CAPTIVA VERDE LAND CORP.

Management's Discussion and Analysis
For the year ended October 31, 2019

(Expressed in Canadian dollars, unless otherwise noted)

February 27, 2020

For further information on the Company, reference should be made to its public filings on SEDAR at www.sedar.com. This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the audited financial statements for the year ended October 31, 2019, and related notes thereto which have been prepared in accordance with International Financial Reporting Standards. The MD&A contains certain Forward Looking Statements which are provided at the end of this document.

CORPORATE OVERVIEW

Captiva Verde Land Corp. ("Captiva Verde" or the "Company") is a sustainable real estate company that invests in assets that contain green residential communities, disruptive manufacturing facilities, organic food production and Hemp Seed Oil operations.

Captiva Verde was incorporated as Just Baseball Limited and changed its name to Captiva Verde Land Corp. on March 3, 2017. The Company was incorporated under the British Columbia Business Corporations Act on November 9, 2015. The Company's registered and records office is located at 1500 Royal Centre, 1055 West Georgia Street, P.O. Box 11117, Vancouver, BC V6E 4N7.

Going concern

The financial statements have been prepared on the basis that the Company is a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The nature of the Company's primary business is planned to be the acquisition, management, development, and possible sale of real estate projects in addition to organic food production and Hemp Seed Oil operations. The Company had a net loss of $1,568,668 for the year ended October 31, 2019 (October 31, 2018 - $196,853 loss) and as at October 31, 2019 has an accumulated deficit of $1,936,546 (October 31, 2018 - $367,878). As at October 31, 2019, the Company has working capital of $309,286 (October 31, 2018 – working capital deficit $68,218). To date, the Company has no existing business operations and no history of earning or revenues. If the Company is unable to raise any additional funds in the future to undertake planned development, it could have a material adverse effect on its financial condition and cause significant doubt about the Company's ability to continue as a going concern. If the going concern basis were not appropriate for these financial statements, then possible adjustments would be necessary to the comprehensive loss and the financial position classification.

HIGHLIGHTS – YEAR ENDED OCTOBER 31, 2019

- On November 13, 2018, the Company closed a private placement and issued 2,000,000 units at $0.14 per unit for gross proceeds of $280,000. Each unit comprises one common share and one half of one common share purchase warrant with a whole warrant exercisable into one common share at a price of $0.25 for a period of one year from the date of closing.
- On February 26, 2019, the Company closed a private placement and issued 3,000,000 units at $0.10 per unit for gross proceeds of $291,193 and a reduction of accounts payable of $5,500. Each unit comprises one common share and one half of one common share purchase warrant with a whole warrant exercisable into one common share at a price of $0.25 for a period of one year from the date of closing.
- On April 16, 2019, the Company received 4-0 approval from the Planning and Zoning Commission in California for its 1,042 units $350 Million subdivision. The Company and its JV partner, Greenbriar Capital

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Corp, is in advanced discussions with the US Air Force to lease the 1,042 units to the military for the members and families of its civilian, military and contractor workforce at Edwards Air Force Base and related facilities.

- On May 8, 2019, the Company closed a private placement and issued 4,125,000 units at $0.20 per unit for gross proceeds of $805,000. Each unit comprises one common share and one half of one common share purchase warrant with a whole warrant exercisable into one common share at a price of $0.35 for a period of one year from the date of closing. The Company incurred $10,940 in issuance costs.
- On May 9, 2019, the Company entered into an agreement to acquire Solargram Farms Corporation ("Solargram"), a Canadian controlled private corporation, having corporate offices in Moncton, NB. The acquisition will give the Company access into a world class team of experienced operators and growers, dedicated to full spectrum, hand crafted, outdoor organic Hemp Seed Oil and oil extracts, providing high valued finished health and wellness products using natural farm inputs. The Solargram team has over 40 years of combined industry specific, non-stop operating, growing and processing experience in a specific regional market that, taken together, has over 125 years of collective experience.

- On September 26, 2019, the Company completed the acquisition of over 5 Million square feet of hand crafted outdoor organic high potency cannabis production capacity and 30,000 square feet of buildings to commence infrastructure buildout for Solargram Farm's Health Canada site evidence package as final steps to obtain outdoor organic grow licenses.

  Solargram Farms will become Canada's largest outdoor organic cannabis growing operation, having in excess of 5 million square feet of outdoor production capability at 100 percent yield.

  The outdoor production site and buildings is now owned 100% by the Company and is debt-free. The acquisition is a testament to the skillful New Brunswick executive team of Len Wood and Marc LeBlanc whom made an extremely rare find. Included in the site is an onsite man made 6 million gallon fresh water pond with surplus water fed by two high capacity spring fed wells to easily satisfy the water demands of such a high yielding and expansive growing operation.

  Similar facilities of this size are costing anywhere from $6 Million to $10 Million to build and our team has acquired this for less than 10 cents on the dollar.

  This Infrastructure project has commenced with expectations of a 2020 first year cannabis harvest comprised of outdoor organically grown production. We are excited to provide the market place with organic oil products that is destined for unique, selected and branded boutique product offerings slated to come to market in 2020 and we are negotiating supply agreements both domestically and internationally to ensure our high valued products are available in the markets where we choose to operate in.

- October 2, 2019, the Company executed and completed a share exchange agreement with Salud Esmeralda de Mexico SA de CV ("Esmeralda") for the exchange of all of the shares of Esmeralda for Eighty (80) million common shares of the Company. The shares are subject to a pooling agreement for one year.

  Esmeralda and its team and advisors have over 200 years of experience in high level executive positions in Mexico, including energy, health, natural resources, government, business and the military.

  Prior to this announcement, Esmeralda and its principals acquired from another Mexican corporation, a comprehensive pharmaceutical license to sell, market and distribute the entire suite of pharmaceutical, health, wellness and veterinarian products which include all psychoactive and non-psychoactive drugs listed under Groups I, II& III. These include a suite of over 300 medicines.

  The Company's sole mission is to provide all of Mexico with the highest quality medical products, including Cannabis products, that are sourced from the best suppliers that have the highest proven efficacy all at the lowest possible prices to the Mexican consumer. In addition, the Company will ensure that all Cannabis products and other medical products meet the tough standards of the Mexican Heath authorities.

  The Company management will dedicate the next several months to informing the Cannabis market and the general financial markets of the significance of this game changing license to import, wholesale and distribute.

- October 17, 2019, the Company executed a share exchange agreement to acquire Salud Esmeralda de Mexico SA de CV, ("Esmeralda") and where Esmeralda holds a comprehensive pharmaceutical license to sell, market and distribute an entire suite of pharmaceutical, health, wellness and veterinarian products which include all narcotic, psychoactive and non-psychoactive drugs listed under Groups I, II& III in Mexico, Esmeralda

received a letter from the Chairman of the 380,000 member Health Care Workers Union in Mexico for Esmeralda to distribute and sell medicinal products to the Union. this news release will prevent selective disclosure from now to final completion.

- Subsequent to October 31, 2019, November 14, 2019, the Company executed an exclusive and formal acquisition agreement with the Miss Envy Design Group. Miss Envy was recently awarded the 2017 High Times Cup Gold Medal for best topical and CBD products.

  Miss Envy team designs and formulates award winning products throughout the world, and the Company is excited to be part of this award winning team to manufacture, sell and distribute legal products throughout the entire World (not including Canada) where products are compliant with all applicable laws and regulations.

  Terms of the deal are the issuance of 8,000,000 Shares paid on the following performance milestones:

  i. 2 million shares on the commencement of legal sales anywhere in the World
  ii. 2 million shares on $5 Million in sales
  iii. 2 million shares on every $5 Million increase thereafter for a total of Eight Million shares
  iv. A royalty of 20% of the product sales net profit cash flow
  v. The agreement is subject to Canadian Securities Exchange Approval

- On November 18, 2019, the Company commenced the execution of a pharmaceutical grade Psilocybin mushroom growing, packaging, sales and distribution program in Mexico under its pharmaceutical license that includes over 300 types of narcotics and psychoactive medicines under Groups I, II, & III of the World Health Organization guidelines.

  Micro-dosing of Psilocybin is known to reduce stress, anxiety and pain without any of the side effects associated with traditional pharmacology products that have been prescribed for the same issues.

  The Company will post updates in due course.

- On November 26, 2019, the Company closed its non-brokered private placement (the "Private Placement") consisting of 9,474,000 units ("Units") at a price of $0.25 per Unit for total gross proceeds of $2,368,500. Each Unit is comprised of one common share of the Company (a "Share") and one common share purchase warrant of the Company ("Warrant"). Each Warrant is exercisable into a common share of the Company at an exercise price of CDN$0.75 for a period of two years. The proceeds of the Private Placement are to be used for land acquisition, initial infrastructure build-out and production assets to support the planned outdoor cannabis outdoor grow initiatives for the 2020 grow season in New Brunswick and the associated Health Canada License.

  The Company also closed the purchase of a strategic 5 acre land parcel (formerly owned by the Government) located adjacent the Company's existing 1,000 home subdivision in Tehachapi, California called The Sage Rach Project (the "Property Acquisition"). As consideration for the Property Acquisition, the Company issued the vendor an aggregate of 2,000,000 common shares of the Company , paid USD $160,000 in cash and Greenbriar will transfer a 28 acre parcel of land in Tehachapi, that is not part of the Sage Ranch project. In addition, the Company also issued an aggregate of 1,284,299 common shares at a price of $0.25 per share in payment of professional legal services (the "Shares for Services") with an arm's length service provider.

- On November 26, 2019, the Company closed its non-brokered private placement consisting of 9,474,000 units at a price of $0.25 for total gross proceeds of $2,368,500. Each unit is comprised of one common share of the Company and one common share purchase warrant of the Company. Each warrant is exercisable into a common share of the Company at an exercise price of $0.75 for a period of two years.

- On November 8, 2019, the Company purchased additional property for their Solargram project for $248,484.

SAGE RANCH PROJECT

On October 9, 2018, the Company the Company closed the acquisition agreement with Greenbriar Capital (U.S.) LLC ("Greenbriar") to purchase a 50% undivided interest in approximately 132 acres of real property located in the City of Tehachapi, California, USA. The acquisition represents a non-arm's length transaction as the Chief Executive Officer of the Company, Jeffrey Ciachurski, is also the Chief Executive Officer of Greenbriar As consideration for the Acquisition, the Company issued 10,687,500 common shares of the Company to Greenbriar and the $112,500 one-year interest free loan was immediately settled in cash upon closing.

	October 31, 2019	October 31, 2018
Opening	$ 1,374,605	$ -
Shares issued (10,687,500 common shares at $0.10 per share)	-	1,068,750
Cash	-	112,500
Construction in progress	1,048,450	193,355
	2,423,055	**1,374,605**

SOLARGRAM FARMS

On May 8, 2019, the Company entered into an agreement to acquire Solargram Farms Corporation ("Solargram"), a Canadian controlled private corporation, having corporate offices in Moncton, NB. The acquisition will give the Company access to a world class team of experienced operators and growers, dedicated to full spectrum, hand crafted, outdoor organic cannabis and oil extracts, providing high valued finished health and wellness products using natural farm inputs. The Solargram team has over 40 years of combined industry specific, non-stop operating, growing and processing experience in a specific regional market that, taken together, has over 125 years of collective experience. As consideration the Company will issue 30,000,000 shares upon acquisition which has a prerequisite of Solargram obtaining their Cannabis Grow License by Health Canada. As at October 31, 2019 this transaction has not yet closed.

On September 26, 2019, the Company completed the acquisition of over 5 million square feet of land for cannabis production and 30,000 square feet of buildings to commence the infrastructure buildout for Solargram's Health Canada site evidence package as part of the final steps to obtaining an outdoor organic grow license.

	October 31, 2019	October 31, 2018
Opening	$ -	$ -
Construction in progress	1,231,996	-
	1,231,996	-

MEXICO OPERTIONS

The Company has entered into an exchange agreement with Salud Esmeralda de Mexico SA de CV ("Esmeralda") for the exchange of all of the shares of Esmeralda for 80,000,000 common shares of the Company. The shares are subject to a pooling agreement for one year. Jeff Ciachurski, CEO, is expected to become a shareholder of Esmeralda. As at October 31, 2019 this transaction has not yet closed.

Esmeralda and its team and advisors have over 200 years of experience in high level executive positions in Mexico, including energy, health, natural resources, government, business and the military.

Prior to this announcement, Esmeralda and its principals acquired from another Mexican corporation, a comprehensive pharmaceutical license to sell, market and distribute the entire suite of pharmaceutical, health, wellness and veterinarian products which include all psychoactive and non-psychoactive drugs listed under Groups I, II & III. These include a suite of over 300 medicines.

The Company intends to provide all of Mexico with the highest quality medical products, including Cannabis products, that are sourced from the best suppliers that have the highest proven efficacy all at the lowest possible prices to the Mexican consumer. In addition, the Company will ensure that all Cannabis products and other medical products meet the tough standards of the Mexican Heath authorities.

DISCUSSION OF OPERATIONS

		Year Ended October 31,		
	Note	**2019**	**2018**	**2017**
Expenses				
Administrative fees		$ (291,990)	$ (73,383)	$ (1,945)
Consulting fees		(96,606)	(50,964)	(43,202)
Filing fees		(40,494)	(15,311)	(10,968)
Legal and professional fee		(132,066)	(30,731)	(100,008)
Foreign exchange loss		(30,559)	(2,231)	(997)
Pre-acquisition project costs		(211,607)	-	-
Travel		(115,890)	(24,233)	(7,860)
Stock-based compensation		(649,456)	-	-
Loss and comprehensive loss for the period		$ (1,568,668)	$ (196,853)	(171,025)
Loss per share				
Basic and diluted		$ (0.02)	$ (0.00)	$(0.00)
Weighted average shares outstanding				
Basic and diluted		91,789,080	70,624,221	34,385,028

Year ended October 31, 2019 compared to year ended October 31, 2018 and 2017

Revenue is $nil for the year ended October 31, 2019, 2018 and 2017 as the Company has not developed any projects to the revenue generation stage. The Company incurred a net loss of 1,568,668, for the year ended October 31, 2019 compared to net loss of $196,853 in the year ended October 31, 2018, net loss of $171,025 in the year ended October 31, 2017. The increase in net loss is the result of an increase in consulting expenses and admin fees incurred with the increased corporate activity related to the Company beginning operations in addition to pre-acquisition costs related to the Mexico project which were incurred to build production facilities prior to the acquisition being finalized. The Company also incurred non-cash expense for stock-based compensation of $649,456 in the current period not incurred in prior periods. The basic and diluted loss per share of $(0.02) is higher than the comparative period due to the increased loss.

	October 31, 2019	October 31, 2018	October 31, 2017
Cash and cash equivalents	$ 735,371	$ 268,212	$ 155,984
Total assets	4,605,964	1,652,426	214,430
Non-current financial liabilities	-	-	-
Cash dividends declared	$ 0.00	$ 0.00	$0.00

Cash and cash equivalents were $735,371 as at October 31, 2019 which was higher than the comparative period and the result of the private placements closed and in the process of closing as at year end. Total assets are $4,605,964 as at October 31, 2019 compared to $1,652,426 as at October 31, 2018 and $214,430 as at October 31, 2017. The increase is a result of the capitalized costs related to the Solargram Farm project, and the continued advancement of the Sage Ranch project. Non-current financial liabilities are $nil as at October 31, 2019, and the comparative period of October 31, 2018 and 2017 as the Company has not incurred any non-current financial liabilities at this stage. There were no cash dividends declared as at October 31, 2019, October 31, 2018 or October 31, 2017.

Summary of Quarterly Results

(tabled amounts are expressed in thousands of CAD dollars)	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Expenses	$ (493,167)	$ (111,287)	$ (403,354)	$ (560,860)	$ (121,228)	$ (17,587)	$ (8,811)	$ (34,977)
Net loss	(493,167)	(111,287)	(403,354)	(560,860)	(121,228)	(17,587)	(8,811)	(34,977)
Other comprehensive (loss) income	-	-	-	-	-	-	-	-
Total comprehensive gain (loss)	(493,167)	(111,287)	(403,354)	(560,000)	(121,228)	$ (17,587)	$ (8,811)	$ (34,977)
Basic/Diluted loss per share	(0.01)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	$ 4,605,964	$ 2,608,719	$ 2,471,082	$1,694,817	$ 1,652,426	$ 269,981	$ 251,902	$ 253,093

Three months ended October 31, 2019 compared to all historic quarters

The Company incurred a net loss and total comprehensive loss of $493,167 in the current quarter which is higher than all historic quarters except Q1 2019. The increase over the 2018 quarters is related to consulting and professional fees incurred with regards to the various transactions as the Company implements its business plan and the Company starting operations. The decrease over Q1 2019 is related to share-based compensation expense $649,456 recorded, which was not incurred in the comparative period 2018, 2017.

Change in total assets

Total assets are $4,605,964 in the current period which is higher than all historic quarters. The increase is a result of the capitalized costs related to the Solargram Farms project and the continued advancement of the Sage Ranch project.

LIQUIDITY AND CAPITAL RESOURCES

(tabled amounts are expressed in CAD dollars)	Year ended October 31, 2019	Year ended October 31, 2018	Year ended October 31, 2017
Cash inflow (outflows) from operating activities	$ (915,526)	$ (40,408)	$ (131,035)
Cash inflow (outflows) from financing activities	3,732,445	323,498	287,018
Cash inflow (outflows) from investing activities	(2,349,760)	(170,862)	-
Net cash flows	467,159	112,228	155,983
Cash balance	$ 735,371	$ 268,212	$ 155,984

As at October 31, 2019, the Company's net working capital was $309,286 (October 31, 2018 – working capital deficit of $68,218).

Cash outflows from operating activities of $915,526 were higher than the outflows in the comparative period in 2018 and 2017 due to change in working capital items net of corporate expenses and the increase in consulting expenses and admin fees incurred with the increased corporate activity related to the Company beginning operations.

Cash inflows from financing activities of $3,732,445 were higher than the inflows in the comparative period in 2018 and 2017 due to the Company completing the private placements and warrants exercised in current period.

Cash outflows from investing activities of $2,349,760, comparative to $170,862 in 2018 due to the Company incurring expenditures related to the Solargram Farms project and the continued development of the Sage Ranch project.

The Company's ability to continue as a going concern is dependent on the Company's ability to raise funds.

Commitments

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The Company proposes the issuance of one million common shares to S & G Procesos Industriales, S.A de C.V ("S & G") upon approval of the Canadian Securities Exchange. In addition, Captiva has reached an agreement with S & G, for the acquisition of Hemp Seed Oil licenses, related land and facilities in Mexico once the defined regulations are finalized by the newly elected administration. S&G will receive from Captiva a fee of 7% of the proceeds to be paid by Captiva for such licenses, land and facilities.

The final price will be settled when the regulations by the government administration are complete.

The Company has entered into an exchange agreement with Esmeralda for the exchange of all of the shares of Esmeralda for 80,000,000 common shares of the Company. Jeff Ciachurski, CEO, is expected to become a shareholder of Esmeralda. As at the end of the year ended October 31, 2019 this transaction has not yet closed.

On May 8, 2019, the Company entered into an agreement to acquire Solargram, a Canadian controlled private corporation, having corporate offices in Moncton, NB. As consideration the Company will issue 30,000,000 common shares upon acquisition which has a prerequisite of Solargram obtaining their Cannabis Grow License by Health Canada.

Capital management

The capital of the Company consists of items included in shareholder's equity. The Company's objectives for capital management are to safeguard its ability to support the Company's normal operating requirement on an ongoing basis, continue to evaluate and plan to enter into the business of developing sustainable real estate projects.

The Company manages its capital structure and makes adjustments in light of changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage the entity's capital requirements, the Company has in place a planning, budgeting and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. As at October 31, 2019 the Company expects its capital resources will require additional support for its normal operating requirements and to continue to evaluate and plan to enter into the business of developing sustainable real estate projects. for the next twelve months. There are no externally imposed capital requirements to which the Company has not complied.

SHAREHOLDERS' EQUITY

The Company's authorized share capital consists of an unlimited number of common shares without par value. As at October 31, 2019, the Company had 95,062,966 common shares, 7,719,985 share purchase warrants and 4,850,000 share purchase options outstanding.

The Company's authorized share capital consists of an unlimited number of common shares without par value. As at the date of this report, the Company had 120,439,001 common shares, 19,350,639 share purchase warrants and 6,850,000 share purchase options outstanding.

On November 13, 2018, the Company closed a private placement and issued 2,000,000 units at a price of $0.14 per unit for gross proceeds of $280,000. Each unit comprises one common share and one half common share purchase warrant. Each warrant will be exercisable into one common share at $0.25 for a period of one year after the closing date.

On February 26, 2019, the Company closed a private placement and issued 3,000,000 units at $0.10 per unit for gross proceeds of $291,193 and a reduction of accounts payable of $5,500. Each unit comprises one common share and one half of one common share purchase warrant with a whole warrant exercisable into one common share at a price of $0.25 for a period of one year from the date of closing.

On May 8, 2019, the Company closed a private placement and issued 4,125,000 units at $0.20 per unit for gross proceeds of $825,000. Each unit comprises one common share and one half of one common share purchase warrant with a whole warrant exercisable into one common share at a price of $0.35 for a period of one year from the date of closing.

On February 7, 2019, 100,000 share-purchase warrants were exercised for gross proceeds of $10,000.

On March 14, 2019, 189,875 share-purchase warrants were exercised for gross proceeds of $18,988.

On November 29, 2018 the Company issued share-purchase options totaling 3,750,000 options at a price of $0.11 per share for a term of five years.

On March 15, 2019 the Company issued share-purchase options totaling 1,100,000 options at a price of $0.30 per share for a term of five years.

On November 26, 2019, the Company closed its non-brokered private placement consisting of 9,474,000 units at a price of $0.25 for total gross proceeds of $2,368,500. Each unit is comprised of one common share of the Company and one common share purchase warrant of the Company. Each warrant is exercisable into a common share of the Company at an exercise price of $0.75 for a period of two years.

On November 26, 2019, the Company closed the purchase of a strategic 5 acre land parcel (formerly owned by the Government) located adjacent the Company's existing 1,000 home subdivision in Tehachapi, California called The Sage Rach Project (the "Property Acquisition"). As consideration for the Property Acquisition, the Company issued the vendor an aggregate of 2,000,000 common shares of the Company.

On November 26, 2019, the Company also issued an aggregate of 1,284,299 common shares at a price of $0.25 per share in payment of professional legal services (the "Shares for Services") with an arm's length service provider.

On February 14, 2020, the Company closed its non-brokered private placement consisting of 9,920,000 units at a price of $0.25 for total gross proceeds of $2,480,000. Each unit is comprised of one common share of the Company and one common share purchase warrant of the Company. Each warrant is exercisable into a common share of the Company at an exercise price of $0.75 for a period of two years.

On December 18, 2019 the Company issued share-purchase options totaling 2,000,000 options at a price of $0.30 per share for a term of five years.

Subsequent to period end, the Company issued 2,697,806 common shares related to warrants exercises.

Table below provides a summary of the share purchase warrants outstanding as at October 31, 2019.

Number of warrants	Exercise price per warrant	Expiry date
2,280,000	$0.10	July 4, 2022
350,000	$0.10	September 6, 2022
75,000	$0.10	September 7, 2022
292,360	$0.10	September 29, 2022
160,125	$0.10	October 10, 2021
1,000,000	$0.25	November 29, 2019
1,500,000	$0.25	February 26, 2020
2,062,500	$0.35	May 8, 2020
Total: 7,719,985		

Table below provides a summary of the share purchase warrants outstanding as at the date of this report.

Number of warrants	Exercise price per warrant	Expiry date
2,030,000	$0.10	July 4, 2022
350,000	$0.10	September 6, 2022
75,000	$0.10	September 7, 2022
292,360	$0.10	September 29, 2022
106,779	$0.10	October 10, 2021
2,062,500	$0.35	May 8, 2020
9,474,000	$0.75	November 26, 2021
4,960,000	$0.75	February 14, 2022
Total: 19,350,639		

Table below provides a summary of the share purchase options outstanding as at October 31, 2019:

Number of options	Exercise price per warrant	Expiry date
3,750,000	$0.11	November 29, 2023
1,100,000	$0.30	March 15, 2024
Total: 4,850,000		

Table below provides a summary of the share purchase options outstanding as at the date of this report:

Number of options	Exercise price per warrant	Expiry date
3,750,000	$0.11	November 29, 2023
1,100,000	$0.30	March 15, 2024
2,000,000	$0.30	December 18, 2024
Total: 6,850,000		

REGULATORY DISCLOSURES

Off-Balance Sheet Arrangements

As at October 31, 2019, the Company did not have any off-balance sheet arrangements.

Proposed Transactions

The Company does not have any proposed transactions as at October 31, 2019 other than as disclosed elsewhere in this document.

Related Party Transactions

The Company's related parties include key management personnel. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include officers, directors or companies with common directors of the Company.

The remuneration of the Company's directors and other key management personnel during the year ended October 31, 2019 and 2018 are as follows:

	October 31, 2019	October 31, 2018
Management and consulting fees	$ 94,058	$ 51,256
Share-based compensation	344,852	-

These expenses were measured at the exchange amounts agreed upon by the parties. As at October 31, 2019 the Company had amounts payable of $34,869 (October 31, 2018 - $73,798) to related parties. These amounts are unsecured and non-interest bearing.

During the year ended October 31, 2019 the Company incurred $108,000 to a director and shareholder of the Company related to office space and administrative expenses (October 31, 2018 - $40,000) as at October 31, 2019, the Company owed $71,178 (October 31, 2018 - $nil) related to these expenses.

During the year ended October 31, 2019 the Company incurred $219,300 to a Company controlled by an executive related to consulting expenses (October 31, 2018 - $nil).

During the year ended October 31, 2019 the Company settled $20,500 in payables with the issuance of shares to a Company controlled by an executive (October 31, 2018 - $nil).

In addition, the Company also acquired a 50% interest in the development land from Greenbriar (see Note 5 for further information). As at October 31, 2019 the Company had a $166,701 non-interest bearing receivable from Greenbriar included in long-term other receivables. During the year ended October 31, 2019 the Company reimbursed Greenbriar $127,114 (October 31, 2018 - $nil) in expenses Greenbriar covered related to the Sage Ranch project.

The Company has entered into an exchange agreement with Esmeralda for the exchange of all of the shares of Esmeralda for 80,000,000 common shares of the Company. Jeff Ciachurski, CEO, is expected to become a shareholder of Esmeralda. As at the end of the year ended October 31, 2019 this transaction has not yet closed.

Financial Instruments

The Company reports its financial instruments on its balance sheet and measures these at fair value. In limited circumstances when fair value may not be considered most relevant, they may be reported at cost or amortized cost. Gains or losses as a result of changes in fair value are recognized in the consolidated statement of operations and comprehensive loss.

The Company's financial instruments consist of cash, other receivables and accounts payable and accrued liabilities. The fair value of these financial instruments approximates the carrying value due to the short maturity or current market rate associated with these instruments.

Categories of financial instrument

	October 31, 2019		October 31, 2018	
	Carrying value $	**Fair value $**	**Carrying value $**	**Fair value $**
Financial assets				
Fair value through profit and loss ("FVTPL")				
Cash	735,371	735,371	268,212	268,212
Amortized cost				
Other receivables and advances	166,701	166,701	9,609	9,609
Financial liabilities				
Amortized cost				
Accounts payable and accrued liabilities	474,926	474,926	346,039	346,039

Fair value

Financial instruments measured at fair value are grouped into Level 1 to 3 based on the degree to which fair value is observable:

Level 1 – quoted prices in active markets for identical securities

Level 2 – significant observable inputs other than quoted prices included in Level 1

Level 3 – significant unobservable inputs

Cash is measured at Level 1. Other receivables and accounts payable and accrued liabilities approximate fair value due to their short-term nature.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is currently not exposed to any interest rate risk.

Credit Risk

The Company is exposed to credit risk through its cash, which is held in large Canadian financial institutions with high credit rating, deposits and other receivables. The Company believes the credit risk is insignificant. The Company's exposure is limited to amounts reported within the statement of financial position.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure. In order to meet its financial obligations, the Company will need to generate cash flow from the development or sale of future properties or raise additional funds.

Significant Accounting Policies

Basis of presentation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values as described in the significant accounting policies. All information is expressed in Canadian dollars unless otherwise stated and are prepared in accordance with the significant accounting policies outlined below. Certain other prior period balances have been reclassified to conform with current period presentation.

Cash

Cash includes cash on deposit and short-term investments with a maturity at the date of purchase of 90 days or less.

Financial Instruments - Recognition and Measurements

Non-derivative financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are classified as FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income/loss.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Certain receivables are measured at amortized cost with subsequent impairments recognized in profit or loss. Cash and marketable securities are classified as FVTPL.

Impairment

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Non-derivative financial liabilities

Financial liabilities, other than derivatives, are initially recognized at fair value less directly attributable transaction costs. Subsequently, financial liabilities are measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and allocating the interest expense over the relevant period. The effective interest rate is the rate that exactly 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 accrued liabilities, convertible debentures and loan payable are measured at amortized cost.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon recognition as FVTPL. Fair value changes on these liabilities are recognized in profit or loss.

Derivative financial instruments

Derivative financial instruments are initially recognized at fair value and subsequently measured at fair value with changes in fair value recognized in profit or loss. Transaction costs are recognized in profit or loss as incurred.

Property held for development and sale

Construction in progress expenditures, including the cost of material, direct labour, and other direct costs are recognized as property plant and equipment when the following recognition requirements are met:

- costs can be measured reliably; and
- it is probably that future economic benefits associated with the item will flow to the Company.

Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Current income tax
Current income tax assets and liabilities 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 substantively enacted at the end of each reporting period.

Deferred income tax
Deferred income tax is provided using the liability method on temporary differences, at the end of each reporting period, between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets and liabilities are recognized for all taxable temporary differences, except:

- where the deferred income tax assets or liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable or deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled by the parent, investor or venture and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax relating to items recognized directly in equity is recognized in the statements of changes in equity and not in the statements of loss and comprehensive loss.

Deferred income tax assets and deferred income tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Share-based payments

The Company accounts for share-based compensation using the Black-Scholes option pricing model. Accordingly, the fair value of the options at the date of grant is accrued with a corresponding credit to equity compensation reserve, and charged to earnings over the vesting period. If, and when, the stock options are exercised, the applicable amounts of equity compensation reserve are transferred to share capital.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

The Company has adopted a relative fair value method with respect to the measurement of shares and warrants issued as units. Under the relative fair value method, the Company first determines the fair values of the shares and warrants included in the units, then allocates the unit price based on the relative fair value of the instruments included in the unit. The Company considers the fair value of common shares issued in these types of transactions to be determined by the closing quoted bid price on the issuance date. The fair value of the warrants included is determined using the Black-Scholes option pricing model. Any fair value attributed to the warrants is recorded to reserves.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense. At the present time the Company has no provisions.

Loss per share

Earnings per share is calculated based on the weighted average number of shares outstanding during the period. The Company follows the treasury stock method for the calculation of diluted earnings per share. Under this method, dilution is calculated based upon the net number of common shares issued should "in-the-money" options and warrants be exercised and the proceeds be used to repurchase common shares at the average market price in the year. Dilution from convertible securities is calculated based on the number of shares to be issued after takin into account the reduction of the related after-tax interest expense.

Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share is computed similar to basic earnings per share except that the weighted average shares outstanding are increased to include additional shares from the assumed exercise of share options and warrants, if dilutive.

New Accounting Standards Adopted during the year

IFRS 9 – Financial Instruments ("IFRS 9")

In July 2014, the IASB issued the final version of IFRS 9 which replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument.

IFRS 9 amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The amended standard was adopted on November 1, 2018 and had no impact material on the Company's financial statements.

IFRS 15 – Revenue from Contracts with Customers ("IFRS 15")

In May 2014, IASB issued IFRS 15 to replace IAS 18 – Revenue, which establishes a new single five-step control-based revenue recognition model for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The amended standard was adopted on November 1, 2018 and did not have a material impact on the financial statements.

New Accounting Standards Issued But Not Yet Effective

IFRS 16 – Leases

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee The IASB issued IFRS 16, Leases, in January 2016, which replaces the current guidance in IAS 17. Under IAS 17, lessees were required to make a distinction between a finance lease and an operating lease. IFRS 16 requires lessees to recognize a lease liability reflecting future lease payments and a "right-of-use asset" for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets. IFRS 16 is effective for the Company's annual periods beginning November 1, 2019.

The Company does not expect the adoption of IFRS 16 will have a significant impact on its consolidated financial statements as the Company does not have any long-term leases.

Significant accounting estimates and judgments

The preparation of these financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period.

On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

Areas that often require significant management estimates and judgment are as follows:

Share-based payments
Amounts recorded for share-based payments are subject to the inputs used in the Black-Scholes option pricing model, including estimates such as volatility, forfeiture, dividend yield and expected option life.

Tax
Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable earnings will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable earnings together with future tax planning strategies.

Functional currency
The functional currency for the Company is the currency of the primary economic environment in which each operates. The Company's functional and local currency is the Canadian dollar. The determination of functional currency may require certain judgments to determent the primary economic environment. The Company reconsiders the functional currency used when there is a change in events and conditions which determined the primary economic environment.

Assets' carrying values and impairment charges
In determining carrying values and impairment charges the Company looks at recoverable amounts, defined as the higher of value in use or fair value less cost to sell in the case of assets, and at objective evidence that identifies significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period

Risk and uncertainties

For full details on the risks and uncertainties affecting the Company, please refer to the risk factors as described in the prospectus.

FORWARD LOOKING STATEMENTS

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Such forward-looking statements and information herein include, but are not limited to, statements regarding prospective development of its real estate projects. The Company does not intend to, and does not assume any obligation to update such forward-looking statements or information, other than as required by applicable law.

Forward-looking statements or information involve known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company and its operations to be materially different from those expressed or implied by such statements. Such factors include, among others: ability to finance various development, fluctuations in real estate prices, fluctuations in the currency markets (particularly in the Canadian dollar and U.S. dollar); changes in national and local governments, legislation, taxation, controls, regulations and political or economic developments in various countries; operating or technical difficulties in various Company developments; risks and hazards of real estate development and industrial accidents, unusual or unexpected geological conditions, pressures, inadequate insurance, or inability to obtain insurance; availability of and costs associated with inputs and labour; the speculative nature of real estate development, risks in obtaining necessary licenses and permits, and challenges to the Company's title to various projects.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or information, there may be other factors that cause results to be materially different from those anticipated, described, estimated, assessed or intended. There can be no assurance that any forward-looking statements or information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements or information.