to the Amalgamation Agreement, the Company will indirectly acquire all of the issued and outstanding common shares and special class C shares in the capital of CCC ("CCC Shares") and securities of CCC convertible into CCC Shares in exchange for common shares (the "Payment Shares") and special class C shares, each as applicable, in the capital of the Company pursuant to an exchange ratio of five Payment Shares for each CCC common share and one special class C share of the Company for each special class C share of CCC (collectively, the "Exchange Ratio"). In addition, all of the outstanding common share purchase warrants of CCC will be exchanged for common share purchase warrants of the Company based on the Exchange Ratio (the "Transaction").

Prior to closing of the Transaction and subject to the rules of the Canadian Securities Exchange, the Company will complete a consolidation of its common shares on the basis of one new common share in the capital of the Company for fifty old common shares. Furthermore, upon completion of the Transaction it is intended that the Company will be re-named Biome Grow Inc. and shareholders of CCC will own a controlling interest in the issued and outstanding shares in the capital of the Company.

CCC is in the process of completing a brokered private placement financing to raise gross proceeds of approximately $15,000,000 (the "Financing") by the issuance of 3,000,000 units at $5.00 per unit. Each unit consists of one CCC common share and one CCC common share purchase warrant. Each CCC common share purchase warrant entitles the holder to purchase one CCC common share at $5.00 per share for up to 2 years. In connection with the Financing, the agent will be paid an 7% cash commission and will be issued 210,000 warrants with same terms to the warrants included in the Financing.

Since January 1, 2018, CCC has raised gross proceeds of $2,391,930 by the issuance of 863,977 CCC common shares.

The boards of directors of the Company and CCC have each unanimously approved the terms of the Amalgamation Agreement.

The Amalgamation Agreement will be subject to certain customary conditions including approval of the Company's and CCC shareholders and various regulatory approvals. The Amalgamation Agreement contains customary deal protection mechanisms and non-solicitation provisions.

RESULTS OF OPERATIONS

During the six months ended June 30, 2018

The Company had net income of $903 during the period ended June 30, 2018, compared to a net income of $75,990 for the same period in 2017. During the period ended June 30, 2018, certain former related parties and other creditors forgave debts of $23,707.

Consulting – For the period ended June 30, 2018, consulting fees were $nil compared to $1,000 for the same period in 2017. The decrease in 2017 was primarily caused by the Company's decreased corporate activity.

Filing and regulatory – For the period ended June 30, 2018, filing expense was $3,573 compared to $2,331 for the same period in 2017. The decrease in 2018 was the result of decrease corporate activity.

SUMMARY OF QUARTERLY RESULTS

A summary of the Company's quarterly results for which financial statements have been prepared is as follows:

	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3
Net (Income) loss	$885	($18)	($185,613)	($113,282)	($94,141)	$18,151	$1,043,541	$71,278
(Income) Loss per Share	($0.00)	($0.00)	($0.00)	($0.00)	($0.00)	$0.00	$0.02	$0.00
Total Assets	$10,641	$9,756	$9,738	$9,633	$7,736	$7,736	$8,611	$387,355
Working Capital (Deficit)	10,641	9,756	9,738	9,633	($103,649)	($235,431)	($217,280)	($177,744)

LIQUIDITY AND CAPITAL RESOURCES

To date, the Company has funded its operations and capital requirements through a combination of short-term loans from related parties and equity financings.

As at June 30, 2018, the Company had total assets of $10,641 (December 31, 2017 - $9,738). As at June 30, 2018, the Company had a working of $10,641 compared to working capital of $9,738 as at December 31, 2017.

During the period ended June 30, 2018, certain creditors forgave amounts payable of $23,707 and as a result the Company recognized a gain on the forgiveness of debt.

At June 30, 2018, the Company has not achieved profitable operations and has accumulated losses of $5,131,517 since inception and expects to incur further losses in the development of its business. This material uncertainty may cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

Equity financing

Management believes that the Company will require additional working capital to meet its primary business objectives over the next 12 months. The Company plans to raise capital through equity or debt financing, although the latter may not be a viable alternative for funding operations as the Company does not have sufficient assets to secure any such debt financing. The Company anticipates that any additional funding will be in the form of equity financing from the sale of its common shares. However, there can be no assurance that the Company will be able to raise sufficient funds from the sale of its common shares to fund its operations or planned business development activities. In the absence of such financing, the Company will not be able to acquire further technology product interests. Even if the Company is successful in obtaining equity financing to expand operations and to fund its business development activities, there is no assurance that it will obtain the funding necessary to acquire any additional further technology product interests. If the Company is not able to obtain additional financing, it may be forced to abandon its business plan.

Modifications to the Company's plans will be based on many factors, including the results of our new product acquisition plan, marketing plan and financing plan; negotiations with potential product suppliers and distribution partners; the demand for touchscreen products worldwide; and the amount of available capital. Additionally, the extent to which the Company is able to carry out its business plan is dependent upon the amount of financing obtained.

CAPITAL MANAGEMENT

The Company considers capital to be the sole element of shareholders' equity. 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 sale and distribution of its technology products. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

COMMITMENTS

The Company does not currently have any commitments.

CONTINGENCIES

There are no contingent liabilities.

OFF-BALANCE SHEET ARRANGMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Related party transactions are comprised of services rendered by directors and/or officers of the Company and a company controlled by a former officer of the Company. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

Key management personnel are the Chief Executive Officer, the Chief Financial Officer, the Secretary and three Directors of the Company. There were no related party balances as at June 30, 2018 and December 31, 2017 and there were no transactions with related parties during the periods ended June 30, 2018 and 2017.

OTHER MD&A REQUIREMENTS

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

b) Disclosure of June 30, 2018 and the date of this MD&A, the Company has 57,662,633 issued and outstanding common shares.

c) Options
   As at June 30, 2018, there are no options outstanding.

d) Warrants
   As at June 30, 2018 and the date of this MD&A, the Company has warrants outstanding to purchase 7,264,533 common shares.

SIGNIFICANT ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates
Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

Assumptions used in the calculation of the fair value assigned to share-based payments
The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions, including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's equity reserves.

Going concern
The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

The Company's significant accounting policies are disclosed in Note 2(b) of the Company's annual audited consolidated financial statements for the year ended December 31, 2017.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK FACTORS
Cash is carried at fair value using a level 1 fair value measurement. The carrying value of receivables, accounts payable and accrued liabilities and loans payable approximate their fair value because of the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2018, the Company had a cash balance of $1,048 to settle current liabilities of $nil.

There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipates it will need additional capital in the future to finance on-going developments of its technology, such capital to be derived from the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future development of its technology, although the Company has been successful in the past in financing its activities through the previously mentioned financing activities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and the success of its technology. In recent years, the securities markets have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Credit risk
Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and cash equivalents and short-term investments. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. Receivables consist mainly of GST receivable from the Government of Canada. The Company has been successful in recovering input tax credits and believes credit risk with respect to receivables to be insignificant.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash and restricted cash. The Company's current policy will be to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at June 30, 2018, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Foreign currency risk

The Company is not exposed to any foreign currency risk fluctuations.

c) Price risk

The Company is currently not exposed to any price risk.

APPENDIX 1

RISKS AND UNCERTAINTIES

The Company's future growth and profitability will depend on the effectiveness and efficiency of advertising and promotional costs, including the Company's ability to (i) create brand recognition for the Products; (ii) determine appropriate advertising strategies, messages and media; and (iii) maintain acceptable operating margins on such costs. There can be no assurance that advertising and promotional costs will result in revenues for the Company's business in the future, or will generate awareness of the Company's technologies or services. In addition, no assurance can be given that the Company will be able to manage the Company's advertising and promotional costs on a cost-effective basis.

Uninsured or Uninsurable Risk
Orca Touchscreen may become subject to liability for risks against which Orca Touchscreen cannot insure or against which the Company may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for the Company's usual business activities.

Payment of liabilities for which Orca Touchscreen does not carry insurance may have a material adverse effect on the Company's financial position and operations.

Conflicts of Interest Risk

Certain of the Company's directors and officers are, and may continue to be, involved in other business ventures in the technology industry through their direct and indirect participation in corporations, partnerships, joint ventures, etc. that may become potential competitors of the Products that Orca Touchscreen intends to provide. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers conflict with or diverge from the Company's interests. In accordance with the BCBCA, directors who have a material interest in any person who is a party to a material contract or a proposed material contract are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to the Company's best interests. However, in conflict of interest situations, the Company's directors and officers may owe the same duty to another company and will need to balance their competing interests with their duties to Orca Touchscreen. Circumstances (including with respect to future corporate opportunities) may arise that may be resolved in a manner that is unfavourable Company's able to us.

Key Personnel Risk

The Company's success will depend on its directors and officers to develop the Company's business and manage its operations, and on the Company's ability to attract and retain key technical, sales and marketing staff or consultants once operations begin. The loss of any key person or the inability to find and retain new key persons could have a material adverse effect on the Company's business. Competition for qualified technical, sales and marketing staff, as well as officers and directors can be intense and no assurance can be provided that Orca Touchscreen will be able to attract or retain key personnel in the future, which may adversely impact the Company's operations.

Speculative Nature of Investment Risk

An investment in the Company's common shares carries a high degree of risk and should be considered as a speculative investment by purchasers. Orca Touchscreen has no history of earnings, limited cash reserves, a limited operating history, have not paid dividends, and are unlikely to pay dividends in the immediate or near future. Orca Touchscreen is in the development and planning phases of its business and has not started commercialization of the Company's products and services. The Company's operations are not yet sufficiently established such that Orca Touchscreen can mitigate the risks associated with its planned activities.

No Established Market for Shares Risk

There is currently no established trading market through which common shares in the Company's authorized capital may be sold. Even if a trading market develops, there can be no assurance that such market will continue in the future. As a result, investors in the Company may lose their entire investment.

Liquidity and Future Financing Risk

Orca Touchscreen is in the development stage, has not started operating and has not generated any revenue. Orca Touchscreen will likely operate at a loss until the Company's business becomes established and Orca Touchscreen may require additional financing to fund future operations and expansion plans. Orca Touchscreen needs to raise further funds to carry out the Company's business plan, but Orca Touchscreen do not yet have a commitment from anyone to invest the funds. The Company's ability to secure any required financing to sustain its operations will depend in part upon prevailing capital market conditions, as well as the Company's business success. There can be no assurance that Orca Touchscreen will be successful in the Company's efforts to secure any additional financing or additional financing on terms satisfactory to the Company's management. If additional financing is raised by issuing common shares in the Company's authorized capital, control of the Company's company may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, Orca Touchscreen may be required to scale back its business plan or cease operating.

Going-Concern Risk

Orca Touchscreen's financial statements have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that Orca Touchscreen will be successful in completing equity or debt financing or in achieving profitability. The financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should Orca Touchscreen be unable to continue as a going concern.

Global Economy Risk

The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. Orca Touchscreen will be dependent upon the capital markets to raise additional financing in the future, while Orca Touchscreen establishes a user base for the Products. Access to financing has been negatively impacted by the ongoing global economic downturn. As such, Orca Touchscreen is subject to liquidity risks in meeting the Company's development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the Company's ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Company and its management. If uncertain market conditions persist, the Company's ability to raise capital could be jeopardized, which could have an adverse impact on the Company's operations and the trading price of the Company's common shares on the Canadian Securities Exchange (the "Exchange").

Dividend Risk
Orca Touchscreen has not paid dividends in the past and does not anticipate paying dividends in the near future. Orca Touchscreen expect to retain the Company's earnings to finance further growth and, when appropriate, retire debt.

Share Price Volatility Risk
It is anticipated that the Company's common shares will be listed for trading on the Exchange. As such, external factors outside of the Company's control such as announcements of quarterly variations in operating results, revenues and costs, and sentiments toward technology sector stocks may have a significant impact on the market price of the Company's common shares. Global stock markets, including the Exchange, have from time to time experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. The same applies to companies in the technology sector. There can be no assurance that an active or liquid market will develop or be sustained for the common shares.

Increased Costs of Being a Publicly Traded Company
As a company with publicly-traded securities, Orca Touchscreen will incur significant legal, accounting and filing fees not presently incurred. Securities legislation and the rules and policies of the Exchange require listed companies to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information, all of which will significantly increase the Company's legal and financial compliance costs.

APPENDIX 2

FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking statements and information relating to the Company that is based on the beliefs of our management as well as assumptions made by and information currently available to us. When used in this document, the words "*anticipate*", "*believe*", "*estimate*", "*expect*" and similar expressions, as they relate to our company or our management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued development of our technological property. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or our achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

ORCA TOUCHSCREEN TECHNOLOGIES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED MARCH 31, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS
Dated May 28, 2018
for the Three Months Ended March 31, 2018

INTRODUCTION

The following Management Discussion and Analysis ("MD&A") of Orca Touchscreen Technologies Ltd. (the "Company" or "Orca Touchscreen") has been prepared by Management in accordance with the requirements of National Instrument 51-102. The information contained in this MD&A is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this MD&A is not intended to be a comprehensive review of all matters and developments concerning the Company. Specific risks facing the Company are set out explicitly in Appendix 1 of this MD&A. In addition, certain statements in this report incorporate forward looking information and readers are advised to review the cautionary note regarding such statements in Appendix 2 of this MD&A.

This MD&A should be read in conjunction with the Company's audited financial statements as at December 31, 2017 and the related notes contained therein and the Company's unaudited condensed consolidated interim financial statements for the three months March 31, 2018 and the related notes contained therein both of which have been prepared under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, unless specifically noted.

COMPANY OVERVIEW

Orca Touchscreen Technologies Ltd. was incorporated under the Business Corporations Act (British Columbia) on December 31, 2013. The head office of the Company is 1500 – 701 West Georgia Street, Vancouver, British Columbia, V7Y 1C6.

On September 18, 2014, the Company commenced trading on the Canadian Securities Exchange ("CSE") under the trading symbol "OAA". During that year, the Company completed a four-for-one forward stock split and obtained listings for trading on 3 markets: Canadian Securities Exchange, Frankfurt Stock Exchange and OTCQB.

Guatemala Project

On September 30, 2014, the Company entered into a non-binding letter of intent with Sollensys and Mr. Carlos Fernando Rivers Sandoval, a Guatemalan lawyer, governing the proposed incorporation of a Guatemala joint venture company called Sollen-Mobile SA ("Sollen-Mobile") for the purpose of developing, manufacturing and marketing computer and telecommunications hardware and software. The initial paid-in capital of Sollen-Mobile was proposed to be US$300,000, of which the Company paid US$100,000 ($112,080 CDN) for its proposed one-third share of the investment.

During the year ended December 31, 2016, the investment in Sollen-Mobile was written down to $nil as the Company ceased operations in Guatemala to focus on other opportunities.

RESULTS OF OPERATIONS

During the three months ended March 31, 2018

The Company had net income of $18 during the period ended March 31, 2018, compared to a net loss of $18,151 for the same period in 2017. During the period ended March 31, 2018, certain former related parties and other creditors forgave debts of $2,822.

Consulting – For the period ended March 31, 2018, consulting fees were $nil compared to $758 for the same period in 2017. The decrease in 2017 was primarily caused by the Company's decreased corporate activity.

Filing and regulatory – For the period ended March 31, 2018, filing expense was $2,804 compared to $1,234 for the same period in 2017. The increase in 2018 was the result of increase corporate activity.

SUMMARY OF QUARTERLY RESULTS

A summary of the Company's quarterly results for which financial statements have been prepared is as follows:

	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2
Net (Income) loss	($18)	($185,613)	($113,282)	($94,141)	$18,151	$1,043,541	$71,278	$101,241
(Income) Loss per Share	($0.00)	($0.00)	($0.00)	($0.00)	$0.00	$0.02	$0.00	$0.00
Total Assets	$9,756	$9,738	$9,633	$7,736	$7,736	$8,611	$387,355	$387,691
Working Capital (Deficit)	9,756	9,738	9,633	($103,649)	($235,431)	($217,280)	($177,744)	($112,393)

LIQUIDITY AND CAPITAL RESOURCES

To date, the Company has funded its operations and capital requirements through a combination of short-term loans from related parties and equity financings.

As at March 31, 2018, the Company had total assets of $9,756 (December 31, 2017 - $9,738). As at March 31, 2018, the Company had a working of $9,756 compared to working capital of $9,738 as at December 31, 2017.

During the period ended March 31, 2018, certain creditors forgave amounts payable of $2,822 and as a result the Company recognized a gain on the forgiveness of debt.

At March 31, 2018, the Company has not achieved profitable operations and has accumulated losses of $5,132,402 since inception and expects to incur further losses in the development of its business. This material uncertainty may cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

Equity financing

Management believes that the Company will require additional working capital to meet its primary business objectives over the next 12 months. The Company plans to raise capital through equity or debt financing, although the latter may not be a viable alternative for funding operations as the Company does not have sufficient assets to secure any such debt financing. The Company anticipates that any additional funding will be in the form of equity financing from the sale of its common shares. However, there can be no assurance that the Company will be able to raise sufficient funds from the sale of its common shares to fund its operations or planned business development activities. In the absence of such financing, the Company will not be able to acquire further technology product interests. Even if the Company is successful in obtaining equity financing to expand operations and to fund its business development activities, there is no assurance that it will obtain the funding necessary to acquire any additional further technology product interests. If the Company is not able to obtain additional financing, it may be forced to abandon its business plan.

Modifications to the Company's plans will be based on many factors, including the results of our new product acquisition plan, marketing plan and financing plan; negotiations with potential product suppliers and distribution partners; the demand for touchscreen products worldwide; and the amount of available capital. Additionally, the extent to which the Company is able to carry out its business plan is dependent upon the amount of financing obtained.

CAPITAL MANAGEMENT

The Company considers capital to be the sole element of shareholders' equity. 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 sale and distribution of its technology products. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

COMMITMENTS

The Company does not currently have any commitments.

CONTINGENCIES
There are no contingent liabilities.

OFF-BALANCE SHEET ARRANGMENTS
The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES
Related party transactions are comprised of services rendered by directors and/or officers of the Company and a company controlled by a former officer of the Company. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

Key management personnel are the Chief Executive Officer, the Chief Financial Officer, the Secretary and three Directors of the Company. There were no related party balances as at March 31, 2018 and December 31, 2017 and there were no transactions with related parties during the periods ended March 31, 2018 and 2017.

OTHER MD&A REQUIREMENTS
a) Additional information relating to the Company is on SEDAR at www.sedar.com.

b) Disclosure of March 31, 2018 and the date of this MD&A, the Company has 57,662,633 issued and outstanding common shares.

c) Options
As at March 31, 2018, there are no options outstanding.

d) Warrants
As at March 31, 2018 and the date of this MD&A, the Company has warrants outstanding to purchase 7,264,533 common shares.

SIGNIFICANT ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES
The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates
Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

Assumptions used in the calculation of the fair value assigned to share-based payments
The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions, including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's equity reserves.

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The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

The Company's significant accounting policies are disclosed in Note 2(b) of the Company's annual audited consolidated financial statements for the year ended December 31, 2017.

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Cash is carried at fair value using a level 1 fair value measurement. The carrying value of receivables, accounts payable and accrued liabilities and loans payable approximate their fair value because of the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2018, the Company had a cash balance of $1,163 to settle current liabilities of $nil.

There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipates it will need additional capital in the future to finance on-going developments of its technology, such capital to be derived from the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future development of its technology, although the Company has been successful in the past in financing its activities through the previously mentioned financing activities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and the success of its technology. In recent years, the securities markets have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Credit risk
Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and cash equivalents and short-term investments. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. Receivables consist mainly of GST receivable from the Government of Canada. The Company has been successful in recovering input tax credits and believes credit risk with respect to receivables to be insignificant.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash and restricted cash. The Company's current policy will be to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at March 31, 2018, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Foreign currency risk

The Company is not exposed to any foreign currency risk fluctuations.

c) Price risk

The Company is currently not exposed to any price risk.

APPENDIX 1

RISKS AND UNCERTAINTIES

The Company's future growth and profitability will depend on the effectiveness and efficiency of advertising and promotional costs, including the Company's ability to (i) create brand recognition for the Products; (ii) determine appropriate advertising strategies, messages and media; and (iii) maintain acceptable operating margins on such costs. There can be no assurance that advertising and promotional costs will result in revenues for the Company's business in the future, or will generate awareness of the Company's technologies or services. In addition, no assurance can be given that the Company will be able to manage the Company's advertising and promotional costs on a cost-effective basis.

Uninsured or Uninsurable Risk
Orca Touchscreen may become subject to liability for risks against which Orca Touchscreen cannot insure or against which the Company may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for the Company's usual business activities. Payment of liabilities for which Orca Touchscreen does not carry insurance may have a material adverse effect on the Company's financial position and operations.

Conflicts of Interest Risk
Certain of the Company's directors and officers are, and may continue to be, involved in other business ventures in the technology industry through their direct and indirect participation in corporations, partnerships, joint ventures, etc. that may become potential competitors of the Products that Orca Touchscreen intends to provide. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers conflict with or diverge from the Company's interests. In accordance with the BCBCA, directors who have a material interest in any person who is a party to a material contract or a proposed material contract are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to the Company's best interests. However, in conflict of interest situations, the Company's directors and officers may owe the same duty to another company and will need to balance their competing interests with their duties to Orca Touchscreen. Circumstances (including with respect to future corporate opportunities) may arise that may be resolved in a manner that is unfavourable Company's able to us.

Key Personnel Risk
The Company's success will depend on its directors and officers to develop the Company's business and manage its operations, and on the Company's ability to attract and retain key technical, sales and marketing staff or consultants once operations begin. The loss of any key person or the inability to find and retain new key persons could have a material adverse effect on the Company's business. Competition for qualified technical, sales and marketing staff, as well as officers and directors can be intense and no assurance can be provided that Orca Touchscreen will be able to attract or retain key personnel in the future, which may adversely impact the Company's operations.

Speculative Nature of Investment Risk
An investment in the Company's common shares carries a high degree of risk and should be considered as a speculative investment by purchasers. Orca Touchscreen has no history of earnings, limited cash reserves, a limited operating history, have not paid dividends, and are unlikely to pay dividends in the immediate or near future. Orca Touchscreen is in the development and planning phases of its business and has not started commercialization of the Company's products and services. The Company's operations are not yet sufficiently established such that Orca Touchscreen can mitigate the risks associated with its planned activities.

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There is currently no established trading market through which common shares in the Company's authorized capital may be sold. Even if a trading market develops, there can be no assurance that such market will continue in the future. As a result, investors in the Company may lose their entire investment.

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Orca Touchscreen is in the development stage, has not started operating and has not generated any revenue. Orca Touchscreen will likely operate at a loss until the Company's business becomes established and Orca Touchscreen may require additional financing to fund future operations and expansion plans. Orca Touchscreen needs to raise further funds to carry out the Company's business plan, but Orca Touchscreen do not yet have a commitment from anyone to invest the funds. The Company's ability to secure any required financing to sustain its operations will depend in part upon prevailing capital market conditions, as well as the Company's business success. There can be no assurance that Orca Touchscreen will be successful in the Company's efforts to secure any additional financing or additional financing on terms satisfactory to the Company's management. If additional financing is raised by issuing common shares in the Company's authorized capital, control of the Company's company may change and shareholders may suffer additional dilution. If adequate funds are not available, or are

not available on acceptable terms, Orca Touchscreen may be required to scale back its business plan or cease operating.

Going-Concern Risk
Orca Touchscreen's financial statements have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that Orca Touchscreen will be successful in completing equity or debt financing or in achieving profitability. The financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should Orca Touchscreen be unable to continue as a going concern.

Global Economy Risk
The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. Orca Touchscreen will be dependent upon the capital markets to raise additional financing in the future, while Orca Touchscreen establishes a user base for the Products. Access to financing has been negatively impacted by the ongoing global economic downturn. As such, Orca Touchscreen is subject to liquidity risks in meeting the Company's development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the Company's ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Company and its management. If uncertain market conditions persist, the Company's ability to raise capital could be jeopardized, which could have an adverse impact on the Company's operations and the trading price of the Company's common shares on the Canadian Securities Exchange (the "Exchange").

Dividend Risk
Orca Touchscreen has not paid dividends in the past and does not anticipate paying dividends in the near future. Orca Touchscreen expect to retain the Company's earnings to finance further growth and, when appropriate, retire debt.

Share Price Volatility Risk
It is anticipated that the Company's common shares will be listed for trading on the Exchange. As such, external factors outside of the Company's control such as announcements of quarterly variations in operating results, revenues and costs, and sentiments toward technology sector stocks may have a significant impact on the market price of the Company's common shares. Global stock markets, including the Exchange, have from time to time experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. The same applies to companies in the technology sector. There can be no assurance that an active or liquid market will develop or be sustained for the common shares.

Increased Costs of Being a Publicly Traded Company
As a company with publicly-traded securities, Orca Touchscreen will incur significant legal, accounting and filing fees not presently incurred. Securities legislation and the rules and policies of the Exchange require listed companies to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information, all of which will significantly increase the Company's legal and financial compliance costs.

APPENDIX 2

FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking statements and information relating to the Company that is based on the beliefs of our management as well as assumptions made by and information currently available to us. When used in this document, the words "*anticipate*", "*believe*", "*estimate*", "*expect*" and similar expressions, as they relate to our company or our management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued development of our technological property. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or our achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

ORCA TOUCHSCREEN TECHNOLOGIES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS
Dated March 9, 2018
for the Year Ended December 31, 2017

INTRODUCTION

The following Management Discussion and Analysis ("MD&A") of Orca Touchscreen Technologies Ltd. (the "Company" or "Orca Touchscreen") has been prepared by Management in accordance with the requirements of National Instrument 51-102. The information contained in this MD&A is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this MD&A is not intended to be a comprehensive review of all matters and developments concerning the Company. Specific risks facing the Company are set out explicitly in Appendix 1 of this MD&A. In addition, certain statements in this report incorporate forward looking information and readers are advised to review the cautionary note regarding such statements in Appendix 2 of this MD&A.

This MD&A should be read in conjunction with the Company's audited financial statements as at December 31, 2017 and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, unless specifically noted.

COMPANY OVERVIEW

Orca Touchscreen Technologies Ltd. was incorporated under the Business Corporations Act (British Columbia) on December 31, 2013. The head office of the Company is 1500 – 701 West Georgia Street, Vancouver, British Columbia, V7Y 1C6.

On September 18, 2014, the Company commenced trading on the Canadian Securities Exchange ("CSE") under the trading symbol "OAA". During that year, the Company completed a four-for-one forward stock split and obtained listings for trading on 3 markets: Canadian Securities Exchange, Frankfurt Stock Exchange and OTCQB.

Intellectual Property Acquisition Agreement and License Agreement

On May 12, 2014, the Company entered into an asset acquisition agreement with Sollensys Corporation ("Sollensys") whereby the Company acquired Sollensys' touchscreen patent for $50,000 and the Company entered into a patent and technology license agreement with Sollensys whereby the Company acquired an exclusive 6-year worldwide license to use all of Sollensys' technology and remaining 18 patents. In consideration of the license, the Company agreed to pay a royalty of 10% of the gross revenues derived from the patents and 80% of the net revenues received by the Company from the sale of Sollensys products sold by the Company. Royalty payments are due on the last day of December each year during the term and are payable as to $4,000 per month on the first day of each month beginning July 1, 2014 as guaranteed advance payments of the royalty. During the twelve months ended December 31, 2017, the Company incurred $24,000 (2016 – $48,000) in royalty payments pursuant to the terms of the license agreement. Sollensys is a related party to the Company as one of its principal shareholders, senior officers and directors is GwanJe (Frank) Woo, who is a principal shareholder, CEO and President of the Company.

The business of Sollensys is the worldwide development, sale and distribution of touchscreen panels for mobile, medical, industrial and other applications. Sollensys, founded in May 2010, has its headquarters in Gwang-Ju City, South Korea. Sollensys has spent over $5,000,000 developing its capacitive touchscreen panel technology and manufacturing facilities.

In the above agreements, Sollensys is a related party to the Company as its principal shareholder, a senior officer and a director is GwanJe (Frank) Woo, who is a principal shareholder and former CEO and President of the Company.

During the year ended December 31, 2016, the Company considered the intangible asset to be impaired and wrote down its value to $nil.

Guatemala Project

On September 30, 2014, the Company entered into a non-binding letter of intent with Sollensys and Mr. Carlos Fernando Rivers Sandoval, a Guatemalan lawyer, governing the proposed incorporation of a Guatemala joint venture company called Sollen-Mobile SA ("Sollen-Mobile") for the purpose of developing, manufacturing and marketing computer and telecommunications hardware and software. The initial paid-in capital of Sollen-Mobile was proposed to be US$300,000, of which the Company paid US$100,000 ($112,080 CDN) for its proposed one-third share of the investment.

During the year ended December 31, 2016, the investment in Sollen-Mobile was written down to $nil as the Company ceased operations in Guatemala to focus on other opportunities.

RESULTS OF OPERATIONS

During the twelve months ended December 31, 2017

The Company had net income of $185,613 during the year ended December 31, 2017, compared to a net loss of $1,043,541 for the same period in 2016. During the year ended December 31, 2017, the Company settled liabilities of $155,060 by issuing common shares of the Company and as a result the Company recognized a gain on settlement of liability $117,420. In addition, certain former related parties and other creditors forgave debts of $127,644.

Business development – For the year ended December 31, 2017, business development expenses were $nil compared to $184,600 for the same period in 2016. The expenses incurred in 2016 were for services provided by a firm based in Singapore. This year the Company stopped pursuing that line of business.

Legal fees – For the year ended December 31, 2017, legal fees were $2,000 compared to $46,823 for the same period in 2016. The decrease in 2017 was primarily caused by the Company's decreased corporate activity.

Consulting – For the year ended December 31, 2017, consulting fees were $758 compared to $179,885 for the same period in 2016. The decrease in 2017 was primarily caused by the Company's decreased corporate activity.

Travel – For the year ended December 31, 2017, travel expenses were $nil compared to $44,268 for the same period in 2016. The decrease in 2017 was the result of decreased corporate travel between South Korea and Canada compared to the same period in 2016.

Share-based payments – For the year ended December 31, 2017, share-based payments were $nil compared to $44,245 in 2016. The decrease in 2017 was primarily a result of no options vesting compared to the same period in 2016.

Investor relations – For the year ended December 31, 2017, investor relations expense was $nil compared to a recovery of $10,462 for the same period in 2016. The decrease in 2017 was the result of decreased corporate activity.

SUMMARY OF QUARTERLY RESULTS

A summary of the Company's quarterly results for which financial statements have been prepared is as follows:

	2017 Q4	**2017 Q3**	**2017 Q2**	**2017 Q1**	**2016 Q4**	**2016 Q3**	**2016 Q2**	**2016 Q1**
Net (Income) loss	3,659	($113,282)	($94,141)	$18,151	$396,826	$71,278	$101,241	$474,196
(Income) Loss per Share	($0.00)	($0.00)	($0.00)	$0.00	$0.01	$0.00	$0.00	$0.01
Total Assets	$9,738	$9,633	$7,736	$7,736	$8,611	$387,355	$387,691	$476,287
Working Capital (Deficit)	9,738	9,633	($103,649)	($235,431)	($217,280)	($177,744)	($112,393)	$51,464

HISTORICAL SELECTED ANNUAL INFORMATION

	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015
Revenues	$ -	$ -	$ -
Income (loss) before tax	185,613	(1,043,541)	(3,788,096)
Net loss and comprehensive loss for the period	$ 185,613	$ (1,043,541)	$ (3,788,096)
Total current assets	$ 9,738	$ 8,611	$ 542,825
Total non-current assets	-	-	252,754
Total assets	$ 9,738	$ 8,611	$ 795,579
Total current liabilities	$ -	$ 225,891	$ 47,528
Total non-current liabilities	-	-	-
Total liabilities	$ -	$ 225,891	$ 47,528
Cash dividends declared	$ -	$ -	$ -
Shareholders' equity (deficiency)	$ 9,738	$ (217,280)	$ 748,051

LIQUIDITY AND CAPITAL RESOURCES

To date, the Company has funded its operations and capital requirements through a combination of short-term loans from related parties and equity financings.

As at December 31, 2017, the Company had total assets of $9,738 (December 31, 2016 - $8,611). As at December 31, 2017, the Company had a working of $9,738 compared to working capital deficit of $217,280 as at December 31, 2016.

During the year ended December 31, 2017, certain creditors forgave amounts payable of $127,644 and as a result the Company recognized a gain on the forgiveness of debt.

At December 31, 2017, the Company has not achieved profitable operations and has accumulated losses of $5,132,420 since inception and expects to incur further losses in the development of its business. This material uncertainty may cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

Equity financing

Management believes that the Company will require additional working capital to meet its primary business objectives over the next 12 months. The Company plans to raise capital through equity or debt financing, although the latter may not be a viable alternative for funding operations as the Company does not have sufficient assets to secure any such debt financing. The Company anticipates that any additional funding will be in the form of equity financing from the sale of its common shares. However, there can be no assurance that the Company will be able to raise sufficient funds from the sale of its common shares to fund its operations or planned business development activities. In the absence of such financing, the Company will not be able to acquire further technology product interests. Even if the Company is successful in obtaining equity financing to expand operations and to fund its business development activities, there is no assurance that it will obtain the funding necessary to acquire any additional further technology product interests. If the Company is not able to obtain additional financing, it may be forced to abandon its business plan.

Modifications to the Company's plans will be based on many factors, including the results of our new product acquisition plan, marketing plan and financing plan; negotiations with potential product suppliers and distribution partners; the demand for touchscreen products worldwide; and the amount of available capital. Additionally, the extent to which the Company is able to carry out its business plan is dependent upon the amount of financing obtained.

CAPITAL MANAGEMENT

The Company considers capital to be the sole element of shareholders' equity. 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 sale and distribution of its technology products. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

COMMITMENTS

The Company does not currently have any commitments.

CONTINGENCIES

There are no contingent liabilities.

OFF-BALANCE SHEET ARRANGMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Related party transactions are comprised of services rendered by directors and/or officers of the Company and a company controlled by a former officer of the Company. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

Key management personnel are the Chief Executive Officer, the Chief Financial Officer, the Secretary and three Directors of the Company. The remuneration of key management personnel is as follows:

	Year ended December 31, 2017	Year ended December 31, 2016
Management fees	$ -	$ 88,500
Accounting fees	-	13,500
Legal fees	2,000	32,656
Share-based payments	-	37,379
	$ 2,000	$ 172,035

OTHER MD&A REQUIREMENTS

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

b) Disclosure of Outstanding Share Data
As at December 31, 2017 and the date of this MD&A, the Company has 57,662,633 issued and outstanding common shares.

c) Options
As at December 31, 2017, there are no options outstanding.

d) Warrants
As at December 31, 2017 and the date of this MD&A, the Company has warrants outstanding to purchase 7,264,533 common shares.

SIGNIFICANT ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments are as follows:

Assumptions used in the calculation of the fair value assigned to share-based payments
The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions, including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's equity reserves.

Going concern
The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

The Company's significant accounting policies are disclosed in Note 2(b) of the Company's annual audited consolidated financial statements for the year ended December 31, 2017.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK FACTORS

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of receivables, accounts payable and accrued liabilities and loans payable approximate their fair value because of the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

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Orca Touchscreen may become subject to liability for risks against which Orca Touchscreen cannot insure or against which the Company may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for the Company's usual business activities. Payment of liabilities for which Orca Touchscreen does not carry insurance may have a material adverse effect on the Company's financial position and operations.

<u>Conflicts of Interest Risk</u>
Certain of the Company's directors and officers are, and may continue to be, involved in other business ventures in the technology industry through their direct and indirect participation in corporations, partnerships, joint ventures, etc. that may become potential competitors of the Products that Orca Touchscreen intends to provide. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers conflict with or diverge from the Company's interests. In accordance with the BCBCA, directors who have a material interest in any person who is a party to a material contract or a proposed material contract are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to the Company's best interests. However, in conflict of interest situations, the Company's directors and officers may owe the same duty to another company and will need to balance their competing interests with their duties to Orca Touchscreen. Circumstances (including with respect to future corporate opportunities) may arise that may be resolved in a manner that is unfavourable Company's able to us.

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The Company's success will depend on its directors and officers to develop the Company's business and manage its operations, and on the Company's ability to attract and retain key technical, sales and marketing staff or consultants once operations begin. The loss of any key person or the inability to find and retain new key persons could have a material adverse effect on the Company's business. Competition for qualified technical, sales and marketing staff, as well as officers and directors can be intense and no assurance can be provided that Orca Touchscreen will be able to attract or retain key personnel in the future, which may adversely impact the Company's operations.

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<u>No Established Market for Shares Risk</u>
There is currently no established trading market through which common shares in the Company's authorized capital may be sold. Even if a trading market develops, there can be no assurance that such market will continue in the future. As a result, investors in the Company may lose their entire investment.

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Orca Touchscreen is in the development stage, has not started operating and has not generated any revenue. Orca Touchscreen will likely operate at a loss until the Company's business becomes established and Orca Touchscreen may require additional financing to fund future operations and expansion plans. Orca Touchscreen needs to raise further funds to carry out the Company's business plan, but Orca Touchscreen do not yet have a commitment from anyone to invest the funds. The Company's ability to secure any required financing to sustain its operations will depend in part upon prevailing capital market conditions, as well as the Company's business success. There can be no assurance that Orca Touchscreen will be successful in the Company's efforts to secure any additional financing or additional financing on terms satisfactory to the Company's management. If additional financing is raised by issuing common shares in the Company's authorized capital, control of the Company's company may change and shareholders may suffer additional dilution. If adequate funds are not available, or are

not available on acceptable terms, Orca Touchscreen may be required to scale back its business plan or cease operating.

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Orca Touchscreen's financial statements have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that Orca Touchscreen will be successful in completing equity or debt financing or in achieving profitability. The financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should Orca Touchscreen be unable to continue as a going concern.

Global Economy Risk

The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. Orca Touchscreen will be dependent upon the capital markets to raise additional financing in the future, while Orca Touchscreen establishes a user base for the Products. Access to financing has been negatively impacted by the ongoing global economic downturn. As such, Orca Touchscreen is subject to liquidity risks in meeting the Company's development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the Company's ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Company and its management. If uncertain market conditions persist, the Company's ability to raise capital could be jeopardized, which could have an adverse impact on the Company's operations and the trading price of the Company's common shares on the Canadian Securities Exchange (the "Exchange").

Dividend Risk

Orca Touchscreen has not paid dividends in the past and does not anticipate paying dividends in the near future. Orca Touchscreen expect to retain the Company's earnings to finance further growth and, when appropriate, retire debt.

Share Price Volatility Risk

It is anticipated that the Company's common shares will be listed for trading on the Exchange. As such, external factors outside of the Company's control such as announcements of quarterly variations in operating results, revenues and costs, and sentiments toward technology sector stocks may have a significant impact on the market price of the Company's common shares. Global stock markets, including the Exchange, have from time to time experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. The same applies to companies in the technology sector. There can be no assurance that an active or liquid market will develop or be sustained for the common shares.

Increased Costs of Being a Publicly Traded Company

As a company with publicly-traded securities, Orca Touchscreen will incur significant legal, accounting and filing fees not presently incurred. Securities legislation and the rules and policies of the Exchange require listed companies to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information, all of which will significantly increase the Company's legal and financial compliance costs.

APPENDIX 2

FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking statements and information relating to the Company that is based on the beliefs of our management as well as assumptions made by and information currently available to us. When used in this document, the words "*anticipate*", "*believe*", "*estimate*", "*expect*" and similar expressions, as they relate to our company or our management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued development of our technological property. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or our achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

SCHEDULE C
FINANCIAL STATEMENTS OF CCC

CULTIVATOR CATALYST CORP.

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2018 AND 2017

(Expressed in Canadian Dollars)

CULTIVATOR CATALYST CORP.
UNAUDITED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	March 31, 2018	December 31, 2017
	$	$
ASSETS		
CURRENT		
Cash	3,870,177	3,071,290
Accounts receivable	10,796	-
Other receivables	410,762	341,922
Prepaid expenses	64,264	41,161
Inventory	18,713	-
	4,374,712	3,454,373
GOODWILL (Note 4)	7,921,429	4,374,313
PROPERTY, PLANT AND EQUIPMENT (Note 5)	3,422,872	2,379,312
	15,719,013	10,207,998
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	184,227	261,194
Due to related parties (Note 7)	87,848	167,448
Short-term loans (Note 7)	123,759	-
	395,834	428,642
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 6)	13,528,916	10,440,558
SHARES ISSUABLE	2,750,000	-
CONTRIBUTED SURPLUS	222,877	166,400
DEFICIT	(1,178,614)	(827,602)
	15,323,179	9,779,356
	15,719,013	10,207,998

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)
SUBSEQUENT EVENTS (Note 10)

Approved and authorized for issue on behalf of the Board on June 13, 2018

"Brett James" Director *"George Smitherman"* Director

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

CULTIVATOR CATALYST CORP.
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	For the three months ended March 31, 2018	2017
	$	$
EXPENSES		
Automobile expenses	-	1,931
Finance charges and interest	-	12,743
Insurance	3,612	-
Office and miscellaneous	12,999	-
Professional fees	250,480	54,462
Rent	20,400	-
Salaries and wages	86,142	20,680
Travel	442	355
Utilities	8,766	812
Net loss before other income	382,841	-
Other income	31,828	-
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	351,013	90,983
LOSS PER SHARE – Basic and diluted	0.02	0.01
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	19,377,660	15,250,000

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

CULTIVATOR CATALYST CORP.
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN DEFICIENCY
(Expressed in Canadian dollars)

	Common Shares				
	Number of Shares	**Amount**	**Class C Shares**	**Shares Issuable**	**Contributed Surplus**
		$	$	$	$
Balance, January 1, 2017	12,000,000	-	-	-	-
Net loss for the period	-	-	-	-	-
Balance, March 31, 2017	**12,000,000**	**-**	**-**	**-**	**-**
Balance, January 1, 2018	18,794,005	8,104,558	2,336,000	-	166,400
Issuance of shares	863,977	2,381,931	-	-	-
Issuance of shares for debt	50,000	100,000	-	-	-
Share issuance costs (Note 7)	3,333	(143,573)	-	-	56,477
Acquisition of P 209 Inc. (Note 4)	250,000	750,000	-	2,750,000	-
Net loss for the period	-	-	-	-	-
Balance, March 31, 2018	**19,961,315**	**11,192,916**	**2,336,000**	**2,750,000**	**222,877**

1 Special Class C share remains outstanding at March 31, 2018.

CULTIVATOR CATALYST CORP.
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	For the three months ended March 31,	
	2018	2017
	$	$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the period	(351,013	(90,983)
Changes in non-cash working capital balances:		
Amounts receivable	(78,183)	14,964
Prepaid expenses	(23,103)	-
Due from related parties	20,400	-
Inventory	(18,713)	-
Accounts payable and accrued liabilities	(112,771)	28,323
Cash used in operating activities	(563,383)	(128,503)
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(932,564)	-
Cash used in investing activities	(932,564)	
FINANCING ACTIVITIES		
Shares issued for cash, net share issuance costs	2,294,834	2,133,109
Cash provided by financing activities	2,294,834	2,133,109
CHANGE IN CASH	798,886	2,004,606
CASH, BEGINNING OF PERIOD	3,071,290	-
CASH, END OF PERIOPD	3,870,177	2,004,606
SUPPLEMENTAL CASH DISCLOSURES		
Interest paid	-	-
Income taxes paid	-	-
NON-CASH TRANSACTIONS		
Shares issued for acquisition of P 209 Inc.	750,000	-

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

1. NATURE OF OPERATIONS

Cultivator Catalyst Corp. (the "Company") was incorporated under the laws of the Province of Ontario on November 22, 2016. The head office and principle business of the Company is 1401 - 480 University Avenue, Toronto, Ontario.

The Company is the medicinal cannabis industry. On May 19, 2017, the Company acquired 100% interest in Highland Grow Inc. ("HGI") (formerly THC Dispensaries Canada Inc.).HGI HGIHGI obtained a cultivation license on December 1, 2017 and it plans to cultivate and produce medical cannabis at its facility located in the province of Nova Scotia. HGI is in the process of modifying its current facility to meet the regulations and requirements of Health Canada. After the completion of the facility, it plans on applying for a license from Health Canada to sell and distribute medicinal cannabis pursuant to the provisions of the Access to Cannabis for Medical Purposes Regulations and the Controlled Drugs and Substances Act and its Regulations.

As at March 31, 2018, the Company had not yet generated revenues and had a deficit of $1,158,214. Management anticipates the level of gross expenditures and remaining commitments including the completion of property and plant for the next twelve months will not exceed the Company's cash on hand. Management's view is that the success of the Company is dependent upon achieving commercial production and obtaining approval from Health Canada in order to sell and distribute medicinal cannabis in Canada, all of which are beyond of management's control. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

These interim condensed consolidated financial statements do not give affect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of presentation

The interim condensed consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The interim condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2017 which have been prepared in accordance with IFRS as issued by IASB. The accounting policies adopted are consistent with those of the previous financial year, except for recent accounting pronouncements as described in Note 3 below. The Board of Directors approved the interim condensed consolidated financial statements on June 13, 2018.

b) Consolidation

The interim condensed consolidated financial statements include the results of the Company and its wholly-owned subsidiaries HGI and P 209 Inc. All inter-company balances and transactions were eliminated upon consolidation.

3. RECENT ACCOUNTING PRONOUNCEMENTS

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or International Financial Reporting Interpretations Committee. During the period ended March 31, 2018, the Company did not adopt any new standards or amendments which had a significant impact on the Company's financial statements.

(Expressed in Canadian dollars)

4. ACQUISITIONS

P 209 INC.

On March 2, 2018, the Company executed a share purchase agreement with the shareholders of P 209 Inc. ("P 209") whereby the Company acquired 100% of the issued and outstanding shares of P 209 in exchange for an aggregate purchase price of $3,500,000. As consideration, the Company issued common shares with a fair value of $750,000 and has committed to issue common shares with a fair value of $2,750,000 contingent upon future events (the "Acquistion").

The Acquisition was recognized as a business combination as the assets acquired and liabilities assumed constitute a business. The transaction was accounted for using the acquisition method of accounting whereby the assets acquired and the liabilities assumed were recorded at their estimated fair value at the acquisition date.

The allocation of the components of total consideration to the net assets acquired was as follows:

Consideration	**$**
Common shares issued	750,000
Common shares issuable upon completion of going public	750,000
Common shares issuable contingent upon future events	2,000,000
Total consideration paid	3,500,000
Net assets acquired	
Current assets	1,154
Property and equipment	110,997
Current liabilities	(30,997)
Long-term liabilities	(128,569)
	(47,415)
Goodwill acquired	3,547,415
Total net assets acquired	3,500,000

The resulting goodwill represents the sales and growth potential of P 209 and will not be deductible for tax purposes. The accounting for this business combination has not yet been finalized and the Company is reporting provisional amounts for items for which the accounting is not complete. These provisional amounts may be adjusted during the measurement period, or additional assets or liabilities may be recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

HIGHLAND GROW INC. .

Pursuant to a share purchase agreement ("SPA") dated May 19, 2017, the Company acquired 100% issued and outstanding common shares of Highland Grow Inc. ("HGI"). As consideration, the Company issued 500,000 common shares with a fair value of $500,000 and one Special Class B share ("Class B") and one Special Class C share ("Class C") with a fair value of $3,386,000. The Class B and C shares are non-voting, redeemable, retractable and non-participating and convertible into common shares (the "Acquisition").

(Expressed in Canadian dollars)

4. ACQUISITIONS (continued)

THC DISPENSARIES CANADA INC. (continued)

The Class B shares are convertible to common shares upon issuance by Health Canada to HGI of a license to produce marihuana in accordance with the Access to Cannabis for Medical Purposes Regulations ("ACMPR"). The conversion calculation is based on dividing $1,050,000 by the price per common share paid by an arm's length party in the most recent financing prior to the issuance of the license. On December 1, 2017, Health Canada issued the license and on December 21, 2017 the Class B share was converted into 525,000 common shares.

The Class C shares are convertible to common shares upon issuance by Health Canada to HGI of a license to sell marihuana in accordance with the ACMPR. The conversion calculation is based on dividing $3,050,000 by the price per common share paid by an arm's length party in the most recent financing prior to the issuance b of the license. As the amount of common shares is unknown, the Company estimated the likelihood that Health Canada would issue the license to sell, the time frame in which the license would be issued, used the latest common share financing price and calculated a fair value of $2,336,000.

Concurrent with the SPA, the Company entered into a settlement agreement dated May 19, 2017 ("Settlement Agreement") with Matica Enterprises Inc. ("Matica") and others. Prior to the SPA and Settlement Agreement Matica owned 50% of the common shares of HGI and was in a dispute with the other shareholders of HGI and certain related companies. In order to resolve the dispute and settle any claims or potential claims the parties entered into the Settlement Agreement. Pursuant to the Settlement Agreement Matica delivered the share certificate representing its 50% interest in HGI for cancellation and assigned the debt of $240,000 to the Company. In exchange, the Company issued 350,000 common shares at a fair value of $350,000 and gave Matica the right to receive additional common shares with a fair value of $350,000 when HGI was issued a license under the ACMPR. As a result of receiving the license from Health Canada, the Company issued 175,000 common shares with a fair value of $350,000 to Matica on December 20, 2017.

The Acquisition along with the Settlement Agreement were recognized as a business combination as the assets acquired and liabilities assumed constitute a business. The transaction was accounted for using the acquisition method of accounting whereby the assets acquired and the liabilities assumed were recorded at their estimated fair value at the acquisition date.

The allocation of the components of total consideration to the net assets acquired was as follows:

Consideration	**$**
Class B and C common shares issued	3,386,000
Common shares issued pursuant to Settlement Agreement	700,000
Common shares issued pursuant to SPA	500,000
Total consideration paid	4,586,000
Net assets acquired	
Property and equipment	760,362
Other current assets	30,875
Current liabilities less CCC debt of $240,000	(819,251)
	(28,014)
HGI debt assigned	240,000
Goodwill acquired	4,374,014
Total net assets acquired	4,586,000

(Expressed in Canadian dollars)

4. ACQUISITIONS (continued)

The resulting goodwill represents the sales and growth potential of HGI and will not be deductible for tax purposes.

5. PROPERTY, PLANT AND EQUIPMENT

	Computer and software	Equipment	Leasehold improvements	Building	Total
	$	$			$
Balance, December 31, 2016	-	-	-	-	-
Assets acquired through business combination (Note 4)	30,954	91,287	638,121	-	760,362
Additions	-	113,441	1,505,509	-	1,618,950
Balance, December 31, 2017	**30,954**	**204,728**	**2,143,630**	**-**	**2,379,312**
Assets acquired through business combination (Note 4)	3,090	94,003	13,905	-	110,998
Additions	67,513	117,876	118,055	629,118	932,562
Balance, March 31, 2018	**101,557**	**416,608**	**2,275,590**	**629,118**	**3,422,872**

As the facility is being re-modelled to meet regulations, it is not available for use as at March 31, 2018 and thus there was no amortization taken on the equipment or the leasehold improvements.

6. SHARE CAPITAL

a) Authorized:

- Unlimited number of voting common shares without par value; and
- Unlimited number of non-voting and redeemable Special Class B and C shares without par value.

b) Issued and Outstanding as at March 31, 2018: 19,961,315 common shares and 1 Special Class C share.

c) Share purchase warrants

A summary of share purchase warrant activities are as follows:

	Number of warrants	Weighted average exercise price
Outstanding and exercisable at January 1, 2018	188,292	$ 1.15
Issuance of finders' warrants	29,032	1.95
Outstanding and exercisable at March 31, 2018	217,324	$ 1.95

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

The fair value of the warrants granted was $56,478. The fair value of these warrants at the date of grant was estimated using the Black-Scholes Option Pricing Model, assuming a risk-free interest rate of 1.80% to 1.83%, an expected life of warrants of two year, an expected volatility of 130%, and no expected dividends. The fair value of warrants granted in conjunction with the private placement units was determined using the relative fair value method.

A summary of the share purchase warrants issued at March 31, 2018 is as follows:

	Warrants issued and exercisable	Exercise price	Expiry date
		$	
Finders' warrants	17,032	3.00	January 19, 2020
Finders' warrants	12,000	3.00	January 31, 2020
	29,032		

The weighted average life of warrants outstanding at March 31, 2018 is 2.0 years.

7. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including the President, CEO and Chief Financial Officer.

The following amounts are due to related parties:

	March 31, 2018	December 31, 2017
	$	$
Due to MacMaster Electrical and Marine Division	15,014	85,266
Due to MacMaster Choice Meats Inc.	35,266	62,014
Due to Frank MacMaster	17,168	17,168
	67,448	167,448

MacMaster Electrical and Marine Division Inc. and MacMaster Choice Meats Inc. are companies controlled by Frank MacMaster, the former shareholder of HGI.

The amounts noted above are non-interest bearing, unsecured and are due upon demand. The Company has also received short-term loans from various current and former related parties. As at March 31, 2018, these loans amount to $123,759, are non-interest bearing, unsecured and are due upon demand.

7. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

For the periods ended March 31, 2018 and 2017, the Company had the following related party transactions:

	March 31, 2018	March 31, 2017
	$	$
Salaries and wages	86,141	-
	86,141	-

The Company incurred rental expenses from a company controlled by Frank MacMaster. In addition, the Company also paid salaries and wages to Frank MacMaster as noted above.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at March 31, 2018 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
Cash	3,870,177	-	-	3,870,177

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at March 31, 2018 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash, accounts receivable, other receivables, accounts payable, due to related parties and short-term loans. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities..

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

10. SUBSEQUENT EVENTS

On April 12, 2018, the Company entered into a share purchase agreement to purchase all of the issued and outstanding shares of The Back Home Medical Cannabis Corporation ("Back Home"), a Newfoundland-based ACMPR applicant for an aggregate purchase price of $2,500,000. The purchase price will be settled in common shares of the Company as follows:

i) an initial payment of $150,000 paid in common shares of the Company on April 25, 2018; and

ii) the remainder of the purchase price payable in the Company's common shares or in such other securities as the Company's common shares are convertible into as a result of a going-public transaction, as applicable, upon satisfaction of various conditions related to the licensing process as detailed in the share purchase agreement.

CULTIVATOR CATALYST CORP.

CONSOLIDATED FINANCIAL STATEMENTS

AS AT

DECEMBER 31, 2017 AND 2016

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

11th floor, 1050 West Pender Street, Vancouver, BC, Canada V6E 3S7
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INDEPENDENT AUDITORS' REPORT

To the Directors of
Cultivator Catalyst Corp.

We have audited the accompanying consolidated financial statements of Cultivator Catalyst Corp. which comprise the consolidated statements of financial position as at December 31, 2017 and 2016, and the consolidated statements of comprehensive loss, changes in equity and cash flows for the year ended December 31, 2017 and the period from the incorporation date of November 22, 2016 to December 31, 2016, and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Cultivator Catalyst Corp. as at December 31, 2017 and 2016, and its financial performance and its cash flows for the year ended December 31, 2017 and the period from the incorporation date of November 22, 2016 to December 31, 2016 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Cultivator Catalyst Corp. to continue as a going concern.

/s/ Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
May 28, 2018

CULTIVATOR CATALYST CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	December 31, 2017	December 31, 2016
	$	$
ASSETS		
CURRENT		
Cash	3,071,290	-
Amounts receivable	341,922	-
Prepaid expenses	41,161	-
	3,454,373	-
PROPERTY, PLANT AND EQUIPMENT (Note 6)	2,379,312	-
GOODWILL (Note 5)	4,374,313	-
	10,207,998	-
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	261,194	6
Due to related parties (Note 8)	167,448	-
	428,642	6
EQUITY		
SHARE CAPITAL (Note 7)	10,440,558	-
CONTRIBUTED SURPLUS	166,400	-
DEFICIT	(827,602)	(6)
	9,779,356	(6)
	10,207,998	-

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)

Approved and authorized for issue on behalf of the Board on May 28, 2018

"Brett James" Director *"George Smitherman"* Director

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

CULTIVATOR CATALYST CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
FOR THE PERIODS ENDED DECEMBER 31
(Expressed in Canadian dollars)

	2017	2016
	$	$
EXPENSES		
Automobile expenses	7,722	-
Finance charges and interest	50,973	6
Insurance	12,726	-
Office and miscellaneous	17,369	-
Professional fees	416,348	-
Rent	50,852	-
Salaries and wages	279,329	-
Travel	4,375	-
Utilities	3,248	-
Loss before other items	842,942	
OTHER ITEM		
Gain on debt settlement	(15,346)	-
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	827,596	6
LOSS PER SHARE – Basic and diluted	0.05	-
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	15,706,958	12,000,000

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

CULTIVATOR CATALYST CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars)

	Common Shares				
	Number of Shares	Amount	Class C Shares	Contributed Surplus	Defi
		$	$	$	
Balance, incorporation date (Note 7)	12,000,000	-	-	-	
Net loss for the period	-	-	-	-	
Balance, December 31, 2016	12,000,000	-	-	-	
Issuance of shares (Note 7)	5,153,238	6,255,607	-	-	
Share issuance costs (Note 7)	21,333	(505,200)	-	166,400	
Issuance of shares for acquisition of THCD (Note 5)	1,550,000	2,250,000	2,336,000	-	
Issuance of shares for debts (Note 7)	69,434	104,151	-	-	
Net loss for the year	-	-	-	-	(827,5
Balance, December 31, 2017	18,794,005	8,104,558	2,336,000	166,400	(827,6

During the year the Company issued 1 Special Class B and 1 Special Class C share as described in Note 5. The Special Class I common shares and included in the shares issued for the acquisition of THCD above. 1 Special Class C share remains outstan

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

CULTIVATOR CATALYST CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED DECEMBER 31
(Expressed in Canadian dollars)

	2017	2016
	$	$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the period	(827,596)	(6)
Items not involving cash:		
Gain on debt settlement	(15,346)	-
	(842,942)	(6)
Changes in non-cash working capital balances:		
Amounts receivable	(341,922)	-
Prepaid expenses	(41,160)	-
Accounts payable and accrued liabilities	(167,991)	6
Due to related parties	167,448	-
Cash used in operating activities	(1,226,567)	-
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,618,950)	-
Cash used in investing activities	(1,618,950)	
FINANCING ACTIVITIES		
Shares issued for cash, net share issuance costs	5,916,807	-
Cash provided by financing activities	5,916,807	-
CHANGE IN CASH	3,071,290	-
CASH, BEGINNING OF PERIOD	-	-
CASH, END OF YEAR	3,071,290	-
SUPPLEMENTAL CASH DISCLOSURES		
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -
NON-CASH TRANSACTIONS		
Shares issued for acquisition of TCHD	$ 4,586,000	$ -
Shares issued for debt settlement	$ 104,151	$ -
Shares issued as issuance costs	$ 32,000	$ -

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

1. NATURE OF OPERATIONS

Cultivator Catalyst Corp. (the "Company") was incorporated under the laws of the Province of Ontario on November 22, 2016. The head office and principle business of the Company is 1401 - 480 University Avenue, Toronto, Ontario. The comparative figures in the consolidated financial statements are for the period from incorporation and as at December 31, 2016.

The Company is the medicinal cannabis industry. On May 19, 2017, the Company acquired 100% interest in THC Dispensaries Canada Inc. ("THCD"). THCD obtained a cultivation license on December 1, 2017 and its plans to cultivate and produce medical cannabis at its facility located in the province of Nova Scotia. THCD is in the process of modifying its current facility to meet the regulations and requirements of Health Canada and is expected to be completed during the fiscal 2018. After the completion of the facility, it plans on applying for a license from Health Canada to sell and distribute medicinal cannabis pursuant to the provisions of the Access to Cannabis for Medical Purposes Regulations and the Controlled Drugs and Substances Act and its Regulations.

As at December 31, 2017, the Company had not yet generated revenues and had a deficit of $827,602. Management anticipates the level of gross expenditures and remaining commitments including the completion of property and plant for the next twelve months will not exceed the Company's cash on hand. Management's view is that the success of the Company is dependent upon achieving commercial production and obtaining approval from Health Canada in order to sell and distribute medicinal cannabis in Canada, all of which are beyond of management's control. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

These consolidated financial statements do not give affect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements were authorized for issue in accordance with a resolution from the Board of Directors on May 28, 2018.

b) Basis of presentation

The consolidated financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

c) Consolidation

The consolidated financial statements include the results of the Company and its wholly-owned subsidiary THCD. All inter-company balances and transactions were eliminated upon consolidation.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Cash and cash equivalents

Cash in the consolidated statements of financial position is comprised of cash in banks and on hand, and short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

e) Property, plant and equipment

The Company's property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

The cost of an item of property, plant and equipment includes expenditures that are directly attributable to the acquisition or construction of the asset. The cost includes the cost of materials and direct labour, site preparation costs, installation and assembly costs, and any other costs directly attributable to bringing the assets to the location and conditions necessary for the assets to be capable of operating in the manner intended by management. The cost of property, plant and equipment also includes any applicable borrowing costs. Borrowing costs are capitalized to property, plant and equipment until such time that the constructed asset is substantially complete and ready for its intended use.

Depreciation is recorded over the estimated useful lives.

Significant components of property, plant and equipment that are identified as having different useful lives are depreciated separately over their respective useful lives. Depreciation methods, useful lives and residual values, if applicable, are reviewed and adjusted, if appropriate, on a prospective basis at the end of each fiscal year. Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment and are recognized in profit or loss.

f) Share-based payments

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments 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 the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

Share-based compensation expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Provisions

Provisions are recognized when it is probable that the Company is required to settle an obligation [legal or constructive], as a result of a past event, and the obligation can be reliably estimated. The provision represents the Company's best estimate of the amounts required to settle the obligation at the end of the reporting period. When a provision is determined using the expected cash flow method, its carrying amount is the present value of those cash flows [when the effect of the time value of money is material]. When some or all of the amounts required to settle a provision are expected to be recoverable from a third party, a receivable is recognized when it is virtually certain reimbursement is receivable and the expected reimbursement can be reliably measured.

h) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

i) Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

j) Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company's cash is classified as FVTPL.

Financial assets classified as loans and receivables and held to maturity assets are measured at amortized cost. At December 31, 2017, the Company has not classified any financial assets as loans and receivables.

Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income and loss except for losses in value that are considered other than temporary which are recognized in earnings. At December 31, 2017, the Company has not classified any financial assets as available for sale.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Financial assets (continued)

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

k) Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized costs using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's accounts payable and due to related parties are classified as other financial liabilities.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading and recognized at fair value with changes in fair value recognized in earnings unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in earnings. At December 31, 2017, the Company has not classified any financial liabilities as FVTPL.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

l) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets [the cash-generating unit, or "CGU"]. The recoverable amount of an asset or a CGU is the higher of its fair value, less cost to sell, and its value in use. If the carrying amount of an asset exceeds its recoverable amount, an impairment charge is recognized immediately in profit or loss by the amount by which the carrying amount of the asset exceeds the recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the lesser of the revised estimate of recoverable amount and the carrying amount that would have been recorded had no impairment loss been recognized previously.

m) Impairment of financial assets

Financial assets, other than those classified as FVTPL, are assessed for indicators of impairment at the end of the reporting periods. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

n) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. At the acquisition date the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except deferred tax assets or liabilities, which are recognized and measured in accordance with IAS 12 – Income Taxes. Subsequent changes in fair values are adjusted against the cost of acquisition if they qualify as measurement period adjustments. The measurement period is the period between the date of the acquisition and the date where all significant information necessary to determine the fair values is available and cannot exceed 12 months. All other subsequent changes are recognized in the consolidated statements of comprehensive loss.

The purchase price allocation process resulting from a business combination requires management to estimate the fair value of identifiable assets acquired including intangible assets and liabilities assumed including any contingently payable purchase price obligation due over time. The Company uses valuation techniques, which are generally based on forecasted future net cash flows discounted to present value. These valuations are closely linked to the assumptions used by management on the future performance of the related assets and the discount rates applied. The determination of fair value involves making estimates relating to acquired intangibles assets, property and equipment and contingent consideration. In certain situations goodwill or a bargain purchase gain may result from a business combination. Goodwill is measured as the excess of the consideration transferred over the net amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the excess is recognized immediately in the consolidated statements of comprehensive loss as a bargain purchase gain.

Acquisition related costs are recognized in the consolidated statements of comprehensive loss as incurred.

o) Goodwill

Goodwill represents the excess of the price paid for the acquisition of an entity over the fair value of the net identifiable tangible and intangible assets and liabilities acquired. Goodwill is allocated to the Cash Generating Units ("CGU") to which it relates. Goodwill is measured at historical cost and is evaluated for impairment annually or more often if events or circumstances indicate there may be an impairment.

Impairment is determined for goodwill by assessing if the carrying value of a CGU, including the allocated goodwill, exceeds its recoverable amount determined as the greater of the estimated fair value less costs to sell and the value in use. Impairment losses recognized in respect of a CGU are first allocated to the carrying value of goodwill and any excess is allocated to the carrying amount of assets in the CGU. Any goodwill impairment is recorded in income in the period in which the impairment is identified. Impairment losses on goodwill are not subsequently reversed.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. 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 and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

i. inputs used in impairment calculations;
ii. the assessment of indications of impairment of the property, plant and equipment and related determination of useful lives of property, plant and equipment;
iii. the measurement of deferred income tax assets and liabilities; and
iv. the inputs used in accounting for share-based payments.

Significant accounting judgments

i. assessment of indications of impairments;
ii. judgments used in determining if an acquisition constitutes a business combination or asset acquisition
iii. the determination of categories of financial assets and financial liabilities; and
iv. the evaluation of the Company's ability to continue as a going concern.

4. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Standards issued, but not yet effective, up to the date of issuance of the Company's financial statements are listed below. This listing of standards and interpretations issued are those that the Company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards when they become effective.

New accounting standards effective for annual periods on or after January 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 the standard was revised to add the new general hedge accounting requirements. The standard was finalized in July 2014 and was revised to add 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 (FVOTCI) category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics test.

4. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)

IFRS 15 – *Revenue from Contracts with Customers*

In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programs, 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 comprehensive five-step framework for the timing and measurement of revenue recognition.

The standard is effective for annual periods beginning on or after January 1, 2019:

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.

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

5. ACQUISITION OF THC DISPENSARIES CANADA INC.

Pursuant to a share purchase agreement ("SPA") dated May 19, 2017, the Company acquired 100% issued and outstanding common shares of THC Dispensaries Canada Inc. ("THCD"). As consideration, the Company issued 500,000 common shares with a fair value of $500,000 and one Special Class B share ("Class B") and one Special Class C share ("Class C") with a fair value of $3,386,000. The Class B and C shares are non-voting, redeemable, retractable and non-participating and convertible into common shares (the "Acquisition").

The Class B shares are convertible to common shares upon issuance by Health Canada to THCD of a license to produce marihuana in accordance with the Access to Cannabis for Medical Purposes Regulations ("ACMPR"). The conversion calculation is based on dividing $1,050,000 by the price per common share paid by an arm's length party in the most recent financing prior to the issuance of the license. On December 1, 2017, Health Canada issued the license and on December 21, 2017 the Class B share was converted into 525,000 common shares.

The Class C shares are convertible to common shares upon issuance by Health Canada to THCD of a license to sell marihuana in accordance with the ACMPR. The conversion calculation is based on dividing $3,050,000 by the price per common share paid by an arm's length party in the most recent financing prior to the issuance of the license. As the amount of common shares is unknown, the Company estimated the likelihood that Health Canada would issue the license to sell, the time frame in which the license would be issued, used the latest common share financing price and calculated a fair value of $2,336,000.

(Expressed in Canadian dollars)

5. ACQUISITION OF THC DISPENSARIES CANADA INC. (continued)

Concurrent with the SPA, the Company entered into a settlement agreement dated May 19, 2017 ("Settlement Agreement") with Matica Enterprises Inc. ("Matica") and others. Prior to the SPA and Settlement Agreement, Matica owned 50% of the common shares of THCD and was in a dispute with the other shareholders of THCD and certain related companies. In order to resolve the dispute and settle any claims or potential claims the parties entered into the Settlement Agreement. Pursuant to the Settlement Agreement Matica delivered the share certificate representing its 50% interest in THCD for cancellation and assigned the debt of $240,000 to the Company. In exchange, the Company issued 350,000 common shares at a fair value of $350,000 and gave Matica the right to receive additional common shares with a fair value of $350,000 when THCD was issued a license under the ACMPR. As a result of receiving the license from Health Canada, the Company issued 175,000 common shares with a fair value of $350,000 to Matica on December 20, 2017.

The Acquisition along with the Settlement Agreement were recognized as a business combination as the assets acquired and liabilities assumed constitute a business. The transaction was accounted for using the acquisition method of accounting whereby the assets acquired and the liabilities assumed were recorded at their estimated fair value at the acquisition date.

The allocation of the components of total consideration to the net assets acquired was as follows:

Consideration	**$**
Class B and C common shares issued	3,386,000
Common shares issued pursuant to Settlement Agreement	700,000
Common shares issued pursuant to SPA	500,000
Total consideration paid	4,586,000
Net assets acquired	
Property and equipment	760,362
Other current assets	30,875
Current liabilities less THCD debt of $240,000	(819,550)
	(28,313)
THCD debt assigned	240,000
Goodwill acquired	4,374,313
Total net assets acquired	4,586,000

The resulting goodwill represents the sales and growth potential of THCD and will not be deductible for tax purposes.

(Expressed in Canadian dollars)

6. PROPERTY, PLANT AND EQUIPMENT

	Computer and software	Equipment	Leasehold improvements	Total
	$	$		$
Balance, November 22, 2016 and December 31, 2016	-	-	-	-
Assets acquisition (Note 5)	30,954	91,287	638,121	760,362
Additions	-	113,441	1,505,509	1,618,950
Balance, December 31, 2017	30,954	204,728	2,143,630	2,379,312

As the facility is being re-modelled to meet regulations, it is not available for use as at December 31, 2017 and thus there was no amortization taken on the equipment or the leasehold improvements.

7. SHARE CAPITAL

a) Authorized:

- Unlimited number of voting common shares without par value; and
- Unlimited number of non-voting and redeemable Special Class B and C shares without par value.

b) Issued and Outstanding as at December 31, 2017: 18,794,005 common shares and 1 Special Class C share.

On November 22, 2016, the Company issued 12,000,000 common shares with nominal value.

In May 2017, in connection of the acquisition of the common shares of THCD (Note 5), the Company issued 1,025,000 common shares with a fair value of $1,200,000 and issued 1 Special Class A share and 1 Special Class B share with a fair value of $3,386,000.

During the year the Company completed the following common share private placements:

Number of shares issued	Gross Proceeds $	Cash Commissions $	Number of broker warrants issued
3,500,000	3,500,000	155,750	147,750
1,165,738	1,748,607	28,025	18,667
487,500	975,000	43,750	21,875
5,153,238	6,223,607	227,525	188,292*

*Subsequent to the year ended December 31, 2017, the Company issued additional 29,032 broker's warrants.

The fair value of the 188,292 broker's warrants was estimated at $166,400 using the Black-Scholes option pricing model with the assumptions of the weighed exercise price of $1.15, expected volatility of 168%, expected life of the warrants of 2 years, weighted risk-free rate of 1.2% and dividend rate of $nil.

The Company also incurred other share issuance costs of $79,275 in connection with the closing of the private placements noted above.

(Expressed in Canadian dollars)

7. SHARE CAPITAL (continued)

b) Issued and outstanding (continued):

In November 2017, the Company issued 69,434 common shares with a fair value of $104,151 to settle an account payable amount of $119,497. The Company recognized a gain of $15,346 and recorded the amount on the consolidated statements of comprehensive loss for the year ended December 31, 2017.

c) Warrants:

As at December 31, 2017, the Company had 188,292 broker warrants.

Number of warrants	Weighted average exercise price	Weighted average remaining life (years)
188,292	$ 1.15	1.31

The table below summarizes the warrants outstanding and exercisable as at December 31, 2017 is:

Number of outstanding and exercisable warrants	Exercise price	Expiry date
103,750	$ 1.0	February 27, 2019
44,000	$ 1.0	March 2, 2019
5,333	$ 1.0	August 31, 2019
6,667	$ 1.5	August 31, 2019
6,667	$ 1.5	November 3, 2019
5,000	$ 2.0	November 30, 2019
16,875	$ 2.0	December 11, 2019

8. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including the President, CEO and Chief Financial Officer.

The following amounts are due to related parties:

	2017	2016
	$	$
Due to MacMaster Electrical and Marine Division Inc.	85,266	-
Due to MacMaster Choice Meats Inc.	65,014	-
Due to Frank MacMaster	17,168	-
	167,448	-

(Expressed in Canadian dollars)

8. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

MacMaster Electrical and Marine Division Inc. and MacMaster Choice Meats Inc. are companies controlled by Frank MacMaster, the former shareholder of THCD.

The amounts noted above are non-interest bearing, unsecured and are due upon demand.

For the periods ended December 31, 2017 and 2016, the Company had the following related party transactions:

	2017	2016
	$	$
Rent	50,852	-
Salaries and wages	99,335	-
	150,187	-

The Company incurred rental expenses from a company controlled by Frank MacMaster. In addition, the Company also paid salaries and wages to Frank MacMaster as noted above.

9. INCOME TAXES

The Company has losses carried forward of $895,000 available to reduce income taxes in future years which expire between 2036 and 2037.

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probable that sufficient taxable income will be realized during the carry forward periods to utilize all deferred tax assets.

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	Year ended December 31, 2017	Period ended December 31, 2016
Canadian statutory income tax rate	26%	26%
	$	
Income tax recovery at statutory rate	215,175	-
Effect of income taxes of:		
Permanent differences and others	88,088	
Differences between current and future rates	11,664	
Change in deferred tax assets not recognized	(314,927)	-
Deferred income tax recovery	-	-

9. INCOME TAXES (continued)

The temporary differences that give rise to significant portions of the deferred tax assets not recognized are presented below:

	December 31, 2017	December 31, 2016
	$	$
Non-capital loss carry forwards	241,746	-
Share issuance costs	73,181	-
Deferred tax assets not recognized	(314,927)	-
	-	-

10. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at December 31, 2017 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
Cash	3,071,290	-	-	3,071,290

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at December 31, 2017 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

12. SUBSEQUENT EVENTS

Subsequent to the year end the Company issued 863,977 common shares for gross proceeds of $2,381,931 and paid cash commissions of $87,096. In addition the Company issued 29,032 common share purchase warrants, 50,000 common shares to settle debt of $100,000, 25,000 common shares for services rendered and 12,500 common shares for stock options exercised.

On March 2, 2018, the Company entered into a share purchase agreement to purchase of all of the issued and outstanding shares of P-209 Inc. ("P-209"), an Ontario-based ACMPR applicant for an aggregate purchase price of $3,500,000. The purchase price will be settled in common shares of the Company as follows:

i) $750,000 worth of common shares of the Company upon closing (issued 250,000 common shares);

ii) $750,000 worth of common shares of the Company when the Company completes a going public transaction; and

iii) the right to certain contingent payments in the aggregate amount of $2,000,000, payable in the Company common shares.

On April 12, 2018, the Company entered into a share purchase agreement to purchase all of the issued and outstanding shares of The Back Home Medical Cannabis Corporation ("Back Home"), a Newfoundland-based ACMPR applicant for an aggregate purchase price of $2,500,000. The purchase price will be settled in common shares of the Company as follows:

i) an initial payment of $150,000 paid in common shares of the Company on April 25, 2018 (issued 37,500 common shares); and

ii) the remainder of the purchase price payable in the Company's common shares upon satisfaction of various conditions related to the licensing process as detailed in the share purchase agreement.

SCHEDULE D
MANAGEMENT'S DISCUSSION AND ANALYSIS OF CCC

CULTIVATOR CATALYST CORP.

("CCC" or the "Company")
Quarterly Report
Period Ended March 31, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

1.1 Date of Report: June 13, 2018

The following management's discussion and analysis ("MD&A") has been prepared as of June 13, 2018 and should be read in conjunction with the audited consolidated financial statements and accompanying notes for the period ended March 31, 2018, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise indicated.

This MD&A includes certain statements that may be deemed "forward-looking statements". Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "project", "predict", "potential", "could", "might", "should" and other similar expressions. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

1.2 Nature of Business

Cultivator Catalyst Corp. (the "Company") was incorporated under the laws of the Province of Ontario on November 22, 2016. The head office and principle business of the Company is 1401 - 480 University Avenue, Toronto, Ontario.

The Company is the medicinal cannabis industry. On May 19, 2017, the Company acquired 100% interest in THC Dispensaries Canada Inc. ("THCD"). THCD has obtained the cultivation license on December 1, 2017 and its plans to cultivate and produce medical cannabis at its facility located in the province of Nova Scotia. THCD is in the process of modifying its current facility to meet the regulations and requirements of Health Canada and is expected to be completed during the fiscal 2018. After the completion of the facility, it plans on applying for a license from Health Canada to sell and distribute medicinal cannabis pursuant to the provisions of the Access to Cannabis for Medical Purposes Regulations and the Controlled Drugs and Substances Act and its Regulations.

On December 5, 2017, the Company entered into a Letter of Intent ("LOI") with Orca Touchscreen Technologies Ltd. ("Orca"), a company listed on the Canadian Stock Exchange under the symbol of "CSE: OAA".

1.3 Overall Performance

Announcements and Highlights during the period:

- During the prior year, the Company into a Letter of Intent ("LOI") with Orca Touchscreen Technologies Ltd. ("Orca"), a company listed on the Canadian Stock Exchange under the symbol of "CSE: OAA".
- On March 2, 2018, the Company executed a share purchase agreement with the shareholders of P 209 Inc. ("P 209") whereby the Company acquired 100% of the issued and outstanding shares of P 209 in exchange for an aggregate purchase price of $3,500,000. As consideration, the Company issued common shares with a fair value of $750,000 and has committed to issue common shares with a fair value of $2,750,000 contingent upon future events.
- During the period the Company completed the common share private placements of $2,381,931.
- Management continued to actively focus on capital raising to support the company's business, marketing initiatives and general working capital.

1.4 Results of Operations

Period ended March 31, 2018 and 2017

During the period ended March 31, 2018, the Company incurred net loss of $351,013 (March 31, 2017- $90,983). As at March 31, 2018 the Company had a positive working capital of $3,978,878 (December 31, 2017 - $3,025,731) and an accumulated deficit of $1,178,614 (December 31, 2017 - $827,602)

Significant changes in the period are as follows:

- The Company incurred corporate and professional fees of $250,480 compared to $54,462 during the prior period due to increased third party consulting services and operational activities of the Company. The professional fees include all consulting services and related expense.
- The Company incurred salaries and wages of $86,142 due to operational activities during the period as compared to a $20,680 for the period ended March 31, 2018. This is due to an increase in salaries and wages.
- The total rent expense for the period is $20,400 compared to nil in 2017 year. This is mainly due to a new location is needed for operation. There is $3,612 for the insurance during the period.
- The Company incurred office and miscellaneous expenses of $12,999 due to the business and commencement of operational activities. There is $nil in finance and interest charges during the period compared to the prior year of $12,943.

Selected Annual Information

	December 31, 2017 $		December 31, 2016 $
Net loss	(827,596)		(6)
Basic and diluted loss per share	(0.05)		Nil
Cash	3,071,290		Nil
Total Assets	10,207,998		Nil

Non-Current Liabilities	Nil		Nil

1.5 Liquidity and Capital Resources

As at March 31, 2018, the Company has total assets of $15,719,013 and a positive working capital of $3,978,878.

At March 31, 2018, the Company had cash of $3,870,177 (December 31, 2017- $3,071,290) a positive working capital of $3,978,878 (December 31, 2017 - $3,025,731). As of March 31, 2018, the Company had prepaid expenses of $64,264 to commence operations.

Cash utilized in operating activities during the period ended March 31, 2018 was $(563,383) (March 31, 2017 – ($128,503)).

At March 31, 2018, share capital was $13,528,916 comprising 19,961,315 issued and outstanding common shares. There was an increase in the share capital for the period ended March 31, 2018 due to the private placements.

At present, the Company's operations generate minimal cash inflows and its financial success after December 31, 2017 is dependent on management's ability to continue to obtain sufficient funding to sustain operations through the development.

The Company may not be able to generate sufficient cash flows from its operations in the foreseeable future to support its working capital needs. As a result, the Company will have to rely on funding through future equity issuances and through short term borrowing in order to finance ongoing operations and the construction. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

1.6 Share Capital

As at March 31, 2018, the Company had 19,961,315 common shares issued and outstanding.

1.7 Share Purchase Warrants

As at March 31, 2018, the Company had 217,324 share purchase warrants issued and outstanding.

1.8 Stock Options

The Company does not have a stock option plan as of March 31, 2018.

1.9 Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed. The Company is not a party to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the Company's financial condition, changes in financial condition, revenues, expenses, results of operations, liquidity, capital expenditures or capital resources.

1.10 Transactions with Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including the President, CEO and Chief Financial Officer.

The following amounts are due to related parties:

	March 31, 2018	December 31, 2017
	$	$
Due to MacMaster Electrical and Marine Division	15,014	85,266
Due to MacMaster Choice Meats Inc.	35,266	62,014
Due to Frank MacMaster	17,168	17,168
	67,448	167,448

MacMaster Electrical and Marine Division Inc. and MacMaster Choice Meats Inc. are companies controlled by Frank MacMaster, the former shareholder of THCD.

The amounts noted above are non-interest bearing, unsecured and are due upon demand. The Company has also received short-term loans from various current and former related parties. As at March 31, 2018, these loans amount to $123,759, are non-interest bearing, unsecured and are due upon demand.

For the periods ended March 31, 2018 and 2017, the Company had the following related party transactions:

	March 31, 2018	March 31, 2017
	$	$
Salaries and wages	86,141	-
	86,141	-

The Company incurred rental expenses from a company controlled by Frank MacMaster. In addition, the Company also paid salaries and wages to Frank MacMaster as noted above.

1.11 Subsequent Events

On April 12, 2018, the Company entered into a share purchase agreement to purchase all of the issued and outstanding shares of The Back Home Medical Cannabis Corporation ("Back Home"), a Newfoundland-based ACMPR applicant for an aggregate purchase price of $2,500,000. The purchase price will be settled in common shares of the Company as follows:

i) an initial payment of $150,000 paid in common shares of the Company on April 25, 2018; and

ii) the remainder of the purchase price payable in the Company's common shares or in such other securities as the Company's common shares are convertible into as a result of a going-public transaction, as applicable, upon satisfaction of various conditions related to the licensing process as detailed in the share purchase agreement.

1.12 Changes in Accounting Policies

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements of the Company as at December 31, 2017. The unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2017.

During the period ended December 31, 2017, the Company did not adopt any new standards and amendments which had a significant impact on the Company's financial statement.

Accounting standards issued but not yet applied

The following new standards and interpretations are not yet effective and have not been applied in preparing these financial statements. The Company is currently evaluating the potential impacts of these new standards and does not anticipate any material changes to the financial statements upon adoption of this new and revised accounting pronouncement.

Effective for annual periods beginning on or after January 1, 2019:

- IFRS 16 - Leases specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The extent of the impact of adoption has not yet been determined.

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

1.13 Financial Instruments and Other Instruments

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

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge any obligations. The Company's cash and receivables are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness.

Fair value

The carrying value of cash, due from a related party approximated their fair value because of the relatively short-term nature of these instruments.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the

Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Financial assets and liabilities 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.

The fair value of accounts receivables, advances, accounts payable and accrued liabilities, due to related party and due from related parties approximates fair value due to the short term nature of the financial instruments. Cash is classified as fair value through profit or loss and is measured using level 1 inputs of the fair value hierarchy.

1.14 Other MD&A Requirements

Disclosure of Outstanding Share Data

a. Authorized:

19,961,315 common shares with no par value

b. Common Shares Issued:

Balance, March 31, 2018	19,961,315
Balance, June 13, 2018	20,036,315

As at June 13, 2018 and March 31, 2018, there were no common shares held in escrow.

Risk Factors

The Company is focused on more select market introduction and development. The failure to generate future sales in the Company's main products could have a significant and adverse affect on the Company.

The Company success will depend in large measure on certain key personnel. The loss of the services of such key personnel could have a material adverse affect on the Company. The Company does not anticipate having key person insurance in effect for management. However, the Company will institute an insurance policy that provides directors and officers a minimum of $2 million liability coverage in the coming quarters. The contributions of these individuals to the immediate operations of the Company are of central importance. In addition, there can be no assurance that the Company will be able to continue to attract and retain all personnel necessary for the development and operation of its business.

The Company has incurred a net loss for the period ended March 31, 2018 of $351,013 and has a deficit of $1,178,614 Management is continuing efforts to attract additional equity and capital investors and implement cost control measures to maintain adequate levels of working capital. Nevertheless, there can be no assurance provided with respect to the successful outcome of these ongoing actions. If the Company is unable to obtain additional financing on reasonable terms, the Company may be required to curtail or reduce its operations to continue as a going concern.

In addition, the Company's limited working capital could affect the Company's ability to seize upon opportunities requiring investment, or to reinvest in its products in a timely manner.

CULTIVATOR CATALYST CORP.

("CCC" or the "Company")
Year Report
Year Ended December 31, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

1.1 Date of Report: May 28, 2018

The following management's discussion and analysis ("MD&A") has been prepared as of May 28, 2018 and should be read in conjunction with the audited consolidated financial statements and accompanying notes for the year ended December 31, 2017, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise indicated.

This MD&A includes certain statements that may be deemed "forward-looking statements". Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "project", "predict", "potential", "could", "might", "should" and other similar expressions. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

1.2 Nature of Business

Cultivator Catalyst Corp. (the "Company") was incorporated under the laws of the Province of Ontario on November 22, 2016. The head office and principle business of the Company is 1401 - 480 University Avenue, Toronto, Ontario.

The Company is the medicinal cannabis industry. On May 19, 2017, the Company acquired 100% interest in THC Dispensaries Canada Inc. ("THCD"). THCD has obtained the cultivation license on December 1, 2017 and its plans to cultivate and produce medical cannabis at its facility located in the province of Nova Scotia. THCD is in the process of modifying its current facility to meet the regulations and requirements of Health Canada and is expected to be completed during the fiscal 2018. After the completion of the facility, it plans on applying for a license from Health Canada to sell and distribute medicinal cannabis pursuant to the provisions of the Access to Cannabis for Medical Purposes Regulations and the Controlled Drugs and Substances Act and its Regulations.

On December 5, 2017, the Company entered into a Letter of Intent ("LOI") with Orca Touchscreen Technologies Ltd. ("Orca"), a company listed on the Canadian Stock Exchange under the symbol of "CSE: OAA".

1.3 Overall Performance

Announcements and Highlights during the year:

- During the year, the Company entered into the LOI with Orca.
- During the year, the Company completed the common share private placements of $6,223,607.
- Management continued to actively focus on capital raising to support the company's business, marketing initiatives and general working capital.

1.4 Results of Operations

Year ended December 31, 2017 and 2016

During the year ended December 31, 2017, the Company incurred net loss of $827,596 (December 31, 2016 - $6). As at December 31, 2017 the Company had a positive working capital of $3,025,731 (December 31, 2016 - $(6)) and an accumulated deficit of $827,602 (December 31, 2016 - $6).

Significant changes in the period are as follows:

- The Company incurred corporate and professional fees of $416,348 compared to $nil during the prior year due to increased third party consulting services and operational activities of the Company. The professional fees include all consulting services and related expense.
- The Company incurred salaries and wages of $279,329 due to operational activities during the year as compared to $nil for the year ended December 31, 2016. This is due to a decrease in salaries and wages.
- The total rent expense for the year is $50,852 compared to nil in 2016 year. This is mainly due to a new location that is needed for operation. There is $12,726 for the insurance during the year.
- The Company incurred office and miscellaneous expenses of $17,369 due to the business and commencement of operational activities. There is $50,973 in finance and interest charges during the year compared to the prior year of $nil.

Selected Annual Information

	December 31, 2017 $	December 31, 2016 $
Net loss	(827,596)	(6)
Basic and diluted loss per share	(0.05)	Nil
Cash	3,071,290	Nil
Total Assets	10,207,998	Nil
Non-Current Liabilities	Nil	Nil

1.5 Liquidity and Capital Resources

As at December 31, 2017, the Company has total assets of $10,207,998 and a positive working capital of $3,025,731.

At December 31, 2017, the Company had cash of $3,071,290 (December 31, 2016- $nil) a positive working capital of $3,025,731 (December 31, 2016 - $(6)). As of December 31, 2017, the Company had prepaid expenses of $41,161 to commence operations.

Cash utilized in operating activities during the year ended December 31, 2017 was $(1,226,567) (December 31, 2016 – ($nil)).

At December 31, 2017, share capital was $10,440,558 comprising 18,794,005 issued and outstanding common shares. There was an increase in the share capital for the year ended December 31, 2017 due to the private placements.

At present, the Company's operations generate minimal cash inflows and its financial success after December 31, 2017 is dependent on management's ability to continue to obtain sufficient funding to sustain operations through the development.

The Company may not be able to generate sufficient cash flows from its operations in the foreseeable future to support its working capital needs. As a result, the Company will have to rely on funding through future equity issuances and through short term borrowing in order to finance ongoing operations and the construction. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

1.6 Share Capital

As at December 31, 2017, the Company had 18,794,005 common shares issued and outstanding.

1.7 Share Purchase Warrants

As at December 31, 2017, the Company had 188,292 share purchase warrants issued and outstanding.

1.8 Stock Options

The Company does not have a stock option plan as of December 31, 2017.

1.9 Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed. The Company is not a party to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the Company's financial condition, changes in financial condition, revenues, expenses, results of operations, liquidity, capital expenditures or capital resources.

1.10 Transactions with Related Parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including the President, CEO and Chief Financial Officer.

The following amounts are due to related parties:

	2017	2016
	$	$
Due to MacMaster Electrical and Marine Division	85,266	-
Due to MacMaster Choice Meats Inc.	62,014	-
Due to Frank MacMaster	17,168	-
	167,448	-

MacMaster Electrical and Marine Division Inc. and MacMaster Choice Meats Inc. are companies controlled by Frank MacMaster, the former shareholder of THCD.

The amounts noted above are non-interest bearing, unsecured and are due upon demand.

For the periods ended December 31, 2017 and 2016, the Company had the following related party transactions:

	2017	2016
	$	$
Rent	50,852	-
Salaries and wages	99,335	-
	150,187	-

The Company incurred rental expenses from a company controlled by Frank MacMaster. In addition, the Company also paid salaries and wages to Frank MacMaster as noted above.

1.11 Subsequent Events

Subsequent to the year end the Company issued 863,977 common shares for gross proceeds of $2,381,931 and paid cash commissions of $87,096. In addition the Company issued 29,032 common share purchase warrants, 50,000 common shares to settle debt of $100,000, 25,000 common shares for services rendered and 12,500 common shares for stock options exercised.

On March 2, 2018, the Company entered into a share purchase agreement to purchase of all of the issued and outstanding shares of P-209 Inc. ("P-209"), an Ontario-based ACMPR applicant for an aggregate purchase price of $3,500,000. The purchase price will be settled in common shares of the Company as follows:

i) $750,000 worth of common shares of the Company upon closing (issued 250,000 common shares);

ii) $750,000 worth of common shares of the Company when the Company completes a going public transaction; and

iii) the right to certain contingent payments in the aggregate amount of $2,000,000, payable in common shares of the Company.

On April 12, 2018, the Company entered into a share purchase agreement to purchase all of the issued and outstanding shares of The Back Home Medical Cannabis Corporation ("Back Home"), a Newfoundland-based ACMPR applicant for an aggregate purchase price of $2,500,000. The purchase price will be settled in common shares of the Company as follows:

i) an initial payment of $150,000 paid in common shares of the Company on April 25, 2018 (issued 37,500 common shares); and

ii) the remainder of the purchase price payable in the Company's common shares upon satisfaction of various conditions related to the licensing process as detailed in the share purchase agreement.

1.12 Changes in Accounting Policies

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements of the Company as at December 31, 2016. The unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2016.

During the year ended December 31, 2017, the Company adopted the following policies:

<u>Accounting standards issued but not yet applied</u>

The following new standards and interpretations are not yet effective and have not been applied in preparing these financial statements. The Company is currently evaluating the potential impacts of these new standards and does not anticipate any material changes to the financial statements upon adoption of this new and revised accounting pronouncement.

Effective for annual periods beginning on or after January 1, 2018:

- IFRS 9 – Financial Instruments introduces new requirements for the classification and measurement of financial assets, and will replace IAS 39. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple classification options available in IAS 39.
- IFRS 15 - Revenue from Contracts with Customers is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service*.

Effective for annual periods beginning on or after January 1, 2019:

- IFRS 16 - Leases specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The extent of the impact of adoption has not yet been determined.

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

1.13 Financial Instruments and Other Instruments

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

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge any obligations. The Company's cash and receivables are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness.

Fair value

The carrying value of cash, due from a related party approximated their fair value because of the relatively short-term nature of these instruments.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Financial assets and liabilities 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.

The fair value of accounts receivables, advances, accounts payable and accrued liabilities, due to related party and due from related parties approximates fair value due to the short term nature of the financial instruments. Cash is classified as fair value through profit or loss and is measured using level 1 inputs of the fair value hierarchy.

1.14 Other MD&A Requirements

Disclosure of Outstanding Share Data

a. Authorized:

18,794,005 common shares with no par value

b. Common Shares Issued:

Balance, December 31, 2017	18,794,005
Balance, May 28, 2018	19,745,482

As at May 28, 2018 and December 31, 2017, there were no common shares held in escrow.

Risk Factors

The Company is focused on more select market introduction and development. The failure to generate future sales in the Company's main products could have a significant and adverse affect on the Company.

The Company success will depend in large measure on certain key personnel. The loss of the services of such key personnel could have a material adverse affect on the Company. The Company does not anticipate having key person insurance in effect for management. However, the Company will institute an insurance policy that provides directors and officers a minimum of $2 million liability coverage in the coming quarters. The contributions of these individuals to the immediate operations of the Company are of central importance. In addition, there can be no assurance that the Company will be able to continue to attract and retain all personnel necessary for the development and operation of its business.

The Company has incurred a net loss for the year ended December 31, 2017 of $827,596 and has a deficit of $827,602 Management is continuing efforts to attract additional equity and capital investors and implement cost control measures to maintain adequate levels of working capital. Nevertheless, there can be no assurance provided with respect to the successful outcome of these ongoing actions. If the Company is unable to obtain additional financing on reasonable terms, the Company may be required to curtail or reduce its operations to continue as a going concern.

In addition, the Company's limited working capital could affect the Company's ability to seize upon opportunities requiring investment, or to reinvest in its products in a timely manner.

SCHEDULE E
FINANCIAL STATEMENTS OF HIGHLAND GROW

THC DISPENSARIES CANADA INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED

DECEMBER 31, 2017 AND 2016

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

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INDEPENDENT AUDITORS' REPORT

To the Directors of
THC Dispensaries Canada Inc.

We have audited the accompanying financial statements of THC Dispensaries Canada Inc. which comprise the statements of financial position as at December 31, 2017 and 2016, and the statements of comprehensive loss, changes in deficiency and cash flows for the years ended December 31, 2017, 2016 and 2015, and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of THC Dispensaries Canada Inc. as at December 31, 2017 and 2016, and its financial performance and cash flows for the years ended December 31, 2017, 2016 and 2015 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of THC Dispensaries Canada Inc. to continue as a going concern.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
May 28, 2018

THC DISPENSARIES CANADA INC.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Note	December 31, 2017	December 31, 2016
		$	$
ASSETS			
CURRENT			
Cash		68,117	-
Amounts receivable		270,365	27,169
Prepaid expenses		41,160	3,707
		379,642	30,876
PROPERTY AND EQUIPMENT	5	2,379,312	760,362
		2,758,954	791,238
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities		105,136	387,798
Due to related parties	7	3,059,316	431,752
		3,164,452	819,550
SHAREHOLDERS' DEFICIENCY			
SHARE CAPITAL	6	455,001	455,001
DEFICIT		(860,499)	(483,313)
		(405,498)	(28,312)
		2,758,954	791,238

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)

SUBSEQUENT EVENTS (Note 11)

Approved and authorized for issue on behalf of the Board on May 28, 2018

"Brett James " Director *"George Smitherman"* Director

The accompanying notes are an integral part of these financial statements

THC DISPENSARIES CANADA INC.
STATEMENTS OF COMPREHENSIVE LOSS
FOR THE YEARS ENDED DECEMBER 31
(Expressed in Canadian dollars)

	Note	2017	2016	2015
		$	$	$
EXPENSES				
Interest and bank charges		50,772	-	-
Insurance		12,727	-	-
Automobile		7,722	-	-
Office and miscellaneous		13,927	73,261	19,325
Professional fees		113,288	54,540	8,686
Rent and utilities	7	54,099	-	69,518
Salaries and wages	7	137,042	192,972	-
Travel		2,955	-	298
NET LOSS BEFORE OTHER ITEM		392,532	320,773	97,827
OTHER ITEM				
Gain on forgiveness of debt		(15,346)	-	-
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR		377,186	320,773	97,827
LOSS PER SHARE – Basic and diluted		377,186	160,387	48,914
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		1	2	2

The accompanying notes are an integral part of these financial statements

THC DISPENSARIES CANADA INC.
STATEMENTS OF CHANGES IN DEFICIENCY
(Expressed in Canadian dollars)

	Common Shares		
	Number of Shares	Amount	Deficit
		$	$
Balance, December 31, 2015	2	455,001	(162,540)
Net loss for the year	-	-	(320,773)
Balance, December 31, 2016	2	455,001	(483,313)
Cancellation of share	(1)	-	-
Net loss for the year	-	-	(377,186)
Balance, December 31, 2017	1	455,001	(860,499)

The accompanying notes are an integral part of these financial statements

THC DISPENSARIES CANADA INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31
(Expressed in Canadian dollars)

	2017	2016	2015
	$	$	$
CASH PROVIDED BY (USED IN):			
OPERATING ACTIVITIES			
Net loss for the year	(377,186)	(320,773)	(97,827)
Items not affecting cash:			
Gain on forgiveness of debt	(15,346)	-	-
Changes in non-cash working capital balances:			
Amounts receivable	(243,196)	(27,169)	-
Prepaid expenses	(37,453)	-	(3,707)
Accounts payable and accrued liabilities	(187,468)	267,858	43,879
Cash used in operating activities	(860,649)	(80,084)	(178,389)
INVESTING ACTIVITIES			
Acquisition of property and equipment	(1,618,950)	(88,458)	(203,160)
Cash used in investing activities	(1,618,950)	(88,458)	(203,160)
FINANCING ACTIVITIES			
Due to related parties	2,547,717	168,542	260,815
Cash provided by financing activities	2,547,717	168,542	260,815
CHANGE IN CASH	68,117	-	-
CASH, BEGINNING OF YEAR	-	-	-
CASH, END OF YEAR	68,117	-	-
SUPPLEMENTAL CASH DISCLOSURES			
Interest paid	$ -	$ -	$ -
Income taxes paid	$ -	$ -	$ -

The accompanying notes are an integral part of these financial statements

1. NATURE OF OPERATIONS

THC Dispensaries Canada Inc. (the "Company") was incorporated under the laws of the Province of Nova Scotia on September 12, 2014. The Company is a wholly owned by Cultivator Catalyst Corp.("CCC"). The head office and principle business of the Company is 861 East Ohio Road, Antigonish, Nova Scotia.

The Company obtained its cultivation license on December 1, 2017 and its plans to cultivate and produce medical cannabis at its facility located in the province of Nova Scotia. The Company has began the modification of the facility to meet the regulations requirement and is expected to be completed during the fiscal 2018. After completion, the Company will be applying for a license from Health Canada to sell and distribute medical cannabis pursuant to the provisions of the Access to Cannabis for Medical Purposes Regulations ("ACMPR") and the Controlled Drugs and Substances Act and its Regulations.

As at December 31, 2017, the Company had not yet generated revenues and had a deficit of $860,499. Management anticipates level of gross expenditures and remaining commitments including the completion of property and plant for the next twelve months exceeds the Company's cash on hands and as such, management's view is that the success of the Company is dependent upon financing the remaining portion of its capital additions, obtaining further approval from Health Canada in order to sell and distribute medicinal cannabis in Canada and achieving profitable operations, all of which are beyond of management's control. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

These financial statements do not give affect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

These financial statements were authorized for issue in accordance with a resolution from the Board of Directors on May 28, 2018.

b) Basis of presentation

The financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

c) Cash and cash equivalents

Cash in the statements of financial position is comprised of cash in banks and on hand, and short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Property and equipment

The Company's property and equipment are measured at cost less accumulated depreciation and impairment losses.

The cost of an item of property and equipment includes expenditures that are directly attributable to the acquisition or construction of the asset. The cost includes the cost of materials and direct labour, site preparation costs, installation and assembly costs, and any other costs directly attributable to bringing the assets to the location and conditions necessary for the assets to be capable of operating in the manner intended by management. The cost of property and equipment also includes any applicable borrowing costs. Borrowing costs are capitalized to property and equipment until such time that the constructed asset is substantially complete and ready for its intended use.

Depreciation is recorded over the estimated useful lives.

Significant components of property and equipment that are identified as having different useful lives are depreciated separately over their respective useful lives. Depreciation methods, useful lives and residual values, if applicable, are reviewed and adjusted, if appropriate, on a prospective basis at the end of each fiscal year. Gains and losses on disposal of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of the property and equipment and are recognized in profit or loss.

e) Share-based payments

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments 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 the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

Share-based compensation expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price.

f) Provisions

Provisions are recognized when it is probable that the Company is required to settle an obligation [legal or constructive], as a result of a past event, and the obligation can be reliably estimated. The provision represents the Company's best estimate of the amounts required to settle the obligation at the end of the reporting period. When a provision is determined using the expected cash flow method, its carrying amount is the present value of those cash flows [when the effect of the time value of money is material]. When some or all of the amounts required to settle a provision are expected to be recoverable from a third party, a receivable is recognized when it is virtually certain reimbursement is receivable and the expected reimbursement can be reliably measured.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

h) Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

i) Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company's cash is classified as FVTPL.

Financial assets classified as loans and receivables and held to maturity assets are measured at amortized cost. At December 31, 2017, the Company has not classified any financial assets as loans and receivables.

Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income and loss except for losses in value that are considered other than temporary which are recognized in earnings. At December 31, 2017, the Company has not classified any financial assets as available for sale.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized costs using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's accounts payable and due to related parties are classified as other financial liabilities.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading and recognized at fair value with changes in fair value recognized in earnings unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in earnings. At December 31, 2017, the Company has not classified any financial liabilities as FVTPL.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

l) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets [the cash-generating unit, or "CGU"]. The recoverable amount of an asset or a CGU is the higher of its fair value, less cost to sell, and its value in use. If the carrying amount of an asset exceeds its recoverable amount, an impairment charge is recognized immediately in profit or loss by the amount by which the carrying amount of the asset exceeds the recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the lesser of the revised estimate of recoverable amount and the carrying amount that would have been recorded had no impairment loss been recognized previously.

m) Impairment of financial assets

Financial assets, other than those classified as FVTPL, are assessed for indicators of impairment at the end of the reporting periods. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. 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 and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

i. the assessment of indications of impairment of the property and equipment and related determination of useful lives of property and equipment;

ii. the measurement of deferred income tax assets and liabilities; and

iii. the inputs used in accounting for share-based payments.

Significant accounting judgments

i. the determination of categories of financial assets and financial liabilities; and
ii. the evaluation of the Company's ability to continue as a going concern.

4. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Standards issued, but not yet effective, up to the date of issuance of the Company's financial statements are listed below. This listing of standards and interpretations issued are those that the Company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards when they become effective.

New accounting standards effective for annual periods on or after January 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 the standard was revised to add the new general hedge accounting requirements. The standard was finalized in July 2014 and was revised to add 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 (FVOTCI) category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics test.

(Expressed in Canadian dollars)

4. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)

IFRS 15 – *Revenue from Contracts with Customers*

In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programs, 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 comprehensive five-step framework for the timing and measurement of revenue recognition.

The standard is effective for annual periods beginning on or after January 1, 2019:

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.

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

5. PROPERTY AND EQUIPMENT

	Computer and software	**Equipment**	**Leasehold improvements**	**Total**
	$	$	$	$
Balance, December 31, 2015	30,797	31,787	609,320	671,904
Additions	157	-	88,301	88,458
Balance, December 31, 2016	30,954	31,787	697,621	760,362
Additions	-	172,941	1,446,009	1,618,950
Balance, December 31, 2017	30,954	204,728	2,143,630	2,379,312

As the facility is being re-modelled to meet regulations, it was not available for use as at December 31, 2017 and as a result the no amortization was recorded.

(Expressed in Canadian dollars)

6. SHARE CAPITAL

a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued and Outstanding as at December 31, 2017: 1 common share.

There were no share capital transactions during the fiscal years ended December 31, 2016. The Company cancelled 1 common share during fiscal year ended December 31, 2017.

7. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including the President, CEO and Chief Financial Officer.

The following amounts are due to related parties:

	2017	2016
	$	$
Due to Cultivator Catalyst Corp.	2,891,869	-
Due to Matica Enterprises Inc.	-	240,000
Due to MacMaster Electrical and Marine Division Inc.	65,014	65,014
Due to MacMaster Choice Meats Inc.	85,266	79,946
Due to Chief Executive Officer	17,168	46,792
	3,059,316	191,752

MacMaster Electrical and Marine Division Inc. and MacMaster Choice Meats Inc. are companies controlled by the Chief Executive Officer ("CEO") of the Company. The amounts noted above are non-interest bearing, unsecured and are due upon demand.

For the years ended December 31, 2017, 2016 and 2015, the Company had the following related party transactions:

	2017	2016	2015
	$	$	$
Rent	50,852	-	69,518
Salaries and wages	60,203	144,195	-
	111,055	144,195	69,518

The Company incurred rental expenses from a company controlled by the CEO. In addition, the Company also paid salaries and wages to the CEO as noted above.

(Expressed in Canadian dollars)

8. INCOME TAXES

The Company has losses carried forward of $236,771 available to reduce income taxes in future years which expire between 2035 and 2037.

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probable that sufficient taxable income will be realized during the carry forward periods to utilize all deferred tax assets.

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	Year ended December 31, 2017	Year ended December 31, 2016	Year ended December 31, 2015
Canadian statutory income tax rate	26%	26%	26%
	$	$	
Income tax recovery at statutory rate	98,000	83,000	25,000
Effect of income taxes of:			
Change in deferred tax assets not recognized	(98,000)	(83,000)	(25,000)
Deferred income tax recovery	-	-	-

The temporary differences that give rise to significant portions of the deferred tax assets not recognized are presented below:

	December 31, 2017	December 31, 2016	December 31, 2015
	$	$	
Non-capital loss carry forwards	181,000	108,000	25,000
Deferred tax assets not recognized	(181,000)	(108,000)	(25,000)
	-	-	-

9. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at December 31, 2017 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
Cash	68,117	-	-	68,117

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at December 31, 2017 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

11. SUBSEQUENT EVENTS

(i) Subsequent to December 31, 2016, the Company cancelled 1 common share.

(ii) Pursuant to a share purchase agreement dated May 19, 2017 the Company was acquired by Cultivator Catalyst Corp. ("CCC") for consideration of 500,000 common shares, one special class B share and one special class C share of CCC. The special class shares are convertible to common class shares upon the occurrence of certain future events.

SCHEDULE F
MANAGEMENT'S DISCUSSION AND ANALYSIS OF HIGHLAND GROW

THC DISPENSARIES CANADA INC.

("THC" or the "Company")
Year Report
Year Ended December 31, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

1.1 Date of Report: May 28, 2018

The following management's discussion and analysis ("MD&A") has been prepared as of May 28, 2018 and should be read in conjunction with the audited consolidated financial statements and accompanying notes for the year ended December 31, 2017, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise indicated.

This MD&A includes certain statements that may be deemed "forward-looking statements". Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "project", "predict", "potential", "could", "might", "should" and other similar expressions. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

1.2 Nature of Business

THC Dispensaries Canada Inc. (the "Company") was incorporated under the laws of the Province of Nova Scotia on September 12, 2014. The Company was purchased by Cultivator Catalyst Corp. ("CCC") on May 19, 2017 and is a wholly owned subsidiary of CCC . The head office and principle business of the Company is 861 East Ohio Road, Antigonish, Nova Scotia.

The Company obtained its cultivation license on December 1, 2017 for its business plan to cultivate medical cannabis at its facility located in the province of Nova Scotia. The Company has began the modification of the facility to meet the regulations requirement and is expected to be completed in 2018. After the completion, the Company will be applying for a license from Health Canada to sell and distribute medical cannabis pursuant to the provisions of the Access to Cannabis for Medical Purposes Regulations ("ACMPR") and the Controlled Drugs and Substances Act and its Regulations.

1.3 Overall Performance

Announcements and Highlights during the year:

- During the year, the Company focused on preparing its facility to cultivate medical cannabis. All of the efforts and funds were to pursue a license to produce medical cannabis.

- Management continued to actively focus on capital raising to support the modifications to its existing premises in order to meet Health Canada regulations.
- On December 1, 2017, the Company obtained its cultivation license.

1.4 Results of Operations

Year ended December 31, 2017 and 2016

During the year ended December 31, 2017, the Company incurred net loss of $377,186 (December 31, 2016 - $320,773). As at December 31, 2017 the Company had a negative working capital of $2,784,810 (December 31, 2016 - $788,674) and an accumulated deficit of $860,499 (December 31, 2016 - $483,313).

Significant changes in the period are as follows:

The Company incurred corporate and professional fees of $113,288 compared to $54,540 during the prior year due to increased third party consulting services and operational activities of the Company. The professional fees include all consulting services and related expense

The Company incurred salaries and wages of $137,042 as compared to a $192,972 for the year ended December 31, 2016. The decrease is due to the increase in hiring additional consultants to prepare some of the work and therefore increasing professional fees.

The total rent expense for the year is $54,099 compared to nil in 2016 year. This is mainly due to a new location that is needed for operation. There is $12,727 for the insurance during the year as result of insuring the existing building and structure.

The Company incurred office and miscellaneous expenses of $13,927 due to the business and commencement of operational activities.

Selected Annual Information

	December 31, 2017 $	December 31, 2016 $	December 31, 2015 $
Net loss	(377,186)	(320,773)	(97,827)
Basic and diluted loss per share	(377,186)	(160,387)	(48,914)
Cash	68,117	Nil	Nil
Total Assets	2,758,954	791,238	675,611
Non-Current Liabilities	Nil	Nil	Nil

1.5 Liquidity and Capital Resources

As at December 31, 2017, the Company has total assets of $2,758,954 and a negative working capital of $2,784,810. Of this deficiency $2,891,869 is due to its parent company, CCC.

At December 31, 2017, the Company had cash of $68,117 (December 31, 2016- $nil). As of December 31, 2017, the Company prepaid expense of $41,160 to commence operations.

Cash utilized in operating activities during the year ended December 31, 2017 was $860,649 (December 31, 30, 2016 : $80,084).

At December 31, 2017, share capital was $455,001 comprising of 1 issued and outstanding common share. There was no increase in the share capital for the year ended December 31, 2017.

At present, the Company's operations generate minimal cash inflows and its financial success after December 31, 2017 is dependent on management's ability to continue to obtain sufficient funding to sustain operations through the development.

The Company may not be able to generate sufficient cash flows from its operations in the foreseeable future to support its working capital needs. As a result, the Company will have to rely on funding through future equity issuances and through short term borrowing in order to finance ongoing operations and the construction. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

1.6 Share Capital

As at December 31, 2017, the Company had 1 common share issued and outstanding.

1.7 Share Purchase Warrants

As at December 31, 2017, the Company does not have share purchase warrants issued and outstanding.

1.8 Stock Options

The Company does not have a stock option plan as of December 31, 2017.

1.9 Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed. The Company is not a party to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the Company's financial condition, changes in financial condition, revenues, expenses, results of operations, liquidity, capital expenditures or capital resources.

1.10 Transactions with Related Parties

Related parties include key management, personnel, and affiliated companies. Key management personnel include officers, directors or companies with common directors of the Company who have direct or indirect authority and responsibility for planning, directing and controlling the activities of the Company.

As at December 31, 2017, the due from related parties consisted of the following:

	2017	2016
	$	$
Due to Cultivator Catalyst Corp.	2,891,869	-
Due to Matica Enterprises Inc.	-	240,000
Due to MacMaster Electrical and Marine Division	65,014	65,014
Due to MacMaster Choice Meats Inc.	85,266	79,946
Due to Chief Executive Officer	17,168	46,792
	3,059,316	191,752

MacMaster Electrical and Marine Division Inc. and MacMaster Choice Meats Inc. are companies controlled by the Chief Executive Officer of the Company. The amounts noted above are non-interest bearing, unsecured and are due upon demand.

For the years ended December 31, 2017, 2016 and 2015, the Company had the following related party transactions:

	2017	2016	2015
	$	$	$
Rent	50,852	-	69,518
Salaries and wages	60,203	144,195	-
	111,055	144,195	69,518

1.11 Subsequent Events

There were no reportable subsequent events as of December 31, 2017

1.12 Changes in Accounting Policies

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements of the Company as at December 31, 2017.

The Company did not adopt any new accounting policies during the year ended December 31, 2017.

Accounting standards issued but not yet applied

The following new standards and interpretations are not yet effective and have not been applied in preparing these financial statements. The Company is currently evaluating the potential impacts of these new standards and does not anticipate any material changes to the financial statements upon adoption of this new and revised accounting pronouncement.

Effective for annual periods beginning on or after January 1, 2018:

- IFRS 9 – Financial Instruments introduces new requirements for the classification and measurement of financial assets, and will replace IAS 39. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple classification options available in IAS 39.
- IFRS 15 - Revenue from Contracts with Customers is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service*.

Effective for annual periods beginning on or after January 1, 2019:

- IFRS 16 - Leases specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The extent of the impact of adoption has not yet been determined.

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

1.13 Financial Instruments and Other Instruments

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

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge any obligations. The Company's cash and receivables are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness.

Fair value

The carrying value of cash, due from a related party approximated their fair value because of the relatively short-term nature of these instruments.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Financial assets and liabilities 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.

The fair value of accounts receivables, advances, accounts payable and accrued liabilities, due to related party and due from related parties approximates fair value due to the short term nature of the financial instruments. Cash is classified as fair value through profit or loss and is measured using level 1 inputs of the fair value hierarchy.

1.14 Other MD&A Requirements

Disclosure of Outstanding Share Data

a. Authorized:

One common share with no par value

b. Common Shares Issued:

Balance, December 31, 2017	1
Balance, May 28, 2018	1

As at May 28, 2018 and December 31, 2017, there were no common shares held in escrow.

Risk Factors

The Company is focused on more select market introduction and development. The failure to generate future sales in the Company's main products could have a significant and adverse affect on the Company.

The Company success will depend in large measure on certain key personnel. The loss of the services of such key personnel could have a material adverse affect on the Company. The Company does not anticipate having key person insurance in effect for management. However, the Company will institute an insurance policy that provides directors and officers a minimum of $2 million liability coverage in the coming quarters. The contributions of these individuals to the immediate operations of the Company are of central importance. In addition, there can be no assurance that the Company will be able to continue to attract and retain all personnel necessary for the development and operation of its business.

The Company has incurred a net loss for the year ended December 31, 2017 of $377,186 and has a deficit of $860,499. Management is continuing efforts to attract additional equity and capital investors and implement cost control measures to maintain adequate levels of working capital. Nevertheless, there can be no assurance provided with respect to the successful outcome of these ongoing actions. If the Company is unable to obtain additional financing on reasonable terms, the Company may be required to curtail or reduce its operations to continue as a going concern.

In addition, the Company's limited working capital could affect the Company's ability to seize upon opportunities requiring investment, or to reinvest in its products in a timely manner.

SCHEDULE G
PRO FORMA FINANCIAL STATEMENTS OF THE RESULTING ISSUER

ORCA TOUCHSCREEN TECHNOLOGIES LTD.

Pro-forma Consolidated Statement of Financial Position
(Prepared by Management)
(Expressed in Canadian dollars)
(Unaudited)

March 31, 2018

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
UNAUDITED PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2018
(Expressed in Canadian Dollars)
(Unaudited)

	Orca Touchscreen Technologies Ltd. $	Cultivator Catalyst Corp. $	Notes	Pro-forma Adjustments $	Pro forma Consolidated $
ASSETS					
Current assets					
Cash	1,279	3,870,177	3(a)	(150,000)	8,421,456
			3(b)	50,000	
			3(c)	5,000,000	
			3(c)	(350,000)	
Receivables	8,459	421,558			430,017
Prepaid expenses and other	-	82,977			82,977
	9,738	4,374,712		4,550,000	8,934,450
Non-current					
Properties, plant and equipment	-	3,422,872			3,422,872
Goodwill	-	7,921,429	3(d)	2,500,000	10,421,429
	9,738	15,719,013		7,050,000	22,778,751
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	-	184,227			184,227
Due from related parties and other	-	211,607			211,607
	-	395,834			395,834
SHAREHOLDERS' EQUITY					
Share capital	4,035,052	13,528,916	3(a)	(4,035,052)	21,716,169
			3(a)	1,153,253	
			3(b)	150,000	
			3(c)	5,000,000	
			3(c)	(350,000)	
			3(c)	(266,000)	
			3(d)	2,500,000	
				4,152,201	
Contributed surplus	1,107,106	2,972,877	3(a)	(1,107,106)	3,283,877
			3(a)	45,000	
			3(c)	266,000	
				(796,106)	
Deficit	(5,132,420)	(1,178,614)	3(a)	5,132,420	(2,617,129)
			3(a)	(1,338,515)	
			3(b)	(100,000)	
				3,693,905	
	9,738	15,323,179		7,050,000	22,382,918
	9,738	15,719,013		7,050,000	22,778,751

The accompanying notes are an integral part of this unaudited pro-forma consolidated statement of financial position.

1. PROPOSED TRANSACTION

Orca Touchscreen Technologies Ltd. ("**Orca**" or the "**Company**") was incorporated under the *Business Corporations Act* (British Columbia) on December 31, 2013 and is listed on the Canadian Securities Exchange in Canada.

Cultivator Catalyst Corp. ("**CCC**") was incorporated under the *Business Corporations Act* (Ontario) on November 22, 2016. On May 19, 2017, CCC entered into a share purchase agreement for the purchase of all of the issued and outstanding shares in the capital of Highland Grow Inc., (formerly named THC Dispensaries Canada Inc.) ("Highland"), a Nova Scotia-based *Access to Cannabis for Medical Purposes Regulations* (Canada) (the "**ACMPR**") applicant for an aggregate purchase price of $4,586,000 payable in common shares in the capital of CCC ("**CCC Common Shares**") and the issuance of one CCC special class B share (which has subsequently converted in accordance with its terms into CCC Common Shares) and one CCC special class C share.

On December 1, 2017, Highland received its cultivation licence under the ACMPR, which authorizes Highland to produce dried marihuana, marihuana plants and marihuana seeds for the period from December 1, 2017 to December 1, 2020.

On December 4, 2017, the Company and CCC entered into a letter of intent, as extended and amended (the "**LOI**") pursuant to which Orca agreed to acquire all the issued and outstanding shares and securities convertible into shares of CCC pursuant to the terms of an amalgamation agreement dated April 25, 2018 (the "**Amalgamation Agreement**") among Orca, CCC and 1151856 B.C. Ltd., a wholly-owned subsidiary of Orca ("**Orca Sub**") formed to facilitate the Transaction (as defined herein).

Pursuant to the Amalgamation Agreement, Orca will indirectly acquire all of the issued and outstanding CCC Common Shares and special class C shares in the capital of CCC (collectively, the "**CCC Shares**") and securities of CCC convertible into CCC Shares in exchange for common shares (the "**Payment Shares**") and special class C shares, each as applicable, in the capital of Orca pursuant to an exchange ratio of five Payment Shares for each CCC Common Share and one special class C share of Orca for each special class C share of CCC (collectively, the "**Exchange Ratio**"). In addition, all of the outstanding common share purchase warrants of CCC will be exchanged for common share purchase warrants of Orca based on the Exchange Ratio (the "**Transaction**").

Prior to closing of the Transaction and subject to the rules of the Canadian Securities Exchange, Orca will complete a consolidation of its common shares on the basis of one (1) new common share in the capital of Orca for fifty (50) old common shares. Furthermore, upon completion of the Transaction it is intended that Orca will be re-named Biome Grow Inc. and shareholders of CCC will own a controlling interest in the issued and outstanding shares in the capital of Biome Grow Inc.

CCC is in the process of completing a brokered private placement financing to raise gross proceeds of approximately $5,000,000 (the "**Financing**") by the issuance of 1,000,000 CCC Common Shares at a price of $5.00 per share. In connection with the Financing, the agent will receive a 7% cash commission based on the gross proceeds raised in connection with the Financing (subject to certain limitations for subscribers on the president's list) and will receive common share purchase warrants, exercisable for a period of 24 months following the closing date of the Financing, to acquire, in aggregate, that number of CCC Common Shares at a price of $5.00 per share equal to 7% of the number of Common Shares sold pursuant to the Financing (subject to certain limitations for subscribers on the president's list).

1. PROPOSED TRANSACTION *(continued)*

The boards of directors of the Company, CCC and Orca Sub have each unanimously approved the terms of the Amalgamation Agreement.

The Amalgamation Agreement will be subject to certain customary conditions including approval by the shareholders of each of the Company, CCC and Orca Sub and various regulatory approvals including the approval of the Canadian Securities Exchange. The Amalgamation Agreement contains customary terms, conditions, conditions precedent and closing obligations for transactions of this nature.

2. BASIS OF PRESENTATION

The unaudited pro-forma consolidated statement of financial position of the Company gives effect to the Transaction as described above. In substance, the Transaction involves CCC shareholders obtaining control of the Company and accordingly the Transaction will be considered to be a reverse takeover transaction ("**RTO**") with CCC acquiring the Company. As the Company does not meet the definition of a business under International Financial Reporting Standards ("**IFRS**"), the consolidated statement of financial position of the consolidated entity will represent the continuation of CCC. The Transaction has been accounted for as a share-based payment by which CCC acquired the net liabilities and listing status of the Company. Accordingly, the accompanying unaudited pro-forma consolidated statement of financial position of the Company has been prepared by management using the same accounting policies as described in CCC's consolidated financial statements for the year ended December 31, 2017 which are consistent with the Company's accounting policies used in it consolidated financial statements for the year ended December 31, 2017.

The unaudited pro-forma consolidated statement of financial position is not necessarily indicative of the Company's consolidated financial position on closing of the Transaction had the Transaction closed on the dates assumed herein.

The unaudited pro-forma consolidated statement of financial position has been compiled from information derived from and should be read in conjunction with the following information, prepared in accordance with IFRS:

- the Company's audited consolidated financial statements for the years ended December 31, 2017 and 2016;
- the Company unaudited condensed consolidated interim financial statements for the periods ended March 31, 2018 and 2017;
- CCC's audited consolidated financial statements for the year ended December 31, 2017 and for the period from incorporation on November 22, 2016 to December 31, 2016;
- CCC's unaudited consdensed interim financial statements for the period ended March 31, 2018 and 2017; and
- the additional information set out in Note 3 of this unaudited pro-forma consolidated statement of financial position.

(Expressed in Canadian Dollars)

3. UNAUDITED PRO-FORMA ASSUMPTIONS AND ADJUSTMENTS

The unaudited pro-forma consolidated statement of financial position gives effect had the Transaction been completed on March 31, 2018. Consequential adjustments to the accumulated deficit are based on the transaction described in Note 3(a).

The unaudited pro-forma consolidated statement of financial position has been prepared based on the following assumptions:

a) Pursuant to the terms of the Amalgamation Agreement, Orca will issue five Payment Shares for each CCC Common Share and one special class C share of Orca for each CCC special class C share resulting in an aggregate of 99,994,075 Payment Shares being issued to acquire all of the issued and outstanding CCC Common Shares and one special class C share of Orca to acquire all of the issued and outstanding CCC special class C shares. In addition, all outstanding CCC common share purchase warrants will be exchanged on the basis of the Exchange Ratio resulting in an aggregate of 941,460 Orca common share purchase warrants being issued in exchange for 188,292 CCC common share purchase warrants.

As a result of the share exchange, the former shareholders of CCC will acquire control of the Company and the Amalgamation Agreement will be treated as an RTO transaction. The Transaction will be accounted for as an acquisition of the net liabilities and listing status of the Company by CCC via a share-based payment. The excess of the estimated fair value of the equity instruments that CCC is deemed to have issued to acquire the Company, plus the transaction costs (both the "**Consideration**") and the estimated fair value of the Company's net liabilities, will be recorded as the cost of obtaining the listing.

For the purposes of the pro-forma consolidated statement of financial position, management of Orca has estimated the fair value of the equity instruments deemed to be issued by the Company. The fair value of the 1,153,253 Orca common shares amounted to $1,153,253, based on the proposed Financing of $5.00 per CCC Common Share and the Exchange Ratio. The fair value of the 145,290 Orca common share purchase warrants outstanding was $45,000. The fair value of the Orca common share purchase warrants was estimated using the Black-Scholes option pricing model applying a market price of $5.00 and the Exchange Ratio, an exercise price of $21.00,a risk free rate of 1.27%, an expected volatility of 140% and an expected dividend yield of 0%.

The allocation of the Consideration for the purposes of the pro-forma consolidated statement of financial position is as follows:

Net liabilities acquired:		
Cash	$	1,279
Other assets		8,459
Net assets acquired		(9,738)
Consideration given		1,348,253
	$	1,338,515
Consideration given:		
Value of common shares issued by the Company	$	1,153,253
Common share purchase warrants deemed to be issued by the Company		45,000
Legal and other transaction costs		150,000
	$	1,348,253

The Company has estimated transaction costs to be $150,000 and as a result of the acquisition, there will be an elimination of the Company's pre-acquisition equity of $9,738.

3. UNAUDITED PRO-FORMA ASSUMPTIONS AND ADJUSTMENTS *(continued)*

b) Subsequent to the period ended March 31, 2018 CCC has issued CCC Common Shares as follows:

- 25,000 CCC Common Shares for services of $100,000;
- 12,500 CCC Common Shares for the exercise of stock options for proceeds of $50,000; and

c) The pro-forma statement of financial position assumes CCC completes its Financing for gross proceeds of $5,000,000 at a price of $5 per share, resulting in the issuance of 1,000,000 additional CCC Common Shares and not more than 210,000 CCC common share purchase warrants. In connection with the Financing, CCC will pay the agent's a 7% cash commission based on the gross proceeds raised in connection with the Financing (subject to certain limitations for subscribers on the president's list) and will issue to the agent not more than 210,000 common share purchase warrants with a fair value of $266,000, exercisable for a period of 24 months following the closing date of the Financing, to acquire, in aggregate, that number of CCC Common Shares at an exercise price of $5.00 per share equal to 7% of the number of CCC Common Shares sold pursuant to the Financing (subject to certain limitations for subscribers on the president's list). The fair value of the common share purchase warrants was estimated using the Black-Scholes option pricing model applying a market price of $5, an exercise price of $5, a risk free rate of 1.27%, an expected volatility of 140% and an expected dividend yield of 0%. The cash commission and the fair value of the agent's common share purchase warrants will be recorded as a share issue cost.

d) On April 12, 2018, CCC entered into a share purchase agreement for the purchase of all of the issued and outstanding shares in the capital of The Back Home Medical Cannabis Corporation ("**Back Home**"), a Newfoundland-based late stage ACMPR applicant for an aggregate purchase price of $2,500,000 payable in CCC Common Shares, subject to adjustment, which purchase price was satisfied by: (a) an initial payment of $150,000 worth of CCC Common Shares on April 25, 2018; with (b) the remainder payable in CCC Common Shares upon satisfaction of various conditions related to the licensing process as detailed in the share purchase agreement. The acquisition was completed on April 25, 2018.

CCC determined that this transaction is a business combination as the assets acquired and liabilities assumed constitute a business. The transaction was accounted for using the acquisition method of accounting whereby the assets acquired and the liabilities assumed were recorded at their estimated fair value at the acquisition date.

For the purposes of the the pro-forma consolidated statement of financial position the purchase price was estimated using $5 per share which is consistent with the value used in the Financing. Back Home will need to achieve certain milestones prior to the future common share issuances. For the purposes of the pro-forma consolidated statement of financial position, CCC has assumed that all the milestones had been achieved.

The accounting for this business combination has not yet been finalized and the Company is reporting provisional amounts for the items for which the accounting is not complete. For the purposes of the pro-forma consolidated statement of financial position the Company has reported the purchase price as goodwill. These provisional amounts are subject to change based on obtaining new information about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

ORCA TOUCHSCREEN TECHNOLOGIES LTD.
NOTES TO PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2018
(Expressed in Canadian Dollars)
(Unaudited)

4. PRO-FORMA SHAREHOLDERS' EQUITY

As a result of the Transaction and the pro-forma assumptions and adjustments, the shareholders' equity of the combined entity as at December 31, 2017 is comprised of the following:

		Share Capital				
	Notes	Number of Shares	Capital Stock	Contributed Surplus	Deficit	Total
CCC balances prior to transactions		19,961,315	$13,528,916	$2,972,877	$ (1,178,614)	$ 15,323,179
CCC Common Shares exchanged	3(a)	(19,961,315)	-	-	-	-
Orca common shares post consolidation	3(a)	1,153,253	-	-	-	-
Shares issued for the acquisition of CCC	3(a)	99,994,075	1,153,253	45,000	-	1,198,253
Listing costs		-	-	-	(1,338,515)	(1,338,515)
CCC Common Shares issued in Financing	3 (c)	1,000,000	5,000,000	-	-	15,000,000
Share issue costs – agent's	3(c)	-	(350,000)	-	-	(350,000)
Share issue costs – agent 's	3(c)	-	(266,000)	266,000	-	-
CCC Common Shares issued	3 (b)	37,500	150,000	-	(100,000)	50,000
CCC Common Shares issued for P209 Inc.***		2,750,000	-	-	-	-
CCC Common Shares issued for Back Home**	3(d)	2,500,000	2,500,000	-	-	2,500,000
		109,434,828	$21,716,169	$3,283,877	$ (2,617,129)	$ 22,382,918

** common shares issued after application of the Exchange Ratio of five (5) common shares of Orca for every one (1) CCC Common Share held.

*** common shares issued after applicaitonof the Exchange Ratio of five (5) common shares of Orca for every one (1) CCC Common Share held. CCC had issued 250,000 CCC Common Shares with a commitment to issue additional CCC Common Shares with a value of $2,750,000 when certain milestones are met.

5. INCOME TAXES

The effective income tax rate applicable to the consolidated operations is estimated to be 31%.