JG Wealth Management Corporation

Management's Discussion & Analysis

Year Ended September 30, 2016

DATE AND SUBJECT OF REPORT

The following Management's Discussion & Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of the operations of JG Wealth Management Corporation ("JG" or the "Company") for the year ended September 30, 2016.

This MD&A should be read in conjunction with the Company's audited consolidated financial statements for the same period (the "2016 audited Financial Statements") which are presented in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC). The Company's financial statements and other important information of the Company are available at www.sedar.com. This MD&A has been prepared effective as of January 30, 2017.

FORWARD LOOKING STATEMENTS

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guarantees of future performance. These forward looking statements involve a number of risks and uncertainties, including the impact of general economic conditions, industry conditions, and changes in Canadian and foreign laws and regulations, increased competition, fluctuations in real estate properties market, foreign exchange, and interest rates and stock market volatility. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and while many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

OVERALL PERFORMANCE

JG Wealth Management Corporation ("JG" or the "Company") was incorporated on November 29, 2007 and was previously a wholly owned subsidiary of Mag One Products Inc. ("Mag One"). The Company's principal activity is the acquisition and development of real estate properties and investment in marketable securities of public and private companies. The Company's head office is located at Suite 200 – 8338 120th Street, Surrey, BC, V3W 3N4. On March 12, 2015, the Company ceased to be a subsidiary of Mag One and the Company's shares commenced trading on Canadian Securities Exchange ("CSE") under the symbol JGW

Significant events of the Company year-to-date are summarized as follows:

Private Placement

In October 2015, the Company issued 787,500 common shares at $0.40 per shares for proceeds of $315,000 in a non-brokered private placement. Of the 787,500 common shares issued, 562,500 common shares were issued to Grand Peak Capital Corp., a company with common directors and 225,000 common shares were issued to the spouse of a former director of the Company. Of $315,000 raised, $225,000 was received in advance during the year ended September 30, 2015.

SELECTED ANNUAL INFORMATION

The Company was dormant before fiscal 2015 and did not have meaningful information to report for fiscal 2014.

	2016	2015	2014
	$	$	$
Total assets	3,740,400	3,295,742	1
Long term liabilities	125,000	29,000	-
Total revenue	13,274	39,824	-
Administrative expenses	(134,128)	(131,526)	-
Income from continued operation	583,751	449,669	-
Basic and diluted, earnings per share	0.02	0.03	-

SUMMARY OF QUARTERLY RESULTS

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The Company has been dormant since inception until January 1, 2015 when assets were transferred from Mag One. The Company does not expect its revenue or net operating result subject to seasonality. As one of the Company's main activities is investment in marketable securities, the Company does expect the quarterly operating results fluctuate with the market values of the marketable securities held in hands. The table below sets out the recent eight quarterly information of the Company:

	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
	$	$	$	$	$	$	$	$
Revenue	**-**	**-**	**-**	**13,274**	**13,274**	**12,264**	**14,286**	**-**
Net income (loss)	**454,968**	**379,373**	**30,270**	**(280,860)**	**471,490**	**(73,308)**	**51,487**	**-**
Income (loss) per share, basic and diluted	**0.02**	**0.01**	**0.00**	**(0.01)**	**0.02**	**0.00**	**0.01**	**0.00**

Readers should be cautioned that the gain/loss from investment in marketable securities would fluctuate from time to time depends on the market price of the underlying marketable securities, which is unpredictable in nature.

RESULTS OF OPERATIONS

Year ended September 30, 2016 ("Fiscal 2016")

During Fiscal 2016, the Company had net income of $583,751 (Fiscal 2015: $449,669). Realized and unrealized gain from investments totaled $798,756 (Fiscal 2015: $629,398). Decrease in net rental income from $39,824 to $13,274 is a result of the sale of rental property on December 29, 2015. Total income is partially offset by operating expenses of $134,128 (Fiscal 2015: $131,526).

Main component of the operating expenses are $68,000 (Fiscal 2015: $57,536) consulting fees, $23,139 (Fiscal 2015: $10,392) office and administration fees, $15,274 (Fiscal 2015: $5,359) trust and filing fees, and $24,930 professional fees (Fiscal 2015: $15,480).

As at September 30, 2016, the Company had $25,287 cash (September 30, 2015: $554,569), $2,746 accounts receivables (September 30, 2015: $3,387), $2,724,846 investment (September 30, 2015: $1,660,126), note receivable of $853,563 (September 30, 2015: $Nil), $133,958 prepaids and deposit (September 30, 2015: $Nil), property of $Nil (September 30, 2015: $1,077,660), accounts payable and accrued liabilities of $15,550 (September 30, 2015: $44,416), $84,650 due to related party (September 30, 2015 - $Nil), note payable of $125,205 (September 30, 2015: $506,082) and share capital of $2,317,064 (September 30, 2015: $2,002,064). The increase in assets and decrease in liabilities is primarily a result of an increase in value in investments and a raise of capital during Fiscal 2016.

Three months ended September 30, 2016 ("2016 Q4")

During 2016 Q4, the Company had income before taxes of $454,968 (2015 Q4: 471,490) which was mainly comprised of net rental revenue of $Nil (2015 Q4: $13,274), realized and unrealized gain of investment of $519,733 (2015 Q4: $584,656), which was partially offset by operating expenses of $28,695 (2015 Q4: $54,633 including amortization) and a loss on sale of property of $1,490 (2015 Q4: impairment loss of $39,511).

Main components of the operating expenses are office and administration fees of $5,377 (2015 Q4: $1,596), consulting fees of $4,500 (2015 Q4: $120) and professional fees of 13,000 (2015 Q4: $8,180).

Readers should be cautioned that the gain/loss from investment in marketable securities would fluctuate from time to time depends on the market price of the underlying marketable securities, which is unpredictable in nature.

LIQUIDITY & CAPITAL RESOURCES

Financing of operations has been achieved primarily by raising equity and related party debt financing. On September 30, 2016, the Company had a cash balance of $25,287 (September 30, 2015: $554,569) and working capital of $3,514,995 (September 30, 2015: $1,667,584). The Company is not subject to external working capital requirements.

Management believes the current liquidity on hands may be adequate to finalize the Company's operations in the next twelve months. However, management also realizes that the capital on hand may not adequate for the Company to achieve its long term business objectives as the development of real properties takes years to finish before these properties can generate positive operating cash flow. The Company intends to finance the Company's operations by additional related party financing and/or equity financing.

While the Company was able to raise financing when needed in the past, there is no guarantee that the Company can do so in the future.

In June 2015, the Company issued a promissory note of $500,000 to an entity related to a director of the Company. This promissory note is unsecured, bearing simple interest at 4% per annum, and is due on June 11, 2016. During the year ended September 30, 2016, the promissory note including the principal balance and accrued interest was fully repaid.

In September 2016, the Company entered into a loan agreement with a company related to a former director of the Company for a principal of $125,000. The loan bears interest at 4% per annum, is unsecured and due on September 15, 2017. The loan is secured by the 1,333,330 common shares in the capital of ZoomAway Travel Inc. which the Company subscribed for and the payment of $133,333 is included in prepaid and deposits. As of September 30, 2016, the balance outstanding including accrued interest is $125,205.

During 2016, the Company used $173,127 (September 30, 2015: $135,667) in investing activities. It was the combined result of receiving $183,690 (September 30, 2015: $109,041) from the sale of investment and receiving net cash proceeds of $1,076,170 (September 30, 2015: $Nil) from the sale of property (the Shangri La Unit). It is partially offset by using $449,654 (September 30, 2015: $303,070) in acquisition of marketable securities and a loan investment of $850,000 to Grand Peak Capital, a company with a common director (Ayub Khan) (September 30, 2015: $Nil).

TRANSACTIONS WITH RELATED PARTIES

The Company had the following related party transactions and balances:

Transactions with key management and directors
During the years ended September 30, 2016 and 2015, the Company had the following transactions with related parties:

	Nature of fees	2016	2015
		$	$
Former director of the Company	Consulting	50,000	-
An entity with a common director	Management	3,000	-
An entity with a common director	Rent	3,000	-

As at September 30, 2016, the Company had a balance owing to the Company's director of $50,000 (2015 - $Nil).

In August 2016, the Company undertook the collection of rental income on behalf of a company with a common director. In return, the Company received $3,000 (2015 - $Nil) for service fee. For the year ended September 30, 2016, the Company collected $34,650 (2015- $Nil) of rent on behalf of the company with a common director and this full amount was to be turned to the entity subsequent to the year-end.

Amounts due to related parties are non-interest bearing, unsecured, with no terms of repayment.

Investments

During the year ended September 30, 2016, the Company made subscriptions $ 175,251 (2015 – $235,919) for common shares and share purchase warrants in private placements of Canadian public companies that have common directors.

Note receivable
The Note receivable consists of $850,000 advanced to a company with common directors on August 10, 2016. The note bears interest at 3% per annum, is unsecured and due on demand. As of September 30, 2016, the accrued interest receivable is $3,563.

Notes payable
In June 2015, the Company issued a promissory note of $500,000 to an entity related to a director of the Company. This promissory note is unsecured, bearing simple interest at 4% per annum, and is due on June 11, 2016. During the year ended September 30, 2016, the promissory note including the principal balance and accrued interest was fully repaid.

In September 2016, the Company entered into a loan agreement with a company related to a former director of the Company for a principal of $125,000. The loan bears interest at 4% per annum, is unsecured and due on September 15, 2017. The loan is secured by the 1,333,330 common shares in the capital of ZoomAway Travel Inc. which the Company subscribed for and the payment of $133,333 is included in prepaid and deposits (Note 7). As of September 30, 2016, the balance outstanding including accrued interest is $125,205.

Revenue
During the year ended September 30, 2016, the Company earned gross rental revenue of $13,274 (2015 - $39,824) from a company with common directors.

Share Capital
In October 2015, the Company issued 787,500 common shares at a fair value of $0.40 per shares for proceeds of $315,000 in a non-brokered private placement. Of the 787,500 common shares issued, 562,500 common shares were issued to Grand Peak Capital Corp., a company with common directors; 225,000 common shares were issued to the spouse of a former director of the Company. Of $315,000 raised, $225,000 was received in advance during the year ended September 30, 2015.

OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company has 31,434,172 (September 30, 2015: 30,646,672) common shares issued and outstanding. The Company does not have warrants and options outstanding as at the date of this report.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have off-balance sheet arrangements.

PROPOSED TRANSACTIONS

The Company does not have proposed transactions that have material effects to the Company to discuss at this time.

SIGNIFICAN ACCOUNTING POLICIEIS AND CHANGES IN ACCOUNTING POLICIES

Consolidation

These consolidated financial statements included the accounts of the Company and its wholly owned subsidiary, 1042484 B.C. Ltd. (formerly Acana Capital Corp.) that was incorporated on July 10, 2015 in British Columbia, Canada.

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation. 1042848 B.C. Ltd. does not have any activities since inception.

Significant estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments, the carrying values of the investments, the fair value of the shares issued in connection with the closing of the Arrangement, and the measurement of deferred tax liabilities.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements is the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty and the classification of financial instruments.

Income per share

Basic income per share is computed by dividing net income attributable to common shareholders by the weighted average number of shares outstanding in the period. Diluted income per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted income per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

Financial instruments

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

Fair value through profit or loss (FVTPL) - Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. They are subsequently measured at fair value with changes in fair value recognized in profit or loss. The Company designated its investments as fair value through profit or loss financial assets.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company has designated its cash, receivables, deposit and note receivable as loans and receivables.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities and that the Company intends to hold to maturity. These assets are subsequently measured at amortized cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. The Company does not hold any held-to-maturity financial assets.

Available-for-sale – These consist of non-derivative financial assets that are designated as available-for sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments and are subsequently measured at fair value. These are included in current assets to the extent they are expected to be realized within 12 months after the end of the reporting period. Unrealized gains and losses are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary financial assets. The Company does not hold any available-for-sale financial assets.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost. Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the group commits to purchase the asset. The Company has classified its trade payables and note payable as financial liabilities.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. A financial asset is impaired and impairment losses are recognized only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset that can be reliably measured.

Functional currency and foreign currency translation

The functional currency of each entity is measured using the currency of the primary economic environment in which that entity operates. These consolidated financial statements are presented in Canadian dollars which is the parent company's functional and presentation currency.

Transactions and balances:

Foreign currency transactions will be translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of comprehensive income in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

Property

Property is stated at cost less accumulated depreciation. Depreciation is charged to income on a declining balance basis at 4% per year.

Properties are derecognized when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of investment property are recognized in the consolidated financial statements of comprehensive income in the period of retirement or disposal. Gains or losses on the disposal of the property is determined as the difference between net disposal proceeds and the carrying value of the asset in the previous reporting period financial statements.

Impairment of assets

The carrying amount of the Company's assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive income.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Income taxes

<u>Current income tax:</u>

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

<u>Deferred tax:</u>
Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Revenue Recognition
Rental and Service income is recognized when:

- the amount of revenue can be measured reliably;
- it is probably that the economic benefits associated with the revenue will flow to the Company;
- the stage of completion at the end of the reporting period can be measured reliably; and
- the costs incurred for and to complete the revenue can be measured reliably.

Warrants
Proceeds from issuances of security units by the Company consisting of shares and warrants are allocated based on the residual method. The fair value of the warrants is determined to be the difference between gross proceeds over the estimated fair market value of the shares. If the proceeds from the offering are less than or equal to the estimated fair market value of shares issued, a fair value of $Nil is assigned to the warrants.

Accounting standard issued but not yet applied
A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended September 30, 2016, and have not been applied in preparing these financial statements.

<u>IFRS 9 Financial Instruments</u>
This is a finalized version of IFRS 9, which contains accounting requirements for financial instruments, replacing *IAS 39 Financial Instruments: Recognition and Measurement*. The standard contains requirements in the following areas:

a) Classification and measurement. Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The 2014 version of IFRS 9 introduces a "fair value through other comprehensive income" category for certain debt instruments.

Financial liabilities are classified in a similar manner to under IAS 39; however, there are differences in the requirements applying to the measurement of an entity's own credit risk.

b) Impairment. The 2014 version of IFRS 9 introduces an "expected credit loss" model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognized.

IFRS 9 Financial Instruments (continued)

c) Hedge accounting. Introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures.
d) Derecognition. The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

Applicable to the Company's annual period beginning October 1, 2018.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers. The five steps in the model are as follows:

a) Identify the contract with the customer
b) Identify the performance obligations in the contract
c) Determine the transaction price
d) Allocate the transaction price to the performance obligations in the contracts
e) Recognize revenue when (or as) the entity satisfies a performance obligation.

Guidance is provided on topics such as the point in which revenue is recognized, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced.

Applicable to the Company's annual period beginning October 1, 2018.

The Company intends to adopt the standards when they become effective. The Company has not yet determined the impact of these standards on its financial statements, but does not anticipate that the impact will be significant.

Other accounting standards and amendments to existing accounting standards that have been issued and have future effective dates are not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counter party limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Market risk

Market risk is the risk that the fair value of, or future cash flows from the Company's investment in marketable securities will significantly fluctuate because of changes in market prices. The Company is exposed to market risk or equity risk or equity price risk in trading its investment and unfavorable market conditions could result in dispositions of investments at less than favorable prices. Additionally, the Company marks its investments to market in accordance with the accounting policies at each reporting period. This process could result in significant write-downs of the Company's investment over one or more reporting periods, particularly during periods of declining markets.

Market risk includes price risk, interest rate risk and currency risk as well as factors specific to an individual investment or its issuer or risk specific to a certain market. Market risk is managed principally through diversification of investments. Management monitors the overall market risk position on a quarterly basis.

Price risk

The Company is exposed to price risk in relation to listed marketable securities held as FVTPL investment, assessed as high.

Interest rate risk

Interest risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk is minimal.

Currency risk

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to currency risk as the Company does not hold financial instrument denominated in foreign currency.

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 an obligation. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with major banks in Canada. As most of the Company's cash is held by two banks there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The Company's secondary exposure to risk is on its note receivable due from a company with common directors. The borrower does not currently have sources of revenue from operations; however, management considers that it holds sufficient liquid assets to repay the balance on demand.

Liquidity risk

Liquidity risk is the risk that the Company may be unable to meet its financial obligations as they fall due. The Company reviews its working capital position regularly to ensure there is sufficient capital in order to meet short-term business requirements, taking into account its anticipated cash flows from operations and its holding of cash.

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	September 30, 2016	September 30, 2015
	$	$
Loans and receivables		
Cash	25,287	554,549
Receivables	2,746	3,387
Deposit	133,333	-
Note receivable	853,563	-
FVTPL		
Investments	2,724,846	1,660,126
	3,739,775	2,218,062

Financial liabilities included in the statement of financial position are as follows:

	September 30, 2016	September 30, 2015
	$	$
Non-derivative financial liabilities:		
Trade payables	-	36,288
Due to related parties	84,650	-
Note payable	125,205	506,082
	209,855	542,370

Fair value

The fair values of the Company's financial assets and liabilities approximates the carrying amounts either due to their short-term nature or because the interest rates applied to measure their carrying amount approximate current market rates.

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

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

Investments consist of common shares and share purchase warrants of Canadian public companies (Note 4). The fair value measurement of the common shares is classified as level 1. The fair value measure of the share purchase warrants is classified as level 3 as the fair value estimate incorporates expected future volatility which is not based on observable market data. A 10% increase in the volatility rate for the share purchase warrants would decrease the fair value estimate of the warrants by approximately $10,000.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence, safeguard the Company's ability to sustain future development of the business. The capital structure of the Company consists of cash, marketable securities, and common shares as capital.

There are no restrictions on the Company's capital and there were no changes in the Company's approach to capital management during the year.

RISK FACTORS

Risks of the Company's business include the following:

New Enterprise
Our business is subject to risks inherent in the establishment of a new business enterprise, such as limited historical financial information, limited capital resources and the inability to raise additional funds when required. No commitments to provide additional funds have been made by management or other shareholders.

Equity Investment Risks
An investment in the common shares of the Issuer should be considered highly speculative, not only due to the Issuer's limited business history but also due to the consideration that equity investments are always subject to varying degrees of risk. These risks may include changes in general economic conditions such as the availability and cost of financing capital; changes in local conditions, such as employment; changes to tax laws; and changes to incentive programs related to the areas in which the Issuer intends to invest. In addition, financial difficulties of other equity investors result in distress sales, which may depress the stocks in which the Company operates.

Dilution to the Existing Shareholders
The Company is very likely to issue its common stock to raise additional capital. The issuance of additional equity securities by the Company could result in a significant dilution in the equity interests of existing shareholders.

Reliance on Management's Expertise
The Company strongly depends on the business acumen and investing expertise of its management team and there is little possibility that this dependence will decrease in the near term. The loss of the services of any member of such team could have a material adverse affect on the Issuer. The Company does not have any key person insurance in place for management.

Conflicts of Interest
Certain of the directors of the Company also serve as directors and/or officers of other companies involved in real estate development or management. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

Venture issuers are not required to include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109"). In particular, the Company's certifying officers are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's generally accepted accounting principles.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company's certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

OFFICERS AND DIRECTORS

Ayub Khan	CEO, Director & CFO	
Sonny Janda	Director	
Jatinder Bains	Director	
Lucky Janda	Former CEO and Director	Resigned on December 15, 2015