NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR

IN RESPECT OF

THE SPECIAL MEETING OF SHAREHOLDERS OF FORTIFY RESOURCES INC.
TO BE HELD ON DECEMBER 15, 2017

Dated as of November 14, 2017

Neither the Canadian Securities Exchange nor any securities commission has in any way passed upon the merits of the transaction described herein and any representation to the contrary is an offence.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS OF

FORTIFY RESOURCES INC.

NOTICE IS HEREBY GIVEN that the Special Meeting (the "**Meeting**") of Shareholders of Fortify Resources Inc. (the "**Corporation**") will be held at 1050 West Pender Street, 11th Floor, Vancouver, B.C. on December 15, 2017 at 11:30 AM (local time), for the following purposes:

1. to consider and, if deemed appropriate, to seek minority approval for a change of business for the Corporation from mineral resource exploration to investing in, constructing, owning and leasing greenhouse projects, upon completion of the Corporation's acquisition of DV Infrastructure Corp. ("**DVI**") by way of a three-cornered amalgamation, pursuant to which DVI will become a wholly owned subsidiary of the Corporation (the "**Amalgamation**"); and

2. to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

The enclosed information circular discloses additional information on the matters to be acted upon at the meeting.

This notice of Meeting is accompanied by: (a) the Circular; and (b) either a form of proxy for registered Shareholders or a voting instruction form for beneficial Shareholders. **The Circular accompanying this notice of Meeting is incorporated into and shall be deemed to form part of this notice of Meeting.**

The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting or any adjournments or postponements thereof is November 10, 2017 (the "**Record Date**"). Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of, and to vote, at the Meeting or any adjournments or postponements thereof.

A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournments or postponements thereof in person are requested to complete, date, sign and return the accompanying form of proxy for use at the Meeting or any adjournments or postponements thereof. As a shareholder, you can choose from three different ways to vote your shares by proxy: (a) by mail or delivery in the addressed envelope provided or deposited at the offices of Computershare Investor Services Inc. ("**Computershare**"), Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1, on behalf of the Corporation, so as to arrive not later than 11:30 AM (Vancouver time) on December 13, 2017, or if the Meeting is adjourned, at the latest 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the proxy is to be used; (b) by telephone (toll free) at 1-866-732-VOTE (8683); or (c) on the internet at www.investorvote.com, unless the chair of the Meeting elects to exercise his or her discretion to accept proxies received subsequently.

The above time limit for deposit of proxies may be waived or extended by the chair of the Meeting at his or her discretion without notice.

DATED this 14th day of November, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

"*Robert Nick Horsley*"
Robert Nick Horsley
Chief Executive Officer

GLOSSARY OF TERMS

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

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

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

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

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

A Company is "controlled" by a Person if:

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

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

A Person beneficially owns securities that are beneficially owned by:

(a) a Company controlled by that Person; or

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

"**Acquireco**" means 1137129 B.C. Ltd., a wholly-owned subsidiary of the Corporation incorporated under the BCBCA for the purpose of carrying out the Amalgamation.

"**Amalco**" means the entity formed upon completion of the Amalgamation, which corporation will be named as a numbered company, or such other name as may be determined by the board of directors of DVI, and which will be a wholly-owned subsidiary of the Corporation upon completion of the Amalgamation.

"**Amalgamation**" means the proposed three-cornered amalgamation between Fortify, Acquireco, and DVI, to be carried out in accordance with the terms of the Amalgamation Agreement and the provisions of the BCBCA upon receipt of CSE Approval, as part of the Corporation's change of business from mineral resource exploration to investing in, constructing, owning and leasing greenhouse projects (which will qualify as a "Fundamental Change", as defined in CSE Policy 8, and which will, if completed, result in a change of control of the Corporation).

"**Amalgamation Agreement**" means the agreement entered into between Fortify, Acquireco, and DVI in respect of the Amalgamation, dated November 3, 2017.

"**Amalgamation Effective Date**" means the effective date of the Amalgamation, as set forth in the certificate of amalgamation issued under the BCBCA, following receipt of CSE Approval.

"**Associate**" when used to indicate a relationship with a Person, means:

(a) an Issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the Issuer;

(b) any partner of the Person;

(c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity; or

(d) in the case of a Person who is an individual:

(i) that Person's spouse or child, or

(ii) any relative of the Person or of his spouse who has the same residence as that Person.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**Change of Business**" means the proposed change of business of the Corporation from mineral resource exploration to investing in, constructing, owning and leasing greenhouse projects upon completion of the Amalgamation, which constitutes a "fundamental change" pursuant to CSE Policies and is subject to approval by a majority of the votes cast by the Fortify Minority Shareholders at the Meeting and CSE Approval.

"**Change of Business Resolution**" means the ordinary resolution of the Fortify Minority Shareholders approving the Amalgamation and Change of Business, which resolution is to be considered at the Meeting.

"**Circular**" means this management information circular of the Corporation, including the schedules hereto.

"**Commissions**" means the British Columbia Securities Commission, the Alberta Securities Commission and the Ontario Securities Commission.

"**Common Shares**" means the issued and outstanding common shares in the capital of the Corporation.

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

"**Consideration Shares**" means the aggregate number of Resulting Issuer Shares to be issued by the Corporation to holders of DVI Shares in exchange for DVI Shares, on a one-to-one basis, pursuant to the terms of the Amalgamation Agreement.

"**Consideration Warrants**" means the aggregate number of Resulting Issuer Warrants to be issued by the Corporation to holders of DVI Warrants, on a one-to-one basis, pursuant to the terms of the Amalgamation Agreement.

"**Consolidation**" means the consolidation of all of the issued and outstanding Common Shares of the Corporation on the basis of one new Common Share for three and one-half issued and outstanding Common Shares in the capital of the Corporation, effective as of March 28, 2017.

"**Corporation**" means Fortify Resources Inc., a company incorporated under the BCBCA.

"**CSE**" means the Canadian Securities Exchange.

"**CSE Approval**" means the final approval of the CSE in respect of the continued listing of the Corporation's common shares on the CSE following completion of the Amalgamation, as evidenced by the issuance of the final approval bulletin of the CSE in respect thereof.

"**CSE Policies**" means the rules and policies of the CSE in effect as of the date hereof.

"**Dissenting Shareholder**" means a DVI Shareholder who avails itself of its dissent rights pursuant to the provisions of Division 2 of Part 8 of the BCBCA.

"**Effective Date**" means the date of this Circular, being November 14, 2017.

"**Escrow Agent**" means Computershare Investor Services Inc.

"**Escrow Agreement**" means the escrow agreement to be entered into by the Resulting Issuer, the Escrow Agent and certain principals of the Resulting Issuer in compliance with the requirements of the CSE, with the securities subject to such Escrow Agreement to be released as determined by the CSE.

"**DVI**" means DV Infrastructure Corp., a company incorporated under the BCBCA.

"**DVI Shareholders**" means the holders of DVI Shares.

"**DVI Shares**" means the issued and outstanding common shares in the capital of DVI.

"**DVI Warrants**" means the outstanding common share purchase warrants to acquire DVI Shares in the capital of DVI.

"**DVI Units**" mean the units of DVI to be issued pursuant to the Offering, each consisting of one DVI Share and one-half of one DVI Warrant, with each whole DVI Warrant entitling the holder thereof to acquire an additional DVI Share at an exercise price of $0.20 per DVI Share for a period of 24 months from the closing of the Offering, subject to an acceleration clause hereinafter described.

"**Initial CSE Listing Statement**" means the initial CSE Form 2A listing statement of the Corporation, dated as at and filed with the CSE on October 25, 2012.

"**Fortify**" means Fortify Resources Inc., a company incorporated under the BCBCA.

"**Fortify Minority Shareholders**" means, in the case of the Change of Business Resolution, the shareholders of Fortify excluding Howe & Bay Financial Corp. ("**H&B**"), Brian Gusko, Hani El-Rayess, Robert Nick Horsley and Daniel Terrett.

"**Fortify Stock Options**" means options to purchase Common Shares granted under the Option Plan.

"**Meeting**" means the special meeting of the shareholders of the Corporation to be held on December 15, 2017 for the purposes described in this Circular.

"**MI 61-101**" means Multilateral Instrument 61-101 *"Protection of Minority Security Holders in Special Transactions"*.

"**Maximum Raise**" means the maximum permissible aggregate raise under the Offering, being gross proceeds of $5,000,000.

"**Minimum Raise**" means the minimum permissible aggregate raise under the Offering, being gross proceeds of $1,500,000.

"**Mining Assets**" means, collectively, the mineral properties and interest of the Corporation as disclosed in the Initial Listing Statement.

"**Name Change**" means the proposed change of the Corporation's name to "Crop Infrastructure Corporation", or such other name as may be determined by the board of directors of the Corporation upon completion of the Amalgamation.

"**Notice of Meeting**" means the notice of the Meeting delivered to the shareholders of the Corporation together with this Circular.

"**Offering**" means the non-brokered private placement of at least 15,000,000 and at most 50,000,000 DVI Units at a price of $0.10 per DVI Unit for gross proceeds of at least the amount of the Minimum Raise and at most the amount of the Maximum Raise, to complete on or before the Amalgamation.

"**Option Plan**" means the 10% "rolling" share option plan of the Corporation dated March 22, 2012.

"**Person**" means an individual or Company.

"**Resulting Issuer**" means the Corporation upon completion of the Amalgamation following receipt of CSE Approval.

"**Resulting Issuer Board**" means the board of directors of the Resulting Issuer.

"**Resulting Issuer Options**" means the outstanding options of the Corporation upon completion of the Amalgamation.

"**Resulting Issuer Shares**" means the outstanding common shares of the Corporation upon completion of the Amalgamation.

"**Resulting Issuer Warrants**" means the outstanding common share purchase warrants of the Corporation upon completion of the Amalgamation.

SUMMARY

The following is a summary of certain information contained elsewhere in this Circular, including the Schedules attached hereto and the documents incorporated by reference herein relating to the Corporation, DVI and the Resulting Issuer, and should be read together with the more detailed information and financial data and statements contained or referred to elsewhere in this Circular, the Schedules attached hereto and the documents incorporated by reference herein. Terms with initial capital letters used in this summary are defined in the "Glossary of Terms".

All information contained in this Circular with respect to the Corporation was supplied by the Corporation for inclusion herein.

All information contained in this Circular with respect to DVI was supplied by DVI for inclusion herein.

The Meetings

The Meeting will be held at 1050 West Pender Street, 11th Floor, Vancouver, B.C. on December 15, 2017 at 11:30 AM (local time). The Meeting will be held for the purposes mentioned in the Notice of Meeting. As of the date hereof, the sole matter to be considered at the Meeting is the Change of Business.

The Companies

The Corporation

The Corporation is a company incorporated on May 31, 2011 under the BCBCA involved in mineral resource exploration. It is listed on the CSE under the symbol "FTY". As of the date of this Circular, the issued and outstanding capital of the Corporation consists of 3,027,191 common shares (each, a "**Common Share**"), 1,734,242 common share purchase warrants (each, a "**Warrant**"). No incentive stock options are outstanding (each, an "**Option**") as of the date of this Circular. See "Part IV - Information Concerning the Corporation - General Development of the Business".

DVI

DVI is a privately-owned company incorporated on November 27, 2015 under the BCBCA engaged in the business of investing in, constructing, owning and leasing various size greenhouse projects to provide turnkey real estate and equipment solutions for lease to licensed cannabis producers and processors who have best in class operations and brands. DVI undertakes this activity through a joint venture relationship. Specifically, DVI, Sentinel Property Management Ltd. and Stratto, LLC are parties to a joint venture agreement with DVG LLC ("**DVG**") dated August 17, 2017 (the "**JV Agreement**"), which outlines that DVI holds a 30% interest in DVG. Pursuant to the JV Agreement, DVG, a limited liability company constituted under the laws of Washington State, holds a lease with an option to purchase four acres of land located in Moses Lake, Washington (the "**Moses Lake Property**"). In connection with the JV Agreement, DVG, DVI, Sentinel Property Management Ltd. and Stratto, LLC entered into an operating agreement for the purpose of regulating such parties' relationship as members of DVG (the "**Operating Agreement**"). See "Part V - Information Concerning DVI - General Development of the Business".

As of the date of this Circular, the issued and outstanding capital of DVI consists of 57,192,000 DVI Shares and 21,096,000 DVI Warrants. No incentive stock options of DVI (each, a "**DVI Option**") are outstanding.

Resulting Issuer

It is anticipated that upon completion of the Amalgamation, the principal business of the Resulting Issuer will be the business of DVI. DVI, which will be a wholly-owned subsidiary of the Resulting Issuer, will conduct the principal business of the Resulting Issuer. See "Part VI - Information Concerning the Resulting Issuer".

The Amalgamation

The Corporation has entered into the Amalgamation Agreement with Acquireco and DVI, pursuant to which Acquireco and DVI will amalgamate, resulting in the Corporation owning all of the issued and outstanding securities of the amalgamated entity. One of the three members of the board of directors of the Resulting Issuer will be a designee of DVI. **Completion of the acquisition of DVI pursuant to the Amalgamation remains subject to a number of conditions, including, CSE approval. There can be no assurance that the Amalgamation will be completed as proposed or at all.**

Summary of the Terms of the Amalgamation Agreement

The Corporation has entered into the Amalgamation Agreement with Acquireco and DVI, pursuant to which the Corporation has agreed to acquire all of the issued and outstanding DVI Shares. The Corporation will acquire the DVI Shares pursuant to a "three-cornered" amalgamation whereby:

(a) Acquireco and DVI will amalgamate;

(b) each holder of DVI Shares (other than Dissenting Shareholders) shall transfer their DVI Shares to the Corporation and shall receive one fully paid and non-assessable Resulting Issuer Share for each DVI Share held;

(c) holders of DVI Warrants will receive one Resulting Issuer Warrant in exchange for every DVI Warrant held, on the same terms and conditions as the DVI Warrants;

(d) the Corporation shall receive one fully paid and non-assessable common share of Amalco for all of the common shares of Acquireco held by the Corporation, following which all such common shares of Acquireco shall be cancelled; and

(e) all DVI Shares held by the Corporation as a result of the exchanges described above shall be cancelled and the Corporation will receive, for each DVI Share, one common share of Amalco and Amalco will be a wholly-owned subsidiary of the Corporation.

The Amalgamation will result in DVI amalgamating with Acquireco and becoming Amalco, and Amalco becoming a wholly-owned subsidiary of the Corporation. One of the three members of the Resulting Issuer Board will be a designee of DVI. The Corporation intends to change its name to "Crop Infrastructure Corporation" upon completion of the Amalgamation.

The Offering

Concurrent with or prior to the closing of the Amalgamation, DVI proposes to complete the Offering of between 15,000,000 and 50,000,000 DVI Units at a price of $0.10 per Unit for gross proceeds of between $1,500,000 and $5,000,000, of which DVI has (as of the Effective date) completed a portion thereof, totaling 42,192,000 DVI Units, for gross proceeds of $4,219,200. Each Unit consists of one DVI Share and one-half of one DVI Warrant, with each whole DVI Warrant entitling the holder to purchase one DVI Share at an exercise price of $0.20 per DVI Share for a period of 24 months from the closing of the Offering. Pursuant to the Amalgamation Agreement, at Closing, holders of DVI Shares and Warrants will receive Resulting Issuer Shares and Warrants in exchange for DVI Shares and Warrants held on a one-to-one basis. The Resulting Issuer Warrants exchanged for DVI Warrants will be subject to an acceleration clause such that in the event that the closing price of the Resulting Issuer Shares on any stock exchange or quotation system on which the Resulting Issuer Shares are then listed or quoted is equal to or higher than $0.40 per Resulting Issuer Share for a period of five consecutive trading days at any time prior to the expiry date thereof, the Resulting Issuer will have the right to accelerate the expiry date of the Resulting Issuer Warrants by giving notice to the holders by such method of notice as is permissible under the terms and conditions of the Resulting Issuer Warrant certificates that the Resulting Issuer Warrants will expire on a date that is not less than ten days from the date notice is given. The same terms and conditions apply to the Resulting Issuer Warrants exchanged for DVI Warrants. Closing of the Amalgamation is conditional upon, among other things, the acceptance by the CSE, and completion of the Offering.

Recent Financings

The Corporation

On May 8, 2017, the Corporation completed a non-brokered private placement of 1,734,242 units, at a price of $0.12 per unit, for gross proceeds of $208,109. Each unit consisted of one Common Share and one Common Share purchase warrant, with each warrant entitling the holder thereof to acquire one additional Common Share at a price of $0.12 until for a period of three years.

DVI

As of the Effective date DVI has completed a portion of the Offering totaling 42,192,000 DVI Units, for gross proceeds of $4,219,200.

Board Approval of the Amalgamation

On November 3, 2017, the board of directors of the Corporation reviewed and discussed the draft Amalgamation Agreement. After considering all of the factors, the board of directors of the Corporation determined that the Amalgamation was in the best interests of the Corporation and the shareholders of the Corporation.

Required Shareholders Approvals for the Transaction

Under MI 61-101, H&B, Brian Gusko, Hani El-Rayess, Nick Horsley and Daniel Terrett are related parties of the Corporation and, accordingly, the Amalgamation constitutes a "Related Party Transaction" for the Corporation within the meaning of MI 61-101. Pursuant to MI 61-101, the Corporation must obtain a formal valuation unless an exemption from the valuation requirements can be relied upon, and must obtain minority shareholder approval for the in respect of the Change of Business Resolution unless an exemption from the minority approval requirements can be relied upon. An exemption from the formal valuation requirement is available to the Corporation as the Corporation is not listed on the prescribed stock exchanges pursuant to section 5.5(b) of MI 61-101 and the Corporation intends to rely upon such exemption. An exemption is not available for the minority approval requirements for the Change of Business Resolution.

To be effective, the Change of Business Resolution requires the affirmative vote of a simple majority (50%+1) of the votes cast by shareholders of the Corporation present in person or represented by proxy and entitled to vote at the Meeting. The votes attached to an aggregate of 1,610,171 Common Shares owned or controlled by H&B (984,242), Brian Gusko (Nil), Hani El-Rayess (187,500), Robert Nick Horsley (187,500) and Daniel Terrett (250,929) will be excluded from voting in determining whether the Change of Business Resolution has been approved by Fortify Minority Shareholders. These excluded shares represent approximately 53% of the Corporation's currently issued and outstanding Common Shares. Brian Gusko, Hani El-Rayess, Robert Nicholas Horsley and Daniel Terrett are all directors of H&B. Brian Gusko, Hani El-Rayess, and Daniel Terrett are also directors of DVI.

Fairness Opinion

Because the Amalgamation constitutes a Related Party Transaction for the Corporation within the meaning of MI 61-101, the Corporation appointed a special committee of two independent directors, being Christine Mah and Nigel Alex Horsley (the "**Special Committee**") to review the merits of the proposed Amalgamation. The Special Committee then retained RwE Growth Partners, Inc. ("RWE") to determine the fairness to the Corporation's shareholders of the proposed Amalgamation. By letter to the Special Committee dated November 2, 2017 (the "**Fairness Opinion**", a copy of which is attached as Schedule "F" to this Circular), RWE opined that the terms of the proposed Amalgamation are fair from a financial point of view to Corporation's shareholders.

Interests of Insiders

Except as disclosed herein, no Insider, Promoter or Control Person of the Corporation or DVI and no Associate or Affiliate of the same, has any interest in the Change of Business and the Amalgamation other than that which arises from their holding Common Shares or DVI Shares.

Arm's Length Transactions

The Amalgamation is not an Arm's Length Transaction. Robert Nick Horsley, an Insider of the Corporation, is a registered or beneficial shareholder of DVI. Pursuant to the Amalgamation, the Corporation will acquire all of the issued and outstanding shares of DVI (including shares from Robert Nick Horsley) in consideration for Resulting Issuer Shares pursuant to the terms of the Amalgamation Agreement. See "Required Shareholders Approvals for the Transaction" above regarding rationale as to why the Amalgamation is also considered a Related Party Transaction for the Corporation within the meaning of MI 61-101.

Board of Directors

The board of directors of the Corporation upon completion of the Amalgamation will be reconstituted to consist of three (3) members and will be comprised of current directors Mr. Nigel Alexander Horsley and Ms. Christine Mah and a third director to be appointed by the board, Mr. Michael Yorke. The appointment of Mr. Yorke as a director of the Corporation is conditional upon completion of the Amalgamation and satisfactory review by the CSE. See "Part VI - Information Concerning the Resulting Issuer - Directors, Officers and Promoters of the Resulting Issuer."

Estimated Funds of the Resulting Issuer

The pro forma working capital position of the Corporation as at September 30, 2017, giving effect to the Amalgamation as if it had been completed on that date, was $4,874,059. The principal purposes of those funds will be to fund the costs of completing the acquisition of DVI and the requalification on the CSE, to fund the cost of the ongoing construction on DVI greenhouse project on the Moses Lake Property and toward the costs to acquire the Moses Lake Property pursuant to the JV Agreement, and general and administrative expenses. See "Part VI - Information Concerning the Resulting Issuer - Available Funds and Principal Purposes."

Selected Pro Forma Financial Information of the Resulting Issuer

The following table sets out certain financial information as at and for the six-month period ended August 31, 2017 after giving effect to the Amalgamation, as if such events had occurred on September 30, 2017 financial position purposes. Such information is derived from and should be read in conjunction with the pro forma financial statements and the notes thereto attached hereto as Schedule "E".

The information in the following table is derived from the unaudited consolidated interim financial statements of the Corporation for the six-month period ending August 31, 2017 and the unaudited consolidated interim financial statements of DVI for the nine-month period ending September 30, 2017 and should be read in conjunction with such statements:

	The Corporation August 31, 2017 (Unaudited) ($)	**DVI September 30, 2017 (Unaudited) ($)**	**Pro Forma Adjustments (Unaudited) ($)**	**Resulting Issuer Pro Forma (Unaudited) ($)**
Current Assets	42,497	1,292,492	3,580,000	4,914,989
Total Assets	79,483	1,292,492	3,543,014	4,914,989
Current Liabilities	21,930	19,000	-	40,930
Total Liabilities	21,930	19,000	-	40,930
Shareholders' Equity	57,553	1,273,492	3,543,014	4,874,060

Listing and Share Price on the CSE

The Common Shares are currently listed on the CSE under the trading symbol "FTY". The closing trading price of the Common Shares on the CSE on November 3, 2017 (the day of the request by the Corporation to halt trading of the Common Shares in light of the proposed Amalgamation) was $0.36. There is no public market for the DVI Shares. See "Part IV - Information Concerning the Corporation - Stock Exchange Price."

Exchange Approval

As of the date of this Circular, the CSE has not yet approved the Amalgamation or the listing of the Resulting Issuer Shares on the CSE upon completion of the Amalgamation. Any approval issued by the CSE will be subject to the Corporation fulfilling all of the requirements of the CSE.

Risk Factors

An investment in the Common Shares or the Resulting Issuer Shares before or after completion of the Amalgamation, as applicable, should be considered highly speculative due to the nature of the business of the Corporation and DVI. The business of the Resulting Issuer following completion of the Amalgamation will be subject to a number of risks encountered in the medical marijuana industry such as those relating to the regulation of the medical marijuana industry in Canada and USA, changes in laws and regulations relating to medical marijuana, the limited operating history of DVI, competition with companies with greater resources, risks inherent in an agriculture business, environmental and employee health and safety regulations, the difficulty of forecasting product demand, dependence on suppliers and skilled labour, reliance on key inputs, and unfavourable publicity or consumer perception. For a more detailed description of these risks and others, see "Part VI - Information Concerning the Resulting Issuer - Risk Factors of the Resulting Issuer." **NEITHER THE CSE NOR ANY SECURITIES REGULATORY AUTHORITY HAS IN ANY WAY PASSED UPON THE MERITS OF THE PROPOSED TRANSACTION DESCRIBED HEREIN. NO ASSURANCE CAN BE GIVEN THAT THE CSE WILL APPROVE THE AMALGAMTION.**

MANAGEMENT INFORMATION CIRCULAR
FOR THE
SPECIAL MEETING OF SHAREHOLDERS OF FORTIFY RESOURCES INC.
TO BE HELD ON DECEMBER 15, 2017

No person has been authorized to give any information or to make any representation with respect to the matters to be considered at the Meetings other than those contained in this Circular and, if given or made, such information or representation should not be relied upon as having been authorized. This Circular does not constitute an offer to sell, or a solicitation of an offer to acquire, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or proxy solicitation.

All capitalized terms used in this Circular but not otherwise defined herein have the meanings set forth under "Glossary of Terms". Information contained in this Circular is given as of the Effective Date, unless otherwise specifically stated.

All information contained in this Circular with respect to Fortify Resources Inc. was provided by Fortify Resources Inc. for inclusion herein, and with respect to such information, DV Infrastructure Corp. and its director and officer have relied on Fortify Resources Inc. All information contained in this Circular with respect to DV Infrastructure Corp. was provided by DV Infrastructure Corp. for inclusion herein, and with respect to such information, Fortify Resources Inc. and its board of directors and officers have relied on DV Infrastructure Corp.

CURRENCY

All currency amounts expressed herein, unless otherwise indicated, are in Canadian dollars.

FINANCIAL STATEMENT INFORMATION

The financial statements of the Corporation and DVI (including the pro forma financial statements) contained in this Circular have been prepared in accordance with IFRS.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The information provided in this Circular, including information incorporated by reference, may contain "forward-looking statements" about the Corporation. In addition, the Corporation may make or approve certain statements in future filings with Canadian securities regulatory authorities, in press releases, or in oral or written presentations by representatives of the Corporation that are not statements of historical fact and may also constitute forward-looking statements. All statements, other than statements of historical fact, made by the Corporation that address activities, events or developments that the Corporation expects or anticipates will or may occur in the future are forward- looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words.

Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments. These statements speak only as at the date they are made and are based on information currently available and on the then current expectations of the Corporation and assumptions concerning future events, which are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which was expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to:

- the regulation of the marijuana industry in Canada and the USA;
- the availability of financing opportunities, risks associated with economic conditions, dependence on management and conflicts of interest; and
- other risks described in this Circular and described from time to time in documents filed by the Corporation with Canadian securities regulatory authorities.

The forward-looking statements contained herein are based on certain key expectations and assumptions, including: expectations and assumptions concerning timing of receipt of required shareholder and regulatory approvals and any applicable third-party consents, if any; and expectations and assumptions concerning the success of the operation of the

Corporation.

With respect to the forward-looking statements contained herein, although the Corporation believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements, because no assurance can be given that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to: no assurance that the Amalgamation will be completed; regulatory and political risks; change in laws, regulations and guidelines; limited operating history of DVI and the Resulting Issuer; competition; risks inherit ant in an agricultural business; vulnerability to rising energy costs; environmental and employee health and safety regulations; lack of demand; dependence on suppliers and skilled labour; reliance on key inputs operating risk and lack of initial insurance coverage; unfavourable publicity or consumer perception; operation permits and authorizations; risks associated with acquisitions; risks associated with returns on money lent; financial projections may prove materially inaccurate or incorrect; management of growth; difficulty implementing business strategy; costs of maintaining a public listing; conflicts of interest; litigation; resulting issuer share price fluctuations; limited market for securities; dividends; environmental laws and regulations; economic environment; global economy risk; going-concern risk; and financial risk exposures, as more particularly described under the heading "*Risk Factors*" in this Circular.

Consequently, all forward-looking statements made in this Circular and other documents of the Corporation are qualified by such cautionary statements and there can be no assurance that the anticipated results or developments will actually be realized or, even if realized, that they will have the expected consequences to or effects on the Corporation. The cautionary statements contained or referred to in this section should be considered in connection with any subsequent written or oral forward-looking statements that the Corporation and/or persons acting on the Corporation's behalf may issue. The Corporation undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required under securities legislation.

Market and Industry Data

This Circular includes market and industry data that has been obtained from third party sources, including industry publications. The Corporation believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, the Corporation has not independently verified any of the data from third party sources referred to in this Circular or ascertained the underlying economic assumptions relied upon by such sources.

PART I - GENERAL PROXY INFORMATION

Solicitation of proxies

This Circular is provided in connection with the solicitation of proxies by management of the Corporation for use at the Meeting.

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other means of electronic communication. In accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

These securityholder materials are being sent to both registered and non-registered owners of Common Shares. If you are a non-registered owner of Common Shares, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding Common Shares on your behalf.

Accompanying this Circular (and filed with applicable securities regulatory authorities) is a form of proxy for use at the Meeting (a "**Proxy**"). Each Shareholder who is entitled to attend at meetings of Shareholders is encouraged to participate in the Meeting and all Shareholders are urged to vote on matters to be considered in person or by proxy.

All time references in this Circular are references to Vancouver, British Columbia, Canada time.

Quorum for the Transaction of Business

The Corporation's articles provide that the quorum at a meeting of the shareholders of the Corporation shall be constituted by the attendance of one or more shareholders, present in person or represented by proxy, holding at least 5% of the votes attached to outstanding voting shares of the Corporation.

Rights of Revocation of Proxies and Appointment of Proxyholder

Appointment of a Proxy

Those Shareholders who wish to be represented at the Meeting by proxy must complete and deliver a proper Proxy to Computershare Investor Services Inc. (the "Transfer Agent"), at 100 University Avenue, 8th Floor, Toronto, ON, M5J 2Y1.

The persons named as proxyholders in the Proxy accompanying this Circular are directors or officers of the Corporation, or persons designated by management of the Corporation, and are representatives of the Corporation's management for the Meeting. A Shareholder who wishes to appoint some other person (who need not be a Shareholder) to attend and act for him, her or it and on his, her or its behalf at the Meeting other than the management nominee designated in the Proxy may do so by either: (i) crossing out the names of the management nominees AND legibly printing the other person's name in the blank space provided in the accompanying Proxy; or (ii) completing another valid form of proxy. In either case, the completed form of proxy must be delivered to the Transfer Agent, at the place and within the time specified herein for the deposit of proxies. A Shareholder who appoints a proxy who is someone other than the management representatives named in the Proxy should notify such alternative nominee of the appointment, obtain the nominee's consent to act as proxy, and provide instructions on how the Common Shares are to be voted. The nominee should bring personal identification to the Meeting. In any case, the Proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the Proxy).

In order to validly appoint a proxy, Proxies must be received by the Transfer Agent, at 100 University Avenue, 8th Floor, Toronto, ON, M5J 2Y1, at least 48 hours, excluding Saturdays, Sundays and holidays, prior to the Meeting or any adjournment or postponement thereof. After such time, the chairman of the Meeting may accept or reject a Proxy delivered to him in his discretion but is under no obligation to accept or reject any particular late Proxy.

Revoking a Proxy

A Shareholder who has validly given a proxy may revoke it for any matter upon which a vote has not already been cast by the proxyholder appointed therein. In addition to revocation in any other manner permitted by law, a proxy may be revoked with an instrument in writing signed and delivered to either the registered office of the Corporation or the Transfer Agent at 100 University Avenue, 8th Floor, Toronto, ON, M5J 2Y1, at any time up to and including the last business day preceding the date of the Meeting, or any postponement or adjournment thereof at which the proxy is to be used, or deposited with the chairman of such Meeting on the day of the Meeting, or any postponement or adjournment thereof. The document used to revoke a proxy must be in writing and completed and signed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

Also, a Shareholder who has given a proxy may attend the Meeting in person (or where the Shareholder is a corporation, its authorized representative may attend), revoke the proxy (by indicating such intention to the chairman before the proxy is exercised) and vote in person (or withhold from voting).

Signature on Proxies

The Proxy must be executed by the Shareholder or his or her duly appointed attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer whose title must be indicated. A Proxy signed by a person acting as attorney or in some other representative capacity should indicate that person's capacity (following his or her signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has been previously filed with the Corporation).

Voting of Proxies

Each Shareholder may instruct his, her or its proxy how to vote his, her or its Common Shares by completing the blanks on the Proxy.

The Common Shares represented by the enclosed Proxy will be voted or withheld from voting on any motion, by ballot or otherwise, in accordance with any indicated instructions. If a Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. In the absence of such direction, such Common Shares will be voted FOR THE RESOLUTIONS DESCRIBED IN THE PROXY AND BELOW. If any amendment or variation to the matters identified in the Notice is proposed at the Meeting or any adjournment or postponement thereof, or if any other matters properly come before the Meeting or any adjournment or postponement thereof, the accompanying Proxy confers discretionary authority to vote on such amendments or variations or such other matters according to the best judgment of the appointed proxyholder. Unless otherwise stated, the Common Shares represented by a valid Proxy will be voted in favour of the election of nominees set forth in this Circular except where a vacancy among such nominees occurs prior to the Meeting, in which case, such Common Shares may be voted in favour of another nominee in the proxyholder's discretion. As at the date of this Circular, management of the Corporation knows of no such amendments or variations or other matters to come before the Meeting.

Authorized Capital Stock, Voting Securities and Principal Holders Thereof

The authorized capital stock of the Corporation consists of an unlimited number of common shares without par value. Each common share entitles its holder to one vote. On the date hereof, there were 3,027,191 Common Shares of the Corporation issued and outstanding.

The board of directors of the Corporation (the "**Board**") fixed the close of business on November 10, 2017 as the record date (the "**Record Date**") for determining which shareholders shall be entitled to receive notice of the meeting and to vote in person or by proxy at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Corporation, as of the date of this Circular, no person beneficially owned, directly or indirectly, or exercised control or direction over, common shares of the Corporation carrying more than 10% of the voting rights attached to all issued and outstanding Common Shares, except for H&B, holding 984,242 Common Shares, equal to 30.3% of the issued and outstanding Common Shares.

Requisite Securityholder Approvals

Under MI 61-101, H&B, Brian Gusko, Hani El-Rayess, Nick Horsley and Daniel Terrett are related parties of the Corporation and, accordingly, the Amalgamation constitutes a Related Party Transaction for the Corporation within the meaning of MI 61-101. Pursuant to MI 61-101, the Corporation must obtain a formal valuation unless an exemption from the valuation requirements can be relied upon, and must obtain minority shareholder approval for the Change of Business Resolution unless an exemption from the minority approval requirements can be relied upon. An exemption from the formal valuation requirement is available to the Corporation as the Corporation is not listed on the prescribed stock exchanges under MI 61-101 and the Corporation intends to rely upon such exemption. An exemption is not available for the minority approval requirements for the Change of Business Resolution.

To be effective, the Change of Business Resolution requires the affirmative vote of a simple majority (50%+1) of the votes cast by shareholders of the Corporation present in person or represented by proxy and entitled to vote at the Meeting. The votes attached to an aggregate of 1,610,171 Common Shares owned or controlled by H&B (984,242), Brian Gusko (Nil), Hani El-Rayess (187,500), Nick Horsley (187,500) and Daniel Terrett (250,929) will be excluded from voting in determining whether the Change of Business Resolution has been approved by Fortify Minority Shareholders. These excluded shares represent approximately 53% of the Corporation's currently issued and outstanding Common Shares. Brian Gusko, Hani El-Rayess, Robert Nicholas Horsley and Daniel Terrett are all directors of H&B.

Advice to Beneficial Shareholders

The information set forth in this section is of significant importance to a substantial number of the Shareholders who do not hold their Common Shares in their own names. Shareholders who do not hold their Common Shares in their own names (referred to in this Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depositary for Securities Limited, which acts as nominees for

many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. **Without specific instructions, the broker/nominees are prohibited from voting shares for their clients. The Corporation does not know for whose benefit the Common Shares registered in the name of CDS & Co. or other brokers/agents are held.** Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person well in advance of the Meeting.

Non-registered holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Corporation are referred to as "non-objecting beneficial owners ("**NOBOs**"). Those non-registered holders who have objected to their Intermediary disclosing ownership information about themselves to the Corporation are referred to as "objecting beneficial owners" ("**OBOs**").

The Corporation does not intend to pay for Intermediaries to deliver the Meeting materials and Form 54-101F7 – Request for Voting Instructions Made by Intermediary to OBOs. As a result, OBOs will not receive the Meeting materials unless their Intermediary assumes the costs of delivery.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically provides a scannable voting instruction form in lieu of the Instrument of Proxy, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the voting instruction forms to Broadridge. Alternatively, Beneficial Shareholders sometimes are provided with a toll-free telephone number or website information to deliver the Beneficial Shareholder's voting instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form cannot use that voting instruction form to vote Common Shares directly at the Meeting as the voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted. Accordingly, it is strongly suggested that Beneficial Shareholders return their completed voting instruction form as directed by Broadridge well in advance of the Meeting.**

All references to Shareholders in this Circular, the Instrument of Proxy and the Notice are to Shareholders of record unless specifically stated otherwise. Where documents are stated to be available for review or inspection, such items will be made available upon request to registered Shareholders who produce proof of their identity.

Notice-and-Access

The Corporation is not sending the Meeting materials to Shareholders using "notice-and-access", as defined under NI 54-101.

All references to shareholders in this Circular, the enclosed form of proxy and the notice of meeting are to the registered shareholders unless specifically stated otherwise.

PART II – THE CHANGE OF BUSINESS AND THE AMALGAMATION

In connection with the Amalgamation, Fortify Minority Shareholders will be asked at the Meeting to approve the Change of Business. Details regarding the Amalgamation, including the background to, reasons for, details of, conditions to and effect of, the Amalgamation, are set forth in this Circular and the Schedules hereto. Shareholders are urged to carefully read the information in this Circular and the Schedules in order to make an informed decision.

General

The Corporation has entered into the Amalgamation Agreement with Acquireco and DVI, pursuant to which the Corporation has agreed to acquire all of the issued and outstanding DVI Shares. The Corporation will acquire the DVI Shares pursuant to a "three-cornered" amalgamation whereby:

(a) Acquireco and DVI will amalgamate;

(b) each holder of DVI Shares (other than Dissenting Shareholders) shall transfer their DVI Shares to the Corporation and shall receive one fully paid and non-assessable Resulting Issuer Share for each DVI Share held;

(c) holders of DVI Warrants will receive one Resulting Issuer Warrant in exchange for every DVI Warrant held, on the same terms and conditions as the DVI Warrants;

(d) The Corporation shall receive one fully paid and non-assessable common share of Amalco for all of the common shares of Acquireco held by the Corporation, following which all such common shares of Acquireco shall be cancelled; and

(e) all DVI Shares held by the Corporation as a result of the exchanges described above shall be cancelled and the Corporation will receive, for each DVI Share, one common share of Amalco and Amalco will be a wholly-owned subsidiary of the Corporation.

Assuming the completion of the Maximum Raise, a total of approximately 65,000,000 Resulting Issuer Shares and 25,000,000 Resulting Issuer Warrants are expected to be issued to the DVI Shareholders. Upon the completion of the Amalgamation, Amalco will be a wholly-owned subsidiary of the Corporation (or the Resulting Issuer, as the Corporation as it exists upon the completion of the Amalgamation will be referred to for the purposes of this Circular). The principal business of the Resulting Issuer will be the current business of DVI.

The Resulting Issuer Board upon completion of the Amalgamation will consist of three (3) directors and will be comprised of current directors Mr. Nigel Alexander Horsley and Ms. Christine Mah and a third director to be appointed by the board, Mr. Michael Yorke. The appointment of Mr. Yorke as a director of the Corporation is conditional upon completion of the Amalgamation and satisfactory review by the CSE.

The Corporation also intends to change its name to "Crop Infrastructure Corporation" upon completion of the Amalgamation.

Upon completion of the Amalgamation and assuming the completion of the Maximum Raise, it is anticipated that the issued and outstanding capital of the Resulting Issuer will consist of 65,000,000 Resulting Issuer Shares and 25,000,000 Resulting Issuer Warrants. No Resulting Issuer Options are anticipated to be outstanding at that time. As a result, former shareholders of DVI will hold approximately 95.6% of the Resulting Issuer Shares on a non-diluted basis. See "Part VI - Information Concerning the Resulting Issuer - Pro Forma Capitalization". The Resulting Issuer is also anticipated to have cash and cash equivalents of approximately $2,605,041 on hand to pursue its business objectives as set out under the heading "Part VI - Information Concerning the Resulting Issuer - Narrative Description of the Business".

Background to the Change of Business and the Amalgamation

Since inception, the Corporation has been engaged in the identification, acquisition, evaluation and exploration of mineral properties. In light of the ongoing challenges, risks, and uncertainties faced by the junior mining industry, the Corporation is seeking to diversify its business into a different industry, and more specifically, the business of investing in, constructing, owning and leasing various size greenhouse projects for lease to licensed cannabis producers and processors, through the acquisition of DVI.

The Corporation currently retains its mineral property interests in the Sericite East Property of located in British Columbia, consisting of two mineral claims, of which the it owns a 100% interest in and to, which is disclosed in its financial statements appended to this Circular (the "**Mining Assets**"); however, given the Corporation's focus on its new proposed business, the Corporation intends to divest itself of its Mining Assets.

On August 17, 2017, the Corporation executed a letter of intent to acquire all of the issued and outstanding securities of DVI. The letter of intent was superseded by the terms of the Amalgamation Agreement entered into between the Corporation, DVI, and Acquireco in respect of the proposed Amalgamation on November 3, 2017.

Securities Laws Matters

It is anticipated that the Consideration Shares issued by the Corporation to the DVI Shareholders pursuant to the Amalgamation will be exempt from the prospectus and registration requirements of applicable securities laws and that the Consideration Shares so issued will generally be "freely tradable" (other than as a result of any "control person" restrictions which may arise by virtue of ownership thereof and subject to customary restrictions of general application) under applicable Canadian securities laws. However, it is expected that 13,179,500 of the Consideration Shares will be subject to escrow or pooling requirements in accordance with CSE policies and the terms and conditions of the Escrow Agreement. See "Part VI - Information Concerning the Resulting Issuer - Escrowed Securities".

Regulatory Approvals and Filings

Neither the Corporation nor DVI, as applicable, are aware of any material licenses or regulatory permits that it holds which might be adversely affected by the Amalgamation or which must be obtained or of any other approval by any federal, provincial, state or foreign government or administrative or regulatory agency that would be required to be obtained prior to the completion of the Amalgamation, other than CSE Approval.

Representations, Warranties and Covenants

The Amalgamation Agreement contains representation and warranties made by each of the Corporation and DVI in respect of their respective assets, liabilities, financial position, business and operations. Each of DVI and the Corporation also provided covenants in favour of the other which govern their respective conduct of their operations and affairs prior to completion of the Amalgamation.

Conditions to the Amalgamation

The Amalgamation Agreement contains certain conditions to the obligations of the Corporation and DVI to complete the Amalgamation. Unless all of such conditions are satisfied or waived by the party or parties for whose benefit such conditions exist, the Amalgamation will not be completed. The following is a summary of the significant conditions contained in the Amalgamation Agreement:

(a) no material adverse change shall have occurred in the condition of either DVI or the Corporation;

(b) the CSE shall have conditionally accepted the Change of Business and approved the listing of the Resulting Issuer Shares to be issued to DVI Shareholders pursuant to the Amalgamation, subject only to such conditions as are acceptable to the Corporation and DVI, acting reasonably;

(c) the Amalgamation shall have been approved by the Fortify Minority Shareholders;

(d) the Amalgamation shall have been approved by the DVI Shareholders; and

(e) the Offering shall have been completed.

Consents and Approvals

Management of the Corporation and DVI believe that all material consents, rulings, approvals and assurances required for the completion of the Amalgamation will be obtained prior to the Amalgamation Effective Date; however, there can be no assurance that all of the conditions to the completion of the Amalgamation will be fulfilled prior to the anticipated closing date of on or about December 22, 2017 or at all.

Recommendations of the Board

The Board has unanimously determined that the Change of Business and the Amalgamation are fair to Shareholders, and are in the best interests of the Corporation and the Shareholders and has authorized the submission of the Change of Business to the Fortify Minority Shareholders for approval. Accordingly, the Board unanimously recommends that the Fortify Minority Shareholders vote for the resolution approving the Change of Business and all other matters to be considered at the Meeting.

The members of the Board and the officers of the Corporation held or controlled an aggregate of 187,500 Common Shares representing 6.2% of the outstanding Common Shares (on a non-diluted basis) as at the Record Date. See "Part III - Matters to be Acted on at the Meeting - Interest of Certain Persons in Matters to be Acted Upon." Mr. Nick Horsley is the only member of the Board or officer of the Corporation holding Common Shares. The votes attached to the Common Shares held by Mr. Nick Horsley will be excluded from voting in determining whether the Change of Business Resolution has been approved by Fortify Minority Shareholders.

Risk Factors

The Resulting Issuer will principally carry on the business of DVI. The business currently conducted by DVI and to be conducted by the Resulting Issuer, upon completion of the Amalgamation, is subject to a number of risks as outlined below. In evaluating the Change of Business and the Amalgamation, Shareholders should carefully consider, in addition to the other information contained in this Circular, the risks and uncertainties described below before deciding to vote in favour of the Change of Business. While this Circular has described the risks and uncertainties that

management of the Corporation and DVI believe to be material to the Resulting Issuer's business, it is possible that other risks and uncertainties affecting the Resulting Issuer's business will arise or become material in the future.

If the Resulting Issuer is unable to effectively address these and other potential risks and uncertainties following the completion of the Amalgamation, its business, financial condition or results of operations could be materially and adversely affected. In this event, the value of the Resulting Issuer Shares could decline and you could lose all or part of your investment.

An investment in the Resulting Issuer is speculative. An investment in the Resulting Issuer will be subject to certain material risks and investors should not invest in securities of the Resulting Issuer unless they can afford to lose their entire investment. The Resulting Issuer will face a number of challenges in the development of its business.

A description of the risk factors associated with the Corporation's business related to its Mining Assets is included in the Corporation's Initial CSE Listing Statement and is available under the Corporation's profile on the CSE website at www.thecse.com.

No representation is or can be made as to the future performance of the Resulting Issuer and there can be no assurance that the Resulting Issuer will achieve its objectives. Readers should not rely upon forward-looking statements as a prediction of future results.

General risks regarding Issuers with U.S. Marijuana-Related Activities

The marijuana industry has accelerated in recent years as a number of jurisdictions, including Canada and certain U.S. states, continue to explore liberalization measures around marijuana law. While most jurisdictions have a uniform national framework for marijuana regulation, in the U.S., there is a conflict between state and federal law related to marijuana with certain U.S. states permitting its use and sale within a regulatory framework, including Washington, notwithstanding that marijuana continues to be listed as a controlled substance under U.S. federal law. As such, marijuana-related practices or activities, including the cultivation, possession or distribution of marijuana, are illegal under U.S. federal law.

The U.S. Department of Justice issued guidance in 2013 indicating that it will focus on certain enforcement priorities, outside of which it will generally not enforce federal prohibitions on marijuana in U.S. states that have authorized this conduct so long as the U.S. state has implemented a strong and effective regulatory program. This federal guidance is subject to change, rescission or alteration by other federal government policy pronouncements at any time.

The political and regulatory circumstances surrounding the treatment of U.S. marijuana-related activities are uncertain. In the event that U.S. federal law against marijuana is enforced, there could be material consequences for any issuer with U.S. marijuana-related activities.

The Resulting Issuer will establish a regulatory committee (the "**Regulatory Committee**") consisting of independent directors that will be tasked with following the regulatory changes in the U.S. and Canada as they relate to the marijuana industry. The Regulatory Committee will have the authority to hire consultants, lawyers and accountants to stay informed about any legal and regulatory changes that relate to the Resulting Issuer's business.

No assurance that the Amalgamation will be completed

Completion of the acquisition of DVI pursuant to the Amalgamation remains subject to a number of conditions, including, but not limited to, approval by unanimous written consent resolution of the shareholders of DVI, approval by a simple majority (50%+1) of the votes cast by the Fortify Minority Shareholders, completion of the Offering, satisfaction of standard closing conditions for transactions of this nature, and CSE Approval. There can be no assurance that the Amalgamation will be completed as proposed or at all or that the CSE will approve the Amalgamation.

Regulatory and Political Risks

The Resulting Issuer's activities would be subject to regulation by governmental authorities. Achievement of the Resulting Issuer's business objectives are contingent, in part, upon compliance with necessary and applicable regulatory requirements enacted by these governmental authorities and obtaining all regulatory approvals necessary. The Resulting Issuer cannot predict the time required to secure all appropriate regulatory approvals. Any delays in obtaining, or failure to obtain regulatory approvals would significantly delay the development of the Resulting Issuer's plans and could have a material adverse effect on the business, results of operations and financial condition of the Resulting Issuer.

The activities of DVI (and the Resulting Issuer's) is, and will continue to be, subject to evolving regulation by governmental authorities. The operations of DVI are directly or indirectly engaged in the medical and recreational cannabis industry in the United States where local state law permits such activities. The legality of the production, extraction, distribution and use of cannabis differs among North American jurisdictions, and there re is a growing movement in the United States supporting the legalization of cannabis for medical, as well as non-medical purposes.

However, the US federal government has not enacted similar legislation and the cultivation, sale, possession and use of cannabis remains illegal under federal law pursuant to the U.S. Controlled Substance Act of 1970.

While the US federal government has stated its present intention not to enforce federal laws relating to cannabis where the conduct at issue is legal under applicable state law, there can be no assurance that it will not enforce such laws in the future. This risk is further compounded due to the recent election of Donald Trump to the U.S. presidency, and his nomination of Sen. Jeff Sessions to the post of Attorney General. Mr. Trump's positions regarding marijuana are difficult to discern; however, Sen. Sessions has been a consistent opponent of marijuana legalization efforts throughout his political career. It remains unclear what stance the new administration's Department of Justice might take toward legalization efforts in U.S. states. The federal government of the United States has specifically reserved the right to enforce federal law in regards to the sale and disbursement of medical or adult-use use marijuana even if state law sanctioned such sale and disbursement.

Further, there can be no assurance that state laws legalizing and regulating the sale and use of cannabis will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their respective jurisdictions. It is also important to note that local and city ordinances may strictly limit and/or restrict the distribution of cannabis in a manner that will make it extremely difficult or impossible to transact business in the cannabis industry. If the federal government begins to enforce federal laws relating to cannabis in states where the sale and use of cannabis is currently legal, or if existing state laws are repealed or curtailed, the Resulting Issuer's investments in such businesses (including DVI) would be materially and adversely affected notwithstanding the fact that the Issuer is not directly engaged in the sale or distribution of cannabis. Federal actions against any individual or entity engaged in the marijuana industry or a substantial repeal of marijuana related legislation could adversely affect the Issuer, its business and its investments.

The Resulting Issuer's funding of the activities of DVI which is indirectly involved in the medical and recreational cannabis industry through loans, royalties or other forms of investment, may be illegal under the applicable federal laws of the United States and other applicable law. There can be no assurances the federal government of the United States or other jurisdictions will not seek to enforce the applicable laws against the Resulting Issuer. The consequences of such enforcement would be materially adverse to the Resulting Issuer and its business and could result in the forfeiture or seizure of all or substantially all of the Resulting Issuer's assets.

The success of the business strategy of the Resulting Issuer depends on the legality of the marijuana industry. The political environment surrounding the marijuana industry in general can be volatile and the regulatory framework remains in flux. The risk remains that a shift in the regulatory or political realm could occur and have a drastic impact on the industry as a whole, adversely impacting the Resulting Issuer's ability to successfully invest and/or participate in the selected business opportunities.

The strategic growth strategy of the Resulting Issuer, is reliant upon certain federal and state regulations being enacted to facilitate the legalization of medical and recreational marijuana. If such regulations are not enacted, or enacted but subsequently repealed or amended, or enacted with prolonged phase-in periods, the growth targets of the Resulting Issuer, and thus, the effect on the return of investor capital, could be detrimental. The Resulting Issuer is unable to predict with certainty when and how the outcome of these complex, legal, regulatory, and legislative proceedings will affect its business and growth.

The U.S. federal government can prosecute crimes related to the cultivation, distribution, possession and use of marijuana, as well as crimes arising out of the act of facilitating the cultivation, distribution, possession and use of marijuana.

The inability of the Resulting Issuer to respond to the changing regulatory landscape could harm its business. The medical and adult-use marijuana industry is subject to significant regulatory change at both the state and federal level. If the Resulting Issuer and its subsidiaries are unable to respond appropriately to changing federal and state regulations, it may not be successful in capturing significant market share.

Change in Laws, Regulations and Guidelines

The Resulting Issuer's current and proposed operations are subject to a variety of laws, regulations and guidelines

relating to the manufacture, management, transportation, storage and disposal of cannabis, but also including laws and regulations relating to consumable products health and safety, the conduct of operations and the protection of the environment. These laws and regulations are broad in scope and subject to evolving interpretations, which could require the Resulting Issuer to incur substantial costs associated with compliance or alter certain aspects of our business plan. In addition, violations of these laws, or allegations of such violations, could disrupt certain aspects of the Resulting Issuer's business plan and result in a material adverse effect on certain aspects of its planned operations. Changes to such laws, regulations and guidelines due to matters beyond the control of the Resulting Issuer may cause adverse effects to the Resulting Issuer.

Limited Operating History

DVI has no history of earnings. As such, after completion of the Amalgamation, the Resulting Issuer has no immediate prospect of generating revenue from its intended operations. The Resulting Issuer is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that the Resulting Issuer will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

Reliance on Management and Key Personnel

The success of the Resulting Issuer is dependent upon the ability, expertise, judgment, discretion and good faith of its senior management. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. The Resulting Issuer attempts to enhance its management and technical expertise by recruiting qualified individuals who possess desired skills and experience in certain targeted areas. The Resulting Issuer's inability to retain employees and attract and retain sufficient additional employees as well as, engineering, and technical support resources could have a material adverse impact on the Resulting Issuer's financial condition and results of operation. Any loss of the services of such individuals could have a material adverse effect on the Resulting Issuer's business, operating results or financial condition.

Additional Financing

The Resulting Issuer's future capital requirements depend on many factors, including its ability to market its services successfully, cash flows from operations, locating and retaining talent, and competing market developments. Based on the Resulting Issuer's current financial situation, the Resulting Issuer may have difficulty continuing operations at the current level, or at all, if it does not raise additional financing in the near future.

In order to execute the Resulting Issuer's business plan, the Resulting Issuer will require some additional equity and/or debt financing to undertake capital expenditures. There can be no assurance that additional financing will be available to the Resulting Issuer when needed or on terms which are acceptable. The Resulting Issuer's inability to raise financing to support on-going operations or to fund capital expenditures could limit the Resulting Issuer's operations and may have a material adverse effect upon future profitability. The Resulting Issuer may require additional financing to fund its operations to the point where it is generating positive cash flows.

If additional funds are raised through further issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Resulting Issuer Shares. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Resulting Issuer to obtain additional capital or to pursue business opportunities, including potential acquisitions. If adequate funds are not obtained, the Resulting Issuer may be required to reduce, curtail, or discontinue operations.

Banking

Since the production and possession of cannabis is illegal under US federal law, there is a strong argument that banks cannot accept for deposit funds from businesses involved with the marijuana industry. Consequently, businesses involved in the marijuana industry often have difficulty finding a bank willing to accept their business. The inability to open bank accounts with certain institutions may make it difficult to operate the Resulting Issuer's business.

Competition

The Resulting Issuer will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and manufacturing and marketing experience than the Resulting Issuer. Increased competition by larger and better financed competitors could materially and adversely affect

the proposed business, financial condition and results of operations of the Resulting Issuer.

Environmental and Employee Health and Safety Regulations

Medical marijuana operations are subject to environmental and safety laws and regulations concerning, among other things, emissions and discharges to water, air and land, the handling and disposal of hazardous and non-hazardous materials and wastes, and employee health and safety. Failure to comply with environmental and safety laws and regulations may result in additional costs for corrective measures, penalties or in restrictions in manufacturing operations. In addition, changes in environmental, employee health and safety or other laws, more vigorous enforcement thereof or other unanticipated events could require extensive changes to operations or give rise to material liabilities, which could have a material adverse effect on the proposed business, results of operations and financial condition of the Resulting Issuer.

Lack of Demand

A failure in the demand for the Resulting Issuer's services to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Resulting Issuer.

Dependence on Suppliers and Skilled Labour

The ability of the Resulting Issuer to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Resulting Issuer will be successful in maintaining its required supply of skilled labour, equipment, parts and components. It is also possible that the final costs of any major equipment that may be contemplated by the Resulting Issuer's capital expenditure program may be significantly greater than anticipated by management, and may be greater than funds available to the Resulting Issuer, in which circumstance the Resulting Issuer may curtail, or extend the timeframes for completing, its capital expenditure plans. This could have an adverse effect on the financial results of the Resulting Issuer.

Currency Fluctuations

The Resulting Issuer's revenues and expenses are expected to be primarily denominated in US dollars, and therefore may be exposed to significant currency exchange fluctuations. Recent events in the global financial markets have been coupled with increased volatility in the currency markets. Fluctuations in the exchange rate between the US dollar and the Canadian dollar may have a material adverse effect on the Resulting Issuer's business, financial condition and operating results.

Reliance on Key Inputs

The proposed business is dependent on a number of key inputs and their related costs including raw materials and supplies related to growing operations, as well as electricity, water and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition and operating results of the Resulting Issuer. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the proposed business, financial condition and operating results of the Resulting Issuer.

Operating Risk and Insurance Coverage

The Resulting Issuer will obtain and maintain insurance to protect its assets, operations and employees where possible. However, insurance that is otherwise readily available, such as workers compensation, general liability, and directors and officers insurance, may be more difficult for the Resulting Issuer to obtain, if at all, and more costly because the industry in which the Resulting Issuer is engaged in. As of the date of this Circular, the Resulting Issuer has not been successful in finding such policies. There are no guarantees that the Resulting Issuer will be able to find such insurance coverage in the future or that the cost will be affordable to the Resulting Issuer. While the Resulting Issuer believes its insurance coverage will address all material risks to which it is exposed and will be adequate and customary in its current state of operations, such insurance will be subject to coverage limits and exclusions and may not be available for the risks and hazards to which the Resulting Issuer is exposed. In addition, no assurance can be given that such insurance will be adequate to cover the Resulting Issuer's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If the Resulting Issuer were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if the Resulting Issuer were to incur such liability at a time when it is not able to obtain liability insurance, its business, results of operations and financial condition could be materially adversely affected.

Unfavourable Publicity or Consumer Perception

The legal cannabis industry in the United States and Canada is at an early stage of its development. Cannabis has been, and will continue to be, a controlled substance for the foreseeable future. Consumer perceptions regarding legality, morality, consumption, safety, efficacy and quality of cannabis are mixed and evolving. Consumer perception can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of cannabis products. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favorable to the cannabis market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favorable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for cannabis and on the business, results of operations, financial condition and cash flows of the Issuer. Further, adverse publicity reports or other media attention regarding cannabis in general, or associating the consumption of cannabis with illness or other negative effects or events, could have such a material adverse effect.

Public opinion and support for medical and recreational cannabis use has traditionally been inconsistent and varies from jurisdiction to jurisdiction. While public opinion and support appears to be rising for legalizing medical and recreational cannabis, it remains a controversial issue subject to differing opinions surrounding the level of legalization (for example, medical marijuana as opposed to legalization in general).

Operation Permits and Authorizations

The Resulting Issuer may not be able to obtain or maintain the necessary licenses, permits, authorizations or accreditations, or may only be able to do so at great cost, to operate their respective businesses. In addition, the Resulting Issuer may not be able to comply fully with the wide variety of laws and regulations applicable to the cannabis industry. Failure to comply with or to obtain the necessary licenses, permits, authorizations or accreditations could result in restrictions on the Resulting Issuer's ability to operate in the cannabis industry, which could have a material adverse effect on the Issuer's business.

Risks Associated with Acquisitions

If appropriate opportunities present themselves, the Resulting Issuer intends to acquire businesses, technologies, services or products that the Resulting Issuer believes are strategic. The Resulting Issuer currently has no understandings, commitments or agreements with respect to any other material acquisition and no other material acquisition is currently being pursued. There can be no assurance that the Resulting Issuer will be able to identify, negotiate or finance future acquisitions successfully, or to integrate such acquisitions with its current business. The process of integrating an acquired business, technology, service or product into the Resulting Issuer may result in unforeseen operating difficulties and expenditures and may absorb significant management attention that would otherwise be available for ongoing development of the Resulting Issuer' business. Future acquisitions could result in potentially dilutive issuances of equity securities, the incurrence of debt, contingent liabilities and/or amortization expenses related to goodwill and other intangible assets, which could materially adversely affect the Resulting Issuer's business, results of operations and financial condition. Any such future acquisitions of other businesses, technologies, services or products might require the Resulting Issuer to obtain additional equity or debt financing, which might not be available on terms favourable to the Resulting Issuer, or at all, and such financing, if available, might be dilutive.

Risks Associated with Returns on Money Lent

The Resulting Issuer has entered into agreements to provide financing to DVG. Under these agreements, the Resulting Issuer will provide loans or other sources of financing. These activities may result in unforeseen operating difficulties, financial risks, or required expenditures that could adversely affect the Resulting Issuer's liquidity. In connection with one or more of these transactions, and to obtain the necessary funds to enter these agreements, the Resulting Issuer may need to extend secured and unsecured credit to potential or existing partners that may not be repaid, incur debt on terms unfavorable to the Resulting Issuer or that the Resulting Issuer is unable to repay, or incur other contingent liabilities. The failure to maintain controls and processes related to billing and collecting accounts receivable or the deterioration of the financial condition of the Resulting Issuer's customers could negatively impact the Resulting Issuer's business.

Financial Projections May Prove Materially Inaccurate or Incorrect

The Resulting Issuer's financial estimates, projections and other forward-looking information accompanying this document were prepared by the Resulting Issuer without the benefit of reliable historical industry information or other

information customarily used in preparing such estimates, projections and other forward-looking statements. Such forward-looking information is based on assumptions of future events that may or may not occur, which assumptions may not be disclosed in such documents. Investors should become familiar with the assumptions underlying any estimates, projections or other forward-looking statements. Projections are inherently subject to varying degrees of uncertainty and their achievability depends on the timing and probability of a complex series of future events. There is no assurance that the assumptions upon which these projections are based will be realized. Actual results may differ materially from projected results for a number of reasons including increases in operation expenses, changes or shifts in regulatory rules, undiscovered and unanticipated adverse industry and economic conditions, and unanticipated competition. Accordingly, investors should not rely on any projections to indicate the actual results the Resulting Issuer might achieve.

The Resulting Issuer's buildings or structures may be affected by natural disasters and other unforeseen events for which its insurance may not provide adequate coverage.

The Resulting Issuer's buildings or structures are subject to risks associated with natural disasters, such as ice and wind storms, tornadoes, floods, fires, hurricanes and earthquakes, as well as other unforeseen events, such as acts of terrorism. Any damage or destruction to, or inability to access, its operations may impact its ability to provide services to its tenants and lead to tenant loss, which could have a material adverse effect on its business, results of operations or financial condition.

While the Resulting Issuer does not currently maintain insurance for natural disasters. The Resulting Issuer may not have adequate insurance to cover the associated costs of repair or reconstruction for a major future event. Further, the Resulting Issuer may be liable for damage caused by buildings or structures that collapse for any number of reasons including structural deficiencies, which could harm the Resulting Issuer's reputation and require it to incur costs for which it may not have adequate insurance coverage.

Management of Growth

The Resulting Issuer may in the future, experience rapid growth and development in a relatively short period of time by aggressively marketing its products and services. The Resulting Issuer may be subject to growth related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Resulting Issuer to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Resulting Issuer to deal with this growth may have a material adverse effect on the Resulting Issuer's business, financial condition, results of operations and prospects.

Difficulty Implementing Business Strategy

The growth and expansion of the Resulting Issuer is heavily dependent upon the successful implementation of its business strategy. There can be no assurance that the Resulting Issuer will be successful in the implementation of its business strategy.

Costs of Maintaining a Public Listing

As a public company, there are costs associated with legal, accounting and other expenses related to regulatory compliance. Securities legislation and the rules and policies of the CSE require listed companies to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information, all of which add to a company's legal and financial compliance costs. The Resulting Issuer may also elect to devote greater resources than it otherwise would have on communication and other activities typically considered important by publicly traded companies.

Conflicts of Interest

Certain of the directors and officers of the Resulting Issuer are also directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of the Resulting Issuer and as officers and directors of such other companies.

Litigation

The Resulting Issuer may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Resulting Issuer becomes involved be determined against the Resulting Issuer such a decision could adversely affect the Resulting Issuer's ability to continue operating and the market price for Resulting Issuer Shares and could use significant resources. Even if the Resulting Issuer is

involved in litigation and wins, litigation can redirect significant company resources.

Resulting Issuer Share Price Fluctuations

The market price of Resulting Issuer Shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Resulting Issuer, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Resulting Issuer, general economic conditions, legislative changes, and other events and factors outside of the Resulting Issuer's control. In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for Resulting Issuer Shares.

Limited Market for Securities

Upon completion of the Amalgamation, the Resulting Issuer Shares will be listed on the CSE, however, there can be no assurance that an active and liquid market for the Resulting Issuer Shares will develop or be maintained and an investor may find it difficult to resell any securities of the Resulting Issuer. In addition, there can be no assurance that the publicly-traded share price of the Resulting Issuer will be high enough to create a positive return for investors. Further, there can be no assurance that the stock of the Resulting Issuer will be sufficiently liquid so as to permit investors to sell their position in the Issuer without adversely affecting the stock price. In such event, the probability of resale of the Resulting Issuer's shares would be diminished.

Dividends

The Resulting Issuer has no earnings or dividend record, and does not anticipate paying any dividends on the common shares in the foreseeable future. Dividends paid by the Resulting Issuer would be subject to tax and, potentially, withholdings. The payment of future cash dividends, if any, will be reviewed periodically by the Board and will depend upon, among other things, conditions then existing including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions and other factors.

Environmental Laws and Regulations

The Resulting Issuer's operations are subject to environmental regulations in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Resulting Issuer's operations.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or to be curtailed, and may include corrective measures requiring remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Economic Environment

The Resulting Issuer's operations could be affected by the economic context should the unemployment level, interest rates or inflation reach levels that influence consumer trends and consequently, impact the Resulting Issuer's sales and profitability.

Global Economy Risk

Any economic slowdown and downturn of global capital markets could make the raising of capital by equity or debt financing more difficult. Access to financing has been negatively impacted by the ongoing global economic risks. These factors may impact the Resulting Issuer's ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Resulting Issuer. If uncertain market conditions persist, the Resulting Issuer's ability to raise capital could be jeopardized, which could have an adverse impact on the Resulting Issuer's operations and the trading price of the Resulting Issuer's Shares on the stock exchange.

Going-Concern Risk

The financial statements have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Resulting Issuer's future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of

profitable operations at an indeterminate time in the future. There can be no assurances that the Resulting Issuer will be successful in completing an equity or debt financing or in achieving profitability.

The financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should the Resulting Issuer be unable to continue as a going concern.

Financial Risk Exposures

The Resulting Issuer may have financial risk exposure to varying degrees relating to the currency of each of the countries where it operates.

PART III - MATTERS TO BE ACTED ON AT THE MEETING

Approval of the Change of Business

The Corporation is currently listed on the CSE as mining issuer in the business of mineral resource exploration. Upon completion of the Amalgamation, the business of the Resulting Issuer will be that of DVI, which is engaged in the business of investing in, constructing, owning and leasing various size greenhouse projects industry. Completion of the Amalgamation will involve the Change of Business which constitutes a "fundamental change" to Corporation under Policy 8 of the CSE and is therefore subject to approval by Shareholders and the CSE, and in this case, subject to approval by the Fortify Minority Shareholders requiring the affirmative vote of a majority (50% +1) of the votes cast by the Fortify Minority Shareholders present in person or represented by proxy entitled to vote at the Meeting. The Corporation will submit a listing statement (Form 2A) in respect of the proposed Change of Business to the CSE for review, and completion of the Change of Business and the Amalgamation remains subject to receipt of CSE Approval.

The Amalgamation is not an arm's length transaction. For information concerning the Corporation, DVI, the Resulting Issuer and the Change of Business that will be carried out by way of the Amalgamation see "Part II - The Change of Business and the Amalgamation", "Part V - Information Concerning DVI", and "Part VI - Information Concerning the Resulting Issuer".

At the Meeting, Fortify Minority Shareholders will be asked to consider and, if deemed advisable, to approve and authorize the following Change of Business Resolution:

"BE IT RESOLVED THAT:

1. the Change of Business of the Corporation, as more particularly described in the management information circular of the Corporation dated November 14, 2017, be and is hereby approved with such restrictions or conditions as may be required by the Canadian Securities Exchange (the "**CSE**"), if applicable;

2. the Amalgamation Agreement, the actions of the directors of the Corporation in approving the Amalgamation Agreement and related transactions and the actions of the directors and officers of the Corporation in executing and delivering the Amalgamation Agreement and any amendments thereto in accordance with its terms are hereby ratified and approved;

3. any one (1) director or officer of the Corporation is hereby authorized and directed to do all things and to execute all instruments, documents as in their opinion may be necessary or desirable in order to give effect to this resolution including, but without limitation, making any necessary filings with the CSE and any other regulatory authorities; and

4. notwithstanding the approval of the shareholders of the Corporation as herein provided, the board of directors of the Corporation may, in their sole discretion without notice to or approval of the shareholders of the Corporation, amend the Amalgamation Agreement, or revoke this resolution before it is acted upon."

The Board unanimously determined that the Change of Business is fair to Shareholders, is in the best interests of the Corporation and the Shareholders and authorized the submission of the Change of Business to Shareholders for approval.

The Board has unanimously approved the Change of Business and recommends that Fortify Minority Shareholders vote for the Change of Business Resolution. In order to be effective, the Change of Business Resolution requires approval of a majority of the votes cast by the Fortify Minority Shareholders in respect thereof in person or by proxy at the Meeting. The Named Proxyholders, if appointed as proxies, intend to vote for the Change of Business Resolution.

Other Matters to be Brought Before the Meeting

Management of the Corporation is not aware of any matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the accompanying form of proxy confers discretionary authority to vote with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters that may properly come before the Meeting.

Interests of Certain Persons in Matters to be Acted Upon

The members of the Board and the officers of the Corporation held or controlled an aggregate of 187,500 Common Shares representing 6.2% of the outstanding Common Shares (on a non-diluted basis) as at the Record Date. Mr. Robert Nick Horsley is the only member of the Board or officer of the Corporation who held or controlled Common Shares as at the Record Date. As discussed elsewhere in this Circular, the Amalgamation is not an Arm's Length Transaction. Robert Nick Horsley, an Insider of the Corporation, is a registered or beneficial shareholder of DVI. Pursuant to the Amalgamation, the Corporation will acquire all of the issued and outstanding shares of DVI from Nick Horsley in consideration for Resulting Issuer Shares pursuant to the terms of the Amalgamation Agreement. Notwithstanding the foregoing, pursuant to MI 61-101, Mr. Horsley will be excluded from voting in determining whether the Change of Business Resolution has been approved.

Upon completion of the Amalgamation, it is anticipated that one of the current directors of the Corporation, Mr. Robert Nick Horsley, will resign and that the Resulting Issuer Board will consist of current directors Mr. Nigel Alexander Horsley and Ms. Christine Mah and a third director to be appointed by the Board, Mr. Michael Yorke.

Except as disclosed below and elsewhere in this Circular, none of the Corporation's directors or senior officers, or their associates and affiliates, have any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

Mr. Robert Nick Horsley, the current CEO and a director of the Corporation, who will resign upon completion of the Amalgamation, beneficially owns 3,004,500 DVI Shares which will be exchanged for 3,004,500 Resulting Issuer Shares upon completion of the Amalgamation, such that in aggregate it is anticipated that Mr. Horsley will own 3,192,000 Resulting Issuer Shares, equal to approximately 4.69% of the Resulting Issuer Shares (assuming completion of the Maximum Raise on an un-diluted basis). In addition, H&B will own approximately 984,242 Resulting Issuer Shares upon completion of the Amalgamation, equal to approximately 1.45% of the Resulting Issuer Shares (assuming completion of the Maximum Raise on an un-diluted basis).

Other than in their capacity as Shareholders or as described above or elsewhere in this Circular, no director or senior officer is expected to benefit from the Change of Business upon completion of the Amalgamation.

None of the principal holders of Common Shares or any director or officer of the Corporation or any Associate or any Affiliate of any of the foregoing persons, has or had any material interest in any transaction or any proposed transaction that materially affected, or will materially affect, the Corporation or any of its Affiliates except as disclosed above or elsewhere in this Circular or the Schedules hereto.

Registrar and Transfer Agent

Computershare Investor Services Inc., at its Vancouver office located at 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9 is the Corporation's registrar and transfer agent.

Additional Information

The Corporation is a reporting issuer in the Provinces of British Columbia, Alberta, and Ontario. As a result, the Corporation files annual and other information with the local securities commissions and regulatory authorities of each of the above named provinces. The Canadian securities regulatory authorities maintain a website named "SEDAR" that contains reports, proxy and other information regarding issuers that file with the securities regulatory authorities. The Corporation's filings can be found on the SEDAR website at www.sedar.com.

PART IV - INFORMATION CONCERNING THE CORPORATION

Corporate Structure

Name and Incorporation

The Corporation was incorporated under the BCBCA on May 31, 2011. The registered and head office of the Corporation is located at Suite 605-815 Hornby Street, Vancouver, BC V6Z 2E6, Canada.

The Corporation is a reporting issuer in the Provinces of British Columbia, Alberta, and Ontario.

The Corporation's Subsidiaries

The Corporation has one subsidiary, Acquireco, a company incorporated under the BCBCA for the purpose of carrying out the Amalgamation, with its registered head office located at Suite 605-815 Hornby Street, Vancouver, BC V6Z 2E6, Canada.

The Corporation holds 100% of the common shares of Acquireco.

General Development of the Business

Since inception, the Corporation has been engaged in the identification, acquisition, evaluation and exploration of mineral properties. In light of the ongoing challenges, risks, and uncertainties faced by the junior mining industry, the Corporation intends to pursue the Change of Business into the business of investing in, constructing, owning and leasing various size greenhouse projects industry through the acquisition of DVI.

The Corporation currently retains its mineral property interests in the province of British Columbia, which are disclosed in its Initial Listing Statement (the "**Mining Assets**"); however, given the Corporation's focus on its new proposed business, the Corporation intends to divest itself of its Mining Assets after completion of the Change of Business.

On November 3, 2017, the trading in the Common Shares was halted pursuant to CSE Policies as a result of the Corporation entering into the Amalgamation Agreement. The trading halt remains in place as of the date of this Circular. As of the date hereof, there are 3,027,191 Common Shares issued and outstanding which trade on the CSE under the symbol "FTY".

Selected Financial Information and Management Discussion and Analysis

Annual and Interim Information

The following table sets forth selected financial information for the Corporation for the six-month period ended August 31, 2017 and the financial years ended February 28, 2017 and February 29, 2016 and selected balance sheet data as at August 31, 2017 and as at February 28, 2017 and February 29, 2016. Such information is derived from the financial statements of the Corporation and should be read in conjunction with such financial statements. See "Schedule A - Financial Statements of the Corporation."

Financial Position Data	August 31, 2017 (unaudited) ($)	February 28, 2017 (audited) ($)	February 29, 2016 (audited) ($)
Cash & Cash Equivalents	35,696	4,121	36,412
Total Assets	42,497	8,410	39,511
Shareholders' Equity (deficiency)	57,553	(42,183)	11,722

Income Statement Data	August 31, 2017 (unaudited)	February 28, 2017 (audited)	February 29, 2016 (audited)
Total Expenses	108,373	53,905	22,565
Net Loss and Total Comprehensive Loss	108,373	53,905	22,565

Management's Discussion and Analysis

The Corporation's Management's Discussion and Analysis for the year ended February 28, 2017 and for the six-month period ended August 31, 2017 is attached hereto as "Schedule B – MD&A of the Corporation".

Description of Securities

Securities

The Corporation's authorized share capital consists of an unlimited number of Common Shares without par value. As at the date of this Circular, the outstanding capital of the Corporation consists of:

(i) 3,027,191 Common Shares;

(ii) nil incentive stock options to purchase Common Shares; and

(iii) 1,734,242 Warrants to purchase Common Shares, all of which are exercisable at a price of $0.12 per share at any time until April 28, 2020.

Holders of Common Shares are entitled to one vote per share at meetings of shareholders of the Corporation, to receive dividends if, as and when declared by the directors of the Corporation and to receive pro rata the remaining property and assets of the Corporation upon its dissolution, liquidation or winding-up, subject to the rights of shares having priority over the Common Shares.

Stock Option Plan

See "Part IV - Information Concerning the Corporation - Incentive Stock Option Plan" for a description of the material terms and conditions of the Option Plan. As at the Effective Date, no Common Shares are reserved for issuance pursuant to the Option Plan.

Prior Sales

On May 8, 2017, the Corporation completed a non-brokered private placement of 1,734,242 units, at a price of $0.12 per Unit, for gross proceeds of $208,109. Each unit consisted of one Common Share and one Common Share purchase warrant, with each warrant entitling the holder thereof to acquire one additional Common Share at a price of $0.12 until for a period of three years.

Options

The Corporation has not granted any Options within the last 12 months.

Stock Exchange Price

The Common Shares have been listed and posted for trading on the CSE since November, 2012. Trading of the Common Shares was halted upon the announcement of the Amalgamation Agreement in accordance with CSE Policies on November 3, 2017 and remains halted as of the date hereof.

The following table sets out the price ranges and trading volume of the Corporation's Common Shares for the periods indicated on the CSE:

Period	High ($)	Low ($)	Trading Volume[1]
Month ending October 31, 2017	0.49	0.325	158,800
Month ending September 30, 2017	0.43	0.32	61,238
Quarter ending August 31, 2017	0.425	0.185	168,748
Quarter ending May 31, 2017	0.45	0.055	305,954
Quarter ending February 28, 2017	0.10	0.10	18,220

Quarter ending November 30, 2016	0.05	0.05	Nil
Quarter ending August 31, 2016	0.05	0.05	Nil
Quarter ending May 31, 2016	0.05	0.05	209
Quarter ending February 29, 2016	0.05	0.05	20,000

Note:

(1) Trading prices and volume figures prior to March 31, 2017 have not been adjusted to account for the Consolidation completed on March 28, 2017.

Executive Compensation

General

For the purposes of this Circular, a Named Executive Officer ("NEO") of the Corporation means each of the following individuals:

(a) the Chief Executive Officer ("**CEO**");

(b) the Chief Financial Officer ("**CFO**");

(c) in respect of the Corporation, the most highly compensated executive officer (other than the CEO and CFO) at the end of the most recently completed financial year whose total compensation was more than $150,000, as determined in accordance with applicable securities rules, for that financial year; and; and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Corporation, and not acting in a similar capacity, at the end of that financial year.

As at February 28, 2017 the Corporation had two NEOs, namely Robert Nick Horsley, the Corporation's President and CEO and Abbey Abdiye the Corporation's CFO.

Compensation Discussion and Analysis

Remuneration plays an important role in attracting, motivating, rewarding and retaining knowledgeable and skilled individuals to the Corporation's management team. The Corporation does not have a formal compensation policy. The main objectives the Corporation hopes to achieve through its compensation are:

- to attract and retain executives critical to the Corporation's success, who will be key in helping the Corporation achieve its corporate objectives and increase shareholder value;
- to motivate the Corporation's management team to meet or exceed targets;
- to recognize the contribution of the Corporation's executive directors to the overall success and strategic growth of the Corporation; and
- to align the interests of management and the Corporation's shareholders by providing performance- based compensation in addition to salary.

The Board determines the allocation and terms of any stock option grants. When granting stock options, the Board considers the amount of past options which have been granted.

Purpose of the Compensation Program

The Board, as a whole, ensures that total compensation paid to all NEOs is fair and reasonable and accomplishes the following long-term objectives:

- produce long-term positive results for the Corporation's
- shareholders; align executive compensation with corporate performance; and
- provide market-competitive compensation and benefits that will enable the Corporation to recruit, retain and motivate the executive talent necessary to be successful.

The Board also relies on the experience of its members in assessing compensation levels.

Option-based Awards

The grant of stock options to purchase our common shares is a method of compensation which is used to attract and retain personnel and to provide an incentive to participate in the long-term focus and development of the Corporation, with specific emphasis on increasing shareholder value. The CEO typically puts forth a proposal for stock option grants for directors, officers and employees, which is reviewed and discussed by the Board and ultimately approved by the Board. The following factors are taken into consideration when new stock option grants are proposed:

- the optionee's length of service and responsibility level;
- past performance and expected future performance;
- previous option grants; and
- the number of our issued and outstanding shares.

The Board has not established specific target levels for stock option grants as of the date of this Circular.

Compensation Governance

The Corporation's Board determines an appropriate amount of compensation for its executives, reflecting the need to provide incentive and compensation for the time and effort expended by the executives while taking into account the financial and other resources of the Corporation. The Corporation does not have a Compensation Committee.

Pension Plan Benefits

The Corporation does not have any pension plan or deferred compensation plan that provides for payments or benefits at, following or in connection with the retirement of NEOs.

Termination and Change of Control Benefits

The Corporation has not entered into any employment contracts for management services or otherwise. No benefits will accrue to any of our executive officers or employees upon their termination, or up any change of control of the Corporation.

Director Compensation

Directors will not receive any fees or other compensation for their acting as directors, except that directors will be entitled to incentive stock options pursuant to our Stock Option Plan in such individual amounts as the Board may determine from time to time, and reimbursement for out-of-pocket expenses incurred on our behalf or in providing services as a director.

The purpose of granting stock options is to assist in compensating, attracting, retaining and motivating our directors and to more closely align the personal interests of such persons to those of our shareholders.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation to each NEO and director, in any capacity, during the years ended February 28, 2017 and February 29, 2016.

Table of compensation excluding compensation securities

Name and position	Year	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of perquisites ($)	Value of all other compensation ($)	Total compensation ($)
Nick Horsley[7]	2017	14,000	Nil	Nil	Nil	Nil	14,000
Abbey Abdiye [8]	2017	7,000	Nil	Nil	Nil	Nil	7,000
Christine Mah [9]	2017	Nil	Nil	Nil	Nil	Nil	Nil
Nigel Alexander Horsley (10) Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
John A. Versfelt [1] Former President, CEO and Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Calvin Lucyshyn [2] Former CFO and Director	2017 2016	Nil $2,250	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil $2,250
James Douglas Glass [3] Director Former President and CEO	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Carl von Einsiedel [4] Former Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Douglas Johnston [5] Former CFO and Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Craig Rademaker [6] Former Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

[1] Mr. Versfelt, resigned as Director effective January 27, 2017.
[2] Mr. Lucyshyn resigned as Director effective November 15, 2016.
[3] Mr. Glass, a Corporation Director, resigned as President and CEO effective November 2, 2015.
[4] Mr. Von Einsiedel resigned as Director effective November 15, 2016.
[5] Mr. Johnston resigned as CFO and Director effective July 14, 2015.
[6] Mr. Rademaker resigned as Director effective November 2, 2015.
7) Nick Horsley was elected as CEO and Director effective November 15, 2016
8) Abbey Abdiye was elected as CFO and Director effective November 15, 2016
9) Christine Mah was elected as Director effective November 15, 2016
10) Nigel Alexander Horsley was elected as Director effective January 27, 2017

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each NEO and director by the Corporation for services provided or to be provided, directly or indirectly, in the financial year ended February 28, 2017.

Compensation Securities							
Name and position	**Type of compensation security**	**Number of compensation securities, number of underlying securities, and percentage of class** [1]	**Date of Issue or grant**	**Issue, conversion or exercise price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at year end ($)**	**Expiry date**
Nick Horsley CEO and Director	Stock Option	Nil	N/A	N/A	N/A	N/A	N/A
Abbey Abdiye CFO	Stock Option	Nil	N/A	N/A	N/A	N/A	N/A
Christine Mah	Stock Option	Nil	N/A	N/A	N/A	N/A	N/A
Nigel Alexander Horsley, Director	Stock Option	Nil	N/A	N/A	N/A	N/A	N/A

[1] As at the Effective Date there are no compensation securities outstanding.

Exercise of Stock Options

During the financial year ended February 28, 2017, no NEO or director exercised compensation securities.

Incentive Stock Option Plan

The Corporation's Option Plan was adopted by the Board on March 22, 2012. The Board adopted the Plans in order to advance the interests of the Corporation by providing directors, officers, employees and consultants with a financial incentive tied to the long-term financial performance of the Corporation and continued service or employment with the Corporation. The Option Plan is a 10% "rolling plan".

The exercise price of options granted under the Option Plan is set at the time of the grant of the options, but cannot be less than the closing price of the Corporation's common shares on the Exchange on the trading day immediately preceding the day on which an option is granted.

The maximum period during which options may be exercised is ten (10) years from the date on which they are granted. Options granted under the Option Plan are not transferable other than by will or by the laws of succession of the domicile of the deceased optionee.

Under the Option Plan, if an optionee's employment or service provider relationship with the Corporation is terminated for cause, options not then exercised terminate immediately. If an optionee dies or becomes, in the

determination of the Board, permanently disabled, options may be exercised for that number of common shares which the optionee was entitled to acquire at the time of death or permanent disability, as the case may be. Such options may be exercised for a period of one year after the date of death or permanent disability. Upon an optionee's employment, office, directorship or service provider relationship with the Corporation terminating or ending other than by reason of death, permanent disability or termination for cause, options may be exercised for that number of common shares which the optionee was entitled to acquire at the time of such termination. Such options may be exercised for a period of one year after such date.

Indebtedness of Directors and Executive Officers

As at the date of this Circular, no individual who is an executive officer, director, employee or former executive officer, director or employee of the Corporation or any of its subsidiaries is indebted to the Corporation or any of its subsidiaries pursuant to the purchase of securities or otherwise.

No individual who is, or at any time during the financial year ended February 28, 2017 was, a director or executive officer of the Corporation, a proposed management nominee for election as a director of the Corporation, or an associate of any such director, executive officer or proposed nominee, was indebted to the Corporation or any of its subsidiaries during the financial year ended February 28, 2017 or as at the date of this Circular in connection with security purchase programs or other programs.

Interests of Informed Persons in Material Transactions

Except as other disclosed in this Circular, no "informed person" (as such term is defined in NI 51-102) or proposed nominee for election as a director of the Corporation or any associate or affiliate of the foregoing has any material interest, direct or indirect, in any transaction in which the Corporation has participated since February 28, 2017 or in any proposed transaction which has materially affected or will materially affect the Corporation.

Mr. Nick Horsley, the current CEO and a director of the Corporation, who will resign upon completion of the Amalgamation, beneficially owns 3,004,500 DVI Shares which will be exchanged for 3,004,500 Resulting Issuer Shares upon completion of the Amalgamation, such that in aggregate it is anticipated that Mr. Horsley will own 3,192,000 Resulting Issuer Shares, equal to approximately 4.69% of the Resulting Issuer Shares (assuming completion of the Maximum Raise on an un-diluted basis).

Non-Arm's Length Party Transactions/Arm's Length Transactions

Non-Arm's Length Party Transactions

Within 24 months from the Effective Date, the Corporation has not acquired any assets or been provided any services in any transaction, or in any proposed transaction, from any director, officer or Insider of the Corporation, the proposed nominees for election as directors of the Resulting Issuer, the proposed officers or Insiders of the Resulting Issuer or their Associates or Affiliates.

Arm's Length Transactions

The Amalgamation is not an Arm's Length Transaction. Robert Nick Horsley, an Insider of the Corporation, is a registered or beneficial shareholder of DVI. Pursuant to the Amalgamation, the Corporation will acquire all of the issued and outstanding shares of DVI from Robert Nick Horsley in consideration for Resulting Issuer Shares pursuant to the terms of the Amalgamation Agreement. Notwithstanding the foregoing, pursuant to MI 61-101, Mr. Horsley will be excluded from voting in determining whether the Change of Business Resolution has been approved.

Legal Proceedings

Management knows of no legal proceedings, contemplated or actual, involving the Corporation or which could materially affect the Corporation.

Auditor, Transfer Agents and Registrars

Auditor

The auditor of the Corporation is Manning Elliott LLP, Chartered Professional Accountants at its Vancouver office located at11th floor, 1050 W Pender St, Vancouver, BC V6E 3S7.

Transfer Agent and Registrar

The transfer agent and registrar of the Corporation is Computershare Investor Services Inc., at its Vancouver office located at 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9.

Material Contracts

The Corporation has not entered into any material contracts and will not enter into any material contracts prior to completion of the Amalgamation other than:

(i) the Amalgamation Agreement.

Copies of these agreements will be available for inspection at the head office of the Corporation during ordinary business hours on any business day prior to the Amalgamation Effective Date and for a period of 30 days thereafter.

PART V - INFORMATION CONCERNING DVI

Corporate Structure

Name and Incorporation

DVI was incorporated under the BCBCA on November 27, 2015 under the name DVI Infrastructure Corp. The registered and head office of DVI is located at 2331 Rogerson Drive, Coquitlam BC V3J 6Y1.

General Development of the Business

General Development of the Business

Overview

DVI is a privately-owned company incorporated on November 27, 2015 under the BCBCA engaged in the business of investing in, constructing, owning and leasing various size greenhouse projects to provide turnkey real estate and equipment solutions for lease to licensed cannabis producers and processors who have best in class operations and brands. DVI undertakes this activity through a joint venture relationship. Specifically, DVI, Sentinel Property Management Ltd. and Stratto, LLC are parties to JV Agreement, which outlines that DVI holds a 30% interest in DVG, Sentinel Property Management Ltd. owns a 20% interest in DVG, and Stratto LLC owns a 50% interest in DVG. Pursuant to the JV Agreement, DVG, a limited liability company constituted under the laws of Washington State, holds a lease with an option to purchase four acres of land located at the Moses Lake Property.

DVI's (through DVG) focus is working with, and providing facilities management to, a portfolio of tenants by way of various facilities' agreements and even possibly equity stakes in licensed operations in legal cannabis firms (medical and recreational) within the Washington State marketplace initially; with other U.S. States to be expanded to in the future.

In connection with the Amalgamation, its principal objective is to build one of the first Washington State focused, value-added, end-to-end solution facilities for the emerging Cannabis marketplace. The Moses Lake Property and infrastructure will be made available to tenants who have valid and fully legal operating licenses.

DVG has commenced site preparation for construction on its greenhouse project at the Moses Lake Property, which will consist of twelve (12) separate greenhouses (the "**Facility**") with a total of 43,680 square feet of canopy for lease to marijuana producers/processors from the Moses Lake, Washington area. Cost of completion of the construction of the Facility is estimated at approximately $1,500,000, which will be provided pursuant to the terms and conditions of the JV Agreement, such that the Resulting Issuer will receive preferential pay back on capital at a rate of 60% of the profits of DVG until it has recouped the entirety of its investment. Stratto, LLC for its 50% interest in DVG pursuant to the JV Agreement, is responsible for introducing two production/processing licensees to enter lease, equipment rental, management, and licensing contracts with DVG, with the intention that those licenses will become DVG's additional 'tenant-growers'. Once the Resulting Issuer has recouped all its loan investment it will earn income from DVG equal to 30% of the lease, equipment rental, management fees, and licensing revenue charged to tenant growers.

Mission

In 1998 Washington State legalized marijuana for medicinal use and subsequently became the second state to legalize marijuana for recreational use in 2012.

DVI provides a facility management (facility and equipment) solution to the legal cannabis sector in Washington State, with a focus on certain key horizontally-related markets – licensed producers and processors of cannabis, specialized producers, and overall new, creative cannabis producers and processors. DVI / Resulting Issuer will contribute to DVG initial strategic capital and functional expertise to maximize the return potential of its diversified portfolio of land/building and equipment assets and holdings. At the core of the DVI's competitive advantage is its capital markets, brand development and project selection skills, as well as functional expertise in the key areas of growing, cultivation, extraction and post-processing.

DVI's vision is to "offer a complete turnkey real estate/equipment solution for cannabis producers/processors who want to produce high-quality products. Also, to create and maintain sustainable revenue/income streams for DVI / the Resulting Issuer by DVG providing end-to-end facilities management solutions geared to the needs of growers. See "Part VI - Information Concerning the Resulting Issuer – Narrative Description of the Business - Stated Business Objectives and Milestones".

Recent Financings

As of the Effective date DVI has completed a portion of the Offering totaling 42,192,000 DVI Units, for gross proceeds of $4,219,200.

Selected Financial Information and Management's Discussion and Analysis

Annual Information

The following table sets forth selected financial information for DVI for the nine-month period ended September 30, 2017 and the financial year ended December 31, 2016 and selected balance sheet data as at September 30, 2017 and as at December 31, 2016. Such information is derived from the audited financial statements of DVI and should be read in conjunction with such financial statements. See "Schedule C - Financial Statements of DVI".

Balance Sheet Data	September 30, 2017 (unaudited) ($)	December 31, 2016 (audited) ($)
Total Assets	$1,292,492	$100
Total Liabilities	$19,000	-

Income Statement Data	September 30, 2017 (unaudited) ($)	December 31, 2016 (audited) ($)
Total Income	-	-
Total Expenses	$225,316	-
Net income (loss)	($225,316)	-

Management's Discussion and Analysis

DVI's Management's Discussion and Analysis for the year ended December 31, 2016 and for the nine-month period ended September 30, 2017 is attached hereto as "Schedule D – MD&A of DVI".

Description of Securities

DVI's authorized share capital consists of an unlimited number of DVI Shares without par value. As at the date of this Circular, the outstanding capital of the DVI consists of:

(i) 57,192,000 DVI Shares;

(ii) nil incentive stock options to purchase DVI Shares; and

(iii) 21,096,000 DVI Warrants, of which, 3,912,500 are exercisable at a price of $0.20 per share at any time until September 12, 2019, 3,777,500 are exercisable at a price of $0.20 per share at any time until October 2, 2019, and 13,406,000 are exercisable at a price of $0.20 per share at any time until October 27, 2019.

DVI Common Shares

Holders of DVI Shares are entitled to one vote per share at meetings of shareholders of DVI, to receive dividends if, as and when declared by the directors of DVI and to receive pro rata the remaining property and assets of DVI upon its dissolution, liquidation or winding-up, subject to the rights of shares having priority over the DVI Shares.

Capitalization of DVI

The following table sets forth the capitalization of DVI as at September 30, 2017, being the date of the most recent balance sheet contained in this Circular, and as at the date of this Circular:

Designation of Security	Amount Authorized	Amount Outstanding as at September 30, 2017 (unaudited)	Amount Outstanding as at the date of this Circular
DVI Shares	Unlimited	22,825,000	57,192,000
DVI Warrants	N/A	3,912,500	21,096,000

Dividend Policy

To date, DVI has not paid any dividends on any of the outstanding DVI Shares. The future payment of dividends will be dependent upon the financial requirements of DVI to fund further growth, the financial condition of DVI and other factors which the DVI Board may consider in the circumstances. It is not contemplated that any dividends will be paid in the immediate or foreseeable future if at all.

Prior Sales

The following tables set forth the issuances of securities of DVI during the last 12 months.

Date Issued	Number of Securities	Issue Price per Security ($)	Aggregate Issue Price ($)	Nature of Consideration
November 27, 2015	15,000,000	~$0.000007	$100	Initial Shares (cash)
September 12, 2017	7,825,000	$0.10	$782,500	Private Placement (cash)
October 2, 2017	7,555,000	$0.10	$755,500	Private Placement (cash)
October 27, 2017	26,812,000	$0.10	$2,681,200	Private Placement (cash)

Stock Exchange Share Price

None of the securities of DVI are, or have been, posted for trading on any stock exchange.

Principal Shareholders

To the knowledge of the directors and executive officers of DVI, as at the date of this Circular, no persons beneficially own, or control or direct, directly or indirectly, voting securities of DVI carrying 10% or more of the voting rights attached to the DVI Shares other than the following shareholders who in the aggregate control over 10% of the DVI Shares:

Name and Muncipality of Residence of Shareholder	Type of Ownership	Number and Percentage of DVI Shares Owned Prior to Completion of the Amalgamation	Number and Percentage of Resulting Shares Owned After Completion of the Amalgamation
Hani El-Rayess (Director of DVI)	Direct	3,400,000 5.9 (%)(1)	3,587,500 5.3 (%)(2)
Daniel Terrett (Director of DVI)	Direct	3,750,000 6.5(%)(1)	4,000,929 5.9 (%)(2)
Robert Nick Horsley (Director & CEO of Fortify)	Direct	3,004,500 5.3 (%)(1)	3,192,000 4.7 (%)(2)
Brian Gusko (Director of DVI)	Direct	3,025,000 5.3 (%)(1)	3,025,000 4.4 (%)(2)

Notes:

(1) Based on an aggregate of 57,192,000 DVI Shares issued and outstanding as of the date of this Circular.

(2) Based on a total of 68,027,191 Resulting Issuer Shares expected to be outstanding following completion of the Amalgamation, on an undiluted basis (assuming the Maximum Raise).

Executive and Director Compensation

In light of DVI's current stage of development, it does not have a formal compensation program.

DVI has not had and does not currently have any long-term incentive plans.

Legal Proceedings

To the knowledge of the management of DVI, there are no actual or contemplated material legal proceedings to which DVI is a party.

Material Contracts

Since incorporation, other than contracts entered into in the ordinary course of business, DVI has not entered into any contracts material to DVI except:

(i) the Amalgamation Agreement;

(ii) the JV Agreement; and

(iii) the Operating Agreement.

The material contracts described above may be inspected at the registered office of DVI during ordinary business hours until the Amalgamation Effective Date and for a period of 30 days thereafter.

PART VI - INFORMATION CONCERNING THE RESULTING ISSUER

Corporate Structure

Name and Incorporation

Upon Fortify Minority Shareholder approval of the Change of Business and completion of the Amalgamation, the Resulting Issuer will continue to be a BCBCA corporation. Subject to Board approval of the Name Change, the Resulting Issuer will file a notice of alteration to change its name to "Crop Infrastructure Corporation", or such other name as may be determined in the sole discretion of the Resulting Issuer Board.

The Resulting Issuer's head and registered office will be located at 600, 535 Howe Street, Vancouver, BC, V6C 2Z7

Intercorporate Relationships

Upon completion of the Amalgamation, the amalgamated company formed on the amalgamation of DVI and Acquireco, will become a wholly-owned subsidiary of the Resulting Issuer.

Narrative Description of the Business

The Resulting Issuer's business objective after completion of the Amalgamation will be to continue to be the same as previously carried on by DVI.

DVI selected to build in Moses Lake, Washington because it has some of the lowest cost power available in Washington State. Additionally, the Moses Lake Property is zoned for commercial cannabis production.

Overall, the Resulting Issuer will seek to aid tenants so they can develop horizontal, end-to-end cannabis growing solutions (i.e., producers and processors) and be able to link very cost-effective indoor production and high-quality crops. The Resulting Issuer will contribute strategic capital to DVG and capital market expertise to maximize the return potential of DVG's diversified portfolio of tenants using the Moses Lake Property and Facility thereon.

Building a Unique End-to-End Cannabis Solution

The Resulting Issuer focus is working with, and providing facilities management to, a portfolio of tenants by way of various facilities' agreements and even possibly equity stakes in licensed operations in legal cannabis firms (medical and recreational) within the Washington State marketplace initially; with other U.S. States to be expanded to in the future.

The Resulting Issuer's objective is to build one of the first Washington State focused, value-added, end-to-end solution facilities for the emerging Cannabis marketplace. The Moses Lake Property and infrastructure will be made available to tenants who have valid and fully legal operating licenses.

At the core of the Resulting Issuer and DVG's competitive advantage is the combined capital markets, real estate, brand development and cannabis project management skills, as well as functional expertise in the key areas of cultivation, extraction and post-processing.

See "Stated Business Objectives and Milestones" immediately below and ''Part V - Information Concerning DVI - General Development of the Business".

Stated Business Objectives and Milestones

Upon completion of the Amalgamation, the principal business intended to be carried on by the Resulting Issuer is the business of investing in, constructing, owning and leasing various size greenhouse projects for lease to licensed cannabis producers and processors, with a focus on the Facility at the Moses Lake Property.

The Resulting Issuer will seek to contract with various high-quality, licensed and Washington State approved marijuana producers and processors of marijuana for indoor production.

DVG has commenced site preparation for construction on the Facility. Cost of completion of the construction of the Facility is estimated at approximately $1,500,000, which will be provided pursuant to the terms and conditions of the JV Agreement, such that the Resulting Issuer will receive preferential pay back on capital at a rate of 60% of the profits of DVG until it has recouped the entirety of its investment. Stratto, LLC for its 50% interest in DVG pursuant to the JV

Agreement, is responsible for introducing two production/processing licensees to enter lease, equipment rental, management, and licensing contracts with DVG, with the intention that those licenses will become DVG's additional 'tenant-growers'. Once the Resulting Issuer has recouped all its loan investment it will earn income from DVG equal to 30% of the lease, equipment rental, management fees, and licensing revenue charged to tenant growers.

In the 12 months following completion of the acquisition of DVI, the Corporation intends to:

(i) complete the construction of the Facility on the Moses Lake Property;

(ii) raise capital in in addition to the Offering as necessary to finance the construction of a Facility to completion; and

(iii) pursue additional joint venture and / or acquisition opportunities and strategic partnerships to build up and expand the Resulting Issuer's business.

The principal milestone that must occur during the 12-month period following completion of the Amalgamation for the business objectives described above to be accomplished are as follows:

Milestone	Target Date	Estimated Cost
Complete construction of the Facility	April 30, 2018	$1,500,000
TOTAL		**$1,500,000**

Description of Securities

The share structure and the rights associated with common shares of the Resulting Issuer will remain the same after the Amalgamation. See "Part IV - Information Concerning the Corporation - Description of Securities."

Upon completion of the Amalgamation, the outstanding capital of the Resulting Issuer will consist of:

(i) 68,027,191 Resulting Issuer Shares (assuming the Maximum Raise); and

(ii) 26,734,242 Resulting Issuer Warrants to purchase Resulting Issuer Shares (assuming the Maximum Raise) of which: (a) 25,000,000 Resulting Issuer Warrants, exercisable at a price of $0.20 per Resulting Issuer Share; and (b) and 1,734,242 Resulting Issuer Warrants will be exercisable at a price of $0.12 per Resulting Issuer Share and will expire on or about May 8, 2020.

Holders of Resulting Issuer Shares will be entitled to one vote per share at meetings of shareholders of the Resulting Issuer, to receive dividends if, as and when declared by the directors of the Resulting Issuer and to receive pro rata the remaining property and assets of the Resulting Issuer upon its dissolution, liquidation or winding-up, subject to the rights of shares having priority over the Resulting Issuer Shares.

Pro Forma Consolidated Capitalization

The following table sets forth the capitalization of the Resulting Issuer after giving effect to the Amalgamation including, without limitation, as described in the pro forma financial statements attached hereto as Schedule "E".

Designation of Security	Amount Authorized	Amount Outstanding After Giving Effect to the Amalgamation
Resulting Issuer Shares	Unlimited	68,027,191[(1)]

Designation of Security	Amount Authorized	Amount Outstanding After Giving Effect to the Amalgamation
Long term debt	N/A	Nil
Resulting Issuer Options under the Option Plan	N/A	Nil
Resulting Issuer Warrants	N/A	26,734,242(1)

Notes:
(1) Assuming the Maximum Raise.

Fully Diluted Share Capital

The following table sets out the diluted share capital of the Resulting Issuer after giving effect to the Amalgamation (assuming Maximum Raise):

Designation of Security	Number of Securities
Common Shares of the Corporation issued and outstanding as at the date of this Circular	3,027,191
Resulting Issuer Shares to be issued pursuant to the Amalgamation Agreement	65,000,000
Shares reserved for issuance upon exercise of Resulting Issuer Options granted pursuant to the Option Plan	Nil
Shares reserved for issuance upon exercise of outstanding Warrants of the Corporation as at the date of this Circular	1,734,242
Resulting Issuer Warrants to be issued pursuant to the Amalgamation Agreement	25,000,000
Total Number of Securities	**94,761,433**

Available Funds and Principal Purposes

The pro forma working capital position of the Corporation as at September 30, 2017, giving effect to the Amalgamation as if it had been completed on that date, was $4,874,059.

The Corporation has historically relied upon equity financings to satisfy its capital requirements and will continue to depend upon equity capital to finance its activities.

On May 8, 2017, the Corporation completed a non-brokered private placement of 1,734,242 units, at a price of $0.12 per unit, for gross proceeds of $208,109. Each unit consisted of one Common Share and one Common Share purchase warrant, with each warrant entitling the holder thereof to acquire one additional Common Share at a price of $0.12 until for a period of three years.

Concurrent with or prior to the closing of the Amalgamation, DVI proposes to complete the Offering of between 15,000,000 and 50,000,000 DVI Units at a price of $0.10 per Unit for gross proceeds of between $1,500,000 and $5,000,000, of which DVI has (as of the Effective date) completed a portion thereof, totaling 42,192,000 DVI Units, for gross proceeds of $4,219,200. Each Unit consists of one DVI Share and one-half of one DVI Warrant, with each whole DVI Warrant entitling the holder to purchase one DVI Share at an exercise price of $0.20 per DVI Share for a period of 24 months from the closing of the Offering. Pursuant to the Amalgamation Agreement, at Closing, holders of DVI Shares and Warrants will receive Resulting Issuer Shares and Warrants in exchange for DVI Shares and Warrants held on a one-to-one basis. The Resulting Issuer Warrants exchanged for DVI Warrants will be subject to an acceleration clause such that in the event that the closing price of the Resulting Issuer Shares on any stock exchange or quotation system on which the Resulting Issuer Shares are then listed or quoted is equal to or higher than $0.40 per Resulting Issuer Share for a period of five consecutive trading days at any time prior to the expiry date thereof, the Resulting Issuer will have the right to accelerate the expiry date of the Resulting Issuer Warrants by giving notice to the holders by such method of notice as is permissible under the terms and conditions of the Resulting Issuer Warrant certificates that the Resulting Issuer Warrants will expire on a date that is not less than ten days from the date notice is given. The same terms and conditions apply to the Resulting Issuer Warrants exchanged for DVI Warrants.

The consolidated *pro forma* balance sheet of the Resulting Issuer, which gives effect to the Amalgamation as if it had been completed on September 30, 2017, is attached hereto as Schedule "E".

Use of Proceeds	Funds to be Expended
Costs of completing the acquisition of DVI and the requalification on the CSE	$75,000
Complete the construction of the Facility on the Moses Lake Property	$1,500,000
General and Administrative Expenses	$200,000

The Corporation intends to spend the funds available to it for the principal purposes indicated above. Notwithstanding the foregoing, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Corporation to achieve its objectives. The Corporation will require additional funds in order to fulfill all of its expenditure requirements to meet its new business objectives and expects to either issue additional securities or incur indebtedness. There can be no assurance that additional funding required by the Corporation will be available if required. However, it is anticipated that the available funds will be sufficient to satisfy the Corporation's objectives over the next 12 months.

Dividends

There are no restrictions that could prevent the Resulting Issuer from paying dividends. Any decision to pay dividends on its shares will be made by the Resulting Issuer's board of directors on the basis of the Resulting Issuer's earnings, financial requirements and other conditions existing at such future time. It is not contemplated that any dividends will be paid in the immediate or foreseeable future following completion of the Amalgamation.

Principal Securityholders of the Resulting Issuer

To the knowledge of the directors and officers of each of the Corporation and DVI as of the date hereof, no Person will beneficially own, directly or indirectly, or exercise control or direction over voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Resulting Issuer after completion of the Amalgamation.

Directors, Officers and Promoters of the Resulting Issuer

Name, Address, Occupation and Security Holdings

The following table lists the names, municipalities of residence of the proposed directors and officers of the Resulting Issuer, their proposed positions and offices to be held with the Resulting Issuer, and their principal occupations during the past five years and the number of securities of the Resulting Issuer which will be beneficially owned, directly or indirectly, or over which control or direction will be exercised by each upon completion of the Amalgamation.

Name& Municipality of Residence	Present Occupation and Positions Held During the Last Five Years	Proposed Position with Resulting Issuer	Number of Resulting Issuer Shares to be Beneficially Held(1)(2)	Percentage of Resulting Issuer Shares to be Beneficially Held(2)
Michael Yorke(3) *Vancouver, B.C.*	Mr. Yorke has been an active day trader and equity investor for the last 8 years. He has worked as an executive with On-Page Media organizing Capital Market events.	CEO, and Director	Nil	0%

Christine Mah(3) *Vancouver, B.C.*	Director of companies: Director; Ora Touchscreen Technologies; and Director, Fortify Resources Inc.	Director	Nil	0%
Nigel Horsley(3) *Vancouver, B.C.*	Investor relations professional since 2006.	Director	Nil	0%
Abbey Abdiye *Vancouver, B.C.*	Chartered Professional Accountant (CPA) and Certified Management Accountant (CMA); former CFO of Biomark Diagnostics Inc.; CFO of Tower One Wireless Corp; CFO of Ceylon Graphite Corp.; Fortify Resources Inc.; and Orca Touchscreen Technologies Ltd.	CFO	Nil	0%

Notes:

(1) Securities beneficially owned, directly or indirectly, or over which control or direction is exercised, as at the Effective Date, based upon information furnished to the Corporation and DVI by the above individuals.
(2) Assuming completion of the Amalgamation (and the Maximum Raise). All proposed officers and directors of the Resulting Issuer will hold no Resulting Issuer Shares (0%).
(3) Anticipated members of the Resulting Issuer's Audit Committee.

Management

Upon completion of the Amalgamation, it is anticipated that current director of the Corporation, Mr. Robert Nick Horsley, will resign and that the board of directors of the Resulting Issuer will consist of current directors Ms. Christine Mah and Mr. Nigel Horsley and a third director to be appointed by the board, Mr. Michael Yorke. It is further anticipated that Mr. Robert Nick Horsley will resign as CEO of the Corporation and be replaced by Mr. Yorke. Mr. Abdiye will remain as the CFO of the Corporation. The Corporation and DVI intend to work closely with its joint-venture partners on the Moses Lake Property.

A brief description of the biographies for all the proposed officers and directors of the Resulting Issuer are set out below:

Michael Yorke, Age 35 – Proposed CEO and Director

Mr. Yorke has been an active day trader and equity investor for the last 8 years. He has worked in with On-Page Media organizing Capital Market events.

His previous work experience includes working in banking at RBC as a customer service representative. He also completed his bachelor of business administration degree at BCIT with a diploma in International Business and is currently working part-time towards obtaining a master of business administration degree.

Mr. Yorke has not entered into a non-competition or confidentiality agreement with the Resulting Issuer. It is expected that he will devote approximately 60% of his time to the business of the Resulting Issuer to effectively fulfill his duties as CEO and Director. Mr. Yorke is an independent contractor of the Resulting Issuer. It is not anticipated that he will enter into a non-competition, or confidentiality agreement with the Resulting Issuer.

Christine Mah, Age 45 – Current Director

Mr. Mah is an experienced professional holding a marketing diploma from British Columbia Institute of Technology. Ms. Mah has spent 10 years working with reporting companies assisting with office management, office system implementation, book keeping and administration services. Her corporate experience has ranged from industries such as communications, technology, consumer goods, culinary. Ms. Mah has had experience relevant to audit committees by actively participating in the yearly audits of Evolving Gold Corp.

Ms. Mah has not entered into a non-competition, or confidentiality agreement with the Resulting Issuer. It is expected that Ms. Mah will devote approximately 30% of her time to the business of the Resulting Issuer to effectively fulfill her duties as a Director. Ms. Mah is an independent contractor of the Resulting Issuer. It is not anticipated that she will enter into a non-competition, or confidentiality agreement with the Resulting Issuer.

Nigel Alex Horsley, Age 30 – Current Director

Mr. Alex Horsley has been working in the mining industry as an investor relations professional since 2006. He is currently the investor relations for IDM Mining Ltd. (TSXV) and Genesis Metals Corp. (TSXV), two public development stage gold mining companies.

Mr. Alex Horsley has not entered into a non-competition, or confidentiality agreement with the Resulting Issuer. It is expected that Mr. Alex Horsley will devote approximately 20% of his time to the business of the Resulting Issuer to effectively fulfill his duties as a Director. Mr. Alex Horsley is an independent contractor of the Resulting Issuer. It is not anticipated that he will enter into a non-competition, or confidentiality agreement with the Resulting Issuer.

Abbey Abdiye, Age 43 – Current CFO

Mr. Abdiye has extensive experience in the financial sector in both public and private companies. He is a Chartered Professional Accountant (CPA), current CFO of Tower One Wireless Corp. and other reporting issuers, where he was responsible for all financial, fiscal management, regulatory compliance matters and reporting aspects of company operations. He also provided strategic guidance and direction in capital structuring and engaged in innovative financing program that leveraged sales and development.

At Fortify Resources Inc. as CFO, Mr. Abdiye provides leadership and coordination in the administrative, business planning, reporting, and budgeting efforts of the company. He oversees the company's financial reporting, internal controls, corporate governance management systems, annual audit and regulatory compliance matters. He obtained Bachelor of Business Administration degree from Simon Fraser University and a Co-op Education certificate.

Mr. Abdiye has not entered into a non-competition, or confidentiality agreement with the Resulting Issuer. It is expected that Mr. Abdiye will devote approximately 30% of his time to the business of the Resulting Issuer to effectively fulfill his duties as the CFO. Mr. Abdiye is an independent contractor of the Resulting Issuer. It is not anticipated that he will enter into a non-competition, or confidentiality agreement with the Resulting Issuer.

Corporate Cease Trade Orders or Bankruptcies; Penalties or Sanctions; Personal Bankruptcies

Other than as disclosed below, during the past ten years, none of the proposed directors, officers or promoters of the Resulting Issuer or any security holder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, was a director, officer or promoter of any other person or company that was, while that person was acting in that capacity: (a) the subject of a cease trade order or similar order or an order that denied the other issuer access to any exemptions under applicable securities law for a period of more than 30 consecutive days, or (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

None of the proposed directors, officers or promoters of the Resulting Issuer, or a security holder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has: (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable security holder making a decision about the Amalgamation.

During the past ten years, none of the proposed directors, officers or promoters of the Resulting Issuer, or a security holder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such persons has, has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or promoter.

Conflicts of Interest

Conflicts of interest may arise as a result of the directors, officers and promoters of the Corporation also holding positions as directors or officers of other companies. Some of the individuals who will be directors and officers of the Corporation have been and will continue to be engaged in the identification and evaluation of assets, businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers of the Corporation will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies provided under BCBCA.

Other Reporting Issuer Experience

The following proposed directors, officers or promoters of the Resulting Issuer are, or within the past five years have been, directors, officers or promoters of the following reporting issuers (other than the Corporation).

Name	Name of Reporting Issuer	Name of Exchange or Market	Position	Term
Michael Yorke	N/A	N/A	N/A	N/A
Christine Mah	Tower One Wireless Corp. Orca Touchscreen Technologies Ltd.	CSE CSE	Director Director	March 2016 to January 2017 June 2017 to Present
Nigel Horsley	N/A	N/A	N/A	N/A
Abbey Abdiye	Tower One Wireless Corp. Ceylon Graphite Corp. Fortify Resources Inc. Orca Touchscreen Technologies Ltd. Biomark Diagnostics Inc.	CSE TSXV CSE CSE CSE	CFO CFO CFO CFO CFO	April 2016 to Present January 2017 to Present November 2016 to Present May 2017 to Present June 2014 to June 2017

Promoter

Other than disclosed herein, no person or company will be a promoter of the Resulting Issuer, or has been within the two years immediately preceding the date of this Circular a promoter of the Corporation, DVI, or a subsidiary of the Corporation.

Proposed Executive Compensation of the Resulting Issuer

Summary Compensation Table

The following table sets forth the anticipated compensation to be paid or awarded to the following executive officers of the Resulting Issuer: (i) the Chief Executive Officer; and (ii) the Chief Financial Officer for the 12-month period after giving effect to the Amalgamation:

Name and principal position	Year	Salary ($)	Share-based awards ($)	Option-based awards ($)(3)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compen-sation ($)	Total compen-sation ($)
					Annual incentive plans	Long-term incentive plans			
Michael Yorke(1) CEO	2018	$60,000	Nil	Nil	Nil	Nil	Nil	Nil	$60,000
Abbey Abdiye(2) CFO	2018	$60,000	Nil	Nil	Nil	Nil	Nil	Nil	$60,000

Notes:

(1) It is currently anticipated that Mr. Yorke will be paid $5,000/month or $60,000/year, less applicable withholdings and deductions, for his services to the Resulting Issuer and Amalco.

(2) It is currently anticipated that Mr. Abbey Abdiye will be paid $5,000/month or $60,000/year, less applicable withholdings and deductions, for his services to the Resulting Issuer and Amalco.

(3) It is anticipated that the directors and senior officers of the Resulting Issuer will receive stock options throughout their tenures at the Resulting Issuer.

Indebtedness of Directors and Officers

At any time since the beginning of the most recently completed financial year of the Corporation or DVI, no director, executive officer or other senior officer of the Corporation or DVI or person who acted in such capacity in the last financial year of the Corporation or DVI, or proposed director or officer of the Reporting Issuer, or any Associate of any such director or officer is, or has been, indebted to the Corporation or DVI nor has any such persons indebtedness to another entity been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or ·understanding provided by the Corporation or DVI or a subsidiary thereof.

Investor Relations Arrangements

Neither the Corporation nor DVI is a party to any written or oral agreement or understanding to provide any promotional or investor relations services for the Corporation or the Resulting Issuer.

Options to Purchase Securities

The Corporation currently has no stock options outstanding and at the closing of the Amalgamation it does not anticipate having any stock options granted and outstanding. However, the Resulting Issuer anticipates granting options to its directors, officers, employees and consultants throughout the 2018 fiscal year.

Escrowed Securities

It is expected that the following securities of the Resulting Issuer will be subject to escrow in accordance with NP 46-201—*Escrow for Initial Public Offerings* and subject to the escrow release schedule set out therein:

Designation of class	Number held in escrow	Percentage of class
Common Shares	13,367,000[(2)]	19.65%[(1)]

(1) Based on a total of 68,027,191 Resulting Issuer Shares expected to be outstanding following completion of the Amalgamation, on an undiluted basis (assuming the Maximum Raise).

(2) Robert Nick Horsley will own and control 3,192,000 Resulting Issuer Shares; Hani El-Rayess will own and control 3,400,000 Resulting Issuer Shares; Brian Gusko will own and control 3,025,000; and Daniel Terrett will own and control 3,750,000 Resulting Issuer Shares.

Escrow releases will be scheduled at periods specified in NP 46-201 for emerging issuers, that is, 10% will be released on the date that the Consideration Shares commence trading on the CSE system following completion of the Amalgamation, followed by six subsequent releases of 15% every six months thereafter. The form of the escrow agreement must be as provided in NP 46- 201. Pursuant to CSE discretion, the number of securities of the Resulting Issuer subject to escrow may be changed, including the terms and conditions of escrow.

Auditor, Transfer Agent and Registrars

Auditor

The auditors of the Corporation, Manning Elliott LLP, Chartered Professional Accountants at its Vancouver office located at 11th floor, 1050 W Pender St, Vancouver, BC V6E 3S7, will remain the auditors of the Resulting Issuer upon completion of the Amalgamation. See ‘‘Part IV - Information Concerning the Corporation - Auditor, Transfer Agents and Registrars.”

Transfer Agent and Registrar

The transfer agent and registrar of the Corporation, Computershare Investor Services Inc., will remain the transfer agent and registrar of the Resulting Issuer. See “Part IV - Information Concerning the Corporation - Auditor, Transfer Agents and Registrars.”

Risk Factors of the Resulting Issuer

An investment in the securities of the Resulting Issuer should be considered speculative due to the nature of the Resulting Issuer’s business, the Resulting Issuer’s early stage of development and certain other factors. A prospective security holder should consider carefully the factors set forth elsewhere in this Circular. See “Part II - The Change of Business and the Amalgamation - Risk Factors.”

PART VII - GENERAL MATTERS

Other Material Facts

The Corporation is not aware of any other material facts relating to the Corporation, DVI or the Resulting Issuer or to the proposed Change of Business and Amalgamation that are not disclosed under the preceding items and are necessary in order for the Circular to contain full, true and plain disclosure of all material facts relating to the Corporation, DVI and the Resulting Issuer, assuming approval of the Change of Business and completion of the Amalgamation, other than those set forth herein.

DVI is not aware of any other material facts relating to the Corporation, DVI or the Resulting Issuer or to the proposed Change of Business and Amalgamation that are not disclosed under the preceding items and are necessary in order for the Circular to contain full, true and plain disclosure of all material facts relating to the Corporation, DVI and the Resulting Issuer, assuming approval of the Change of Business and completion of the Amalgamation, other than those set forth herein.

Information and Approval of the Board and DVI Board

The information contained or referred to in this Circular with respect to the Corporation has been furnished by the Corporation. DVI and its respective directors and officers have relied on the information relating to the Corporation provided by the Corporation and take no responsibility for any errors in such information or omissions therefrom.

The information contained or referred to in this Circular with respect to DVI has been furnished by DVI. The Corporation and its respective directors and officers have relied on the information relating to DVI provided by DVI and take no responsibility for any errors in such information or omissions therefrom.

The contents of this Circular and the Schedules included herein have been approved by the board of directors of the Corporation. The board of directors of the Corporation has also approved the delivery of this Circular to Shareholders.

SCHEDULE "A"
FINANCIAL STATEMENTS OF THE CORPORATION

(See attached)

FORTIFY RESOURCES INC.

Financial Statements

February 29, 2016

(Expressed in Canadian Dollars)

SATURNAGROUP
CHARTERED PROFESSIONAL ACCOUNTANTS LLP

1066 West Hastings Street, Suite 1250
Vancouver, BC Canada V6E 3X1

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Fortify Resources Inc.

We have audited the accompanying financial statements of Fortify Resources Inc., which comprise the statements of financial position as at February 29, 2016 and February 28, 2015 and the statements of operations and comprehensive loss, changes in equity, and cash flows for the years then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

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

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

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

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

Opinion
In our opinion, these financial statements present fairly, in all material respects, the financial position of Fortify Resources Inc. as at February 29, 2016 and February 28, 2015 and its financial performance and its cash flows for the years then ended, in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 of the financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Fortify Resources Inc. to continue as a going concern.

SATURNA GROUP LLP

Saturna Group Chartered Professional Accountants LLP

Vancouver, Canada

June 27, 2016

FORTIFY RESOURCES INC.
Statements of Financial Position
(Expressed in Canadian Dollars)

	February 29, 2016 $	February 28, 2015 $
ASSETS		
Current assets		
Cash and cash equivalents	36,412	63,752
Amounts receivable	3,099	1,687
Total current assets	39,511	65,439
Non-current assets		
Exploration and evaluation assets (Note 3)	31,986	25,858
Total assets	71,497	91,297
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Notes 4 and 7)	59,775	57,010
Total liabilities	59,775	57,010
Shareholders' equity		
Share capital	284,521	284,521
Deficit	(272,799)	(250,234)
Total shareholders' equity	11,722	34,287
Total liabilities and shareholders' equity	71,497	91,297

Nature of business and continuance of operations (Note 1)

Approved and authorized for issuance by the Board of Directors on June 27, 2016:

/s/ 'John Versfelt'
John Versfelt, Director

/s/ 'Calvin Lucyshyn'
Calvin Lucyshyn, Director

(The accompanying notes are an integral part of these financial statements)

FORTIFY RESOURCES INC.
Statements of Operations and Comprehensive Loss
(Expressed in Canadian Dollars)

	Year Ended February 29, 2016 $	Year Ended February 28, 2015 $
Revenue	–	–
Operating Expenses		
Filing fees	12,014	14,416
Office and general	173	519
Professional fees (Note 7)	7,278	13,331
Rent (Note 7)	3,100	6,000
Total expenses	22,565	34,266
Net loss and comprehensive loss	(22,565)	(34,266)
Net loss per share, basic and diluted	(0.01)	(0.01)
Weighted average shares outstanding, basic and diluted	4,525,319	4,525,319

(The accompanying notes are an integral part of these financial statements)

FORTIFY RESOURCES INC.
Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Share Capital			Total Shareholders'
	Shares	Amount	Deficit	Equity
	#	$	$	$
Balance, February 28, 2014	4,525,319	284,521	(215,968)	68,553
Net loss for the year	–	–	(34,266)	(34,266)
Balance, February 28, 2015	4,525,319	284,521	(250,234)	34,287
Net loss for the year	–	–	(22,565)	(22,565)
Balance, February 29, 2016	4,525,319	284,521	(272,799)	11,722

(The accompanying notes are an integral part of these financial statements)

FORTIFY RESOURCES INC.
Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year Ended February 29, 2016 $	Year Ended February 28, 2015 $
Operating Activities		
Net loss	(22,565)	(34,266)
Changes in non-cash working capital items:		
Amounts receivable	(1,412)	3,159
Accounts payable and accrued liabilities	1,637	9,122
Net cash used in operating activities	(22,340)	(21,985)
Investing Activities		
Exploration and evaluation expenditures, net of tax credits	(5,000)	(1,300)
Net cash used in investing activities	(5,000)	(1,300)
Decrease in cash and cash equivalents	(27,340)	(23,285)
Cash and cash equivalents, beginning of year	63,752	87,037
Cash and cash equivalents, end of year	36,412	63,752
Cash and cash equivalents are comprised of:		
Cash	33,362	63,752
Cash held in legal trust	3,050	–
Total cash and cash equivalents	36,412	63,752
Supplemental information:		
Interest paid	–	–
Income taxes paid	–	–

(The accompanying notes are an integral part of these financial statements)

1. Nature of Business and Continuance of Operations

Fortify Resources Inc. (the "Company") was incorporated on May 31, 2011, under the British Columbia Business Corporations Act. The Company is engaged in the acquisition and exploration of mineral properties in Canada. To maintain exploration programs, mineral property interests, and develop future projects beyond the exploration stage, the Company will need additional funding. The Company's head office is located at 20 Sixth Street, New Westminster, BC V3L 2Y8.

These financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and discharge of liabilities in the normal course of business. As at February 29, 2016, the Company has not generated any revenue, has a working capital deficit of $20,264, and has an accumulated deficit of $272,799. The ability of the Company to continue as a going concern is dependent on its ability to raise additional working capital when needed, and generate profitable operations from its operations. Although management estimates that the Company has sufficient working capital to meet anticipated expenditures for at least the ensuing year, there is no certainty that the Company's current or future exploration projects will generate operating revenue or that the management can obtain the necessary financing at rates and terms that are suitable for the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recorded assets or liabilities that might be necessary should the Company be unable to continue as a going concern.

2. Summary of Significant Accounting Policies

(a) Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and Interpretations issued by the International Financial Reporting Interpretations Committee.

(b) Basis of Presentation

The financial statements have been prepared on a historical cost basis and are presented in Canadian dollars, which is also the Company's functional currency.

(c) Use of Estimates and Judgments

The preparation of the financial statements in conformity with IFRS requires the Company's management to make judgments, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. Actual results may differ from these estimates.

Significant areas requiring the use of estimates include the recoverability of exploration and evaluation assets, and unrecognized deferred income tax assets.

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the statement of operations in the period when the new information becomes available.

The assessment of whether the going concern assumption is appropriate requires management to make judgments regarding all available information about the future, which is at least, but not limited to 12 months from the end of the reporting period. The Company is aware that material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

2. Summary of Significant Accounting Policies (continued)

(d) Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance, are readily convertible to known amounts of cash, and which are subject to insignificant risk of change in value to be cash equivalents.

(e) Exploration and Evaluation Expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are charged to operations.

Exploration and evaluation assets are assessed for impairment if: (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant, and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Mineral Property Options

The Company does not record any expenditures made by the optionee in its accounts. It also does not recognize any gain or loss on its exploration and evaluation option arrangements but re-designates any costs previously capitalized in relation to the whole interest as relating to the partial interest retained and any consideration received directly from the optionee is credited against costs previously capitalized.

(f) Impairment of Non-financial Assets

At each reporting period, the Company assesses whether there are indicators of impairment for its non-financial assets. If indicators exist, the Company determines if the recoverable amount of the asset or cash generating unit ("CGU") is greater than its carrying amount. A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets. The Company has used geographical proximity, geological similarities, analysis of shared infrastructure, commodity type, assessment of exposure to market risks and materiality to define its CGUs.

If the carrying amount exceeds the recoverable amount, the asset or CGU is recorded at its recoverable amount with the reduction recognized in the statement of operations. The recoverable amount is the greater of the value in use or fair value less costs to sell. Fair value is the amount the asset could be sold for in an arm's length transaction. The value in use is the present value of the estimated future cash flows of the asset from its continued use. The fair value less costs to sell considers the continued development of a property and market transactions in a valuation model.

Impairments are reversed in subsequent periods when there has been an increase in the recoverable amount of a previously impaired asset or CGU and these reversals are recognized in the statement of operations. The recovery is limited to the original carrying amount less depreciation, if any, that would have been recorded had the asset not been impaired.

2. Summary of Significant Accounting Policies (continued)

(g) Restoration and Environmental Rehabilitation Provisions

The Company recognizes a provision for statutory, contractual, constructive or legal obligations associated with decommissioning of mining operations and reclamation and rehabilitation costs arising when environmental disturbance is caused by the exploration or development of mineral properties. Provisions for site closure and reclamation are recognized in the period in which the obligation is incurred or acquired, and are measured based on expected future cash flows to settle the obligation, discounted to their present value. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability including risks specific to the countries in which the related operation is located.

When an obligation is initially recognized, the corresponding cost is capitalized to the carrying amount of the related asset in mineral properties. These costs are depreciated using either the unit of production or straight line method depending on the asset to which the obligation relates.

The obligation is increased for the accretion and the corresponding amount is recognized as a finance expense. The obligation is also adjusted for changes in the estimated timing, amount of expected future cash flows, and changes in the discount rate. Such changes in estimates are added to or deducted from the related asset except where deductions are greater than the carrying value of the related asset in which case, the amount of the excess is recognized in the statement of operations.

Due to uncertainties concerning environmental remediation, the ultimate cost to the Company of future site restoration could differ from the amounts provided. The estimate of the total provision for future site closure and reclamation costs is subject to change based on amendments to laws and regulations, changes in technology, price increases and changes in interest rates, and as new information concerning the Company's closure and reclamation obligations becomes available.

The Company has no restoration, rehabilitation and environmental costs to date.

(h) Loss Per Share

Basic loss per share is computed by dividing the net income or loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period. Diluted loss per share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. Potentially dilutive securities were excluded from the calculation of dilutive loss per share as they are anti-dilutive. As at February 29, 2016, the Company has nil (February 28, 2015 – 3,225,318) potentially dilutive shares outstanding.

(i) Income Tax

Income tax is comprised of current and deferred income taxes. Current income tax and deferred income tax are recognized in the statement of operations except to the extent that it relates to a business combination, or items recognized directly in equity or in the other comprehensive income (loss).

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

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

2. Summary of Significant Accounting Policies (continued)

(i) Income Tax (continued)

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

(j) Financial Instruments

The Company does not have any derivative financial instruments.

Non-derivative financial assets

The Company classifies financial assets as either financial assets at fair value through profit or loss, available-for-sale, or loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition.

Assets are classified as financial assets at fair value through profit or loss if it is classified as held-for-trading or is designated as such upon initial recognition, and are measured at fair value with changes in fair value and transaction costs recognized in the statement of operations when incurred.

Available-for-sale financial assets are non-derivatives that are either designated in this category or are not classified in any other financial asset category. They are measured at fair value and changes in fair value other than impairment losses and foreign currency differences are recognized in other comprehensive income or loss. When an investment is derecognized, the cumulative gain or loss in the investment revaluation reserve is transferred to the statement of operations.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Held-to-maturity investments are recognized on a trade-date basis and are initially measured at fair value, including transaction costs.

The Company classifies its cash and cash equivalents as financial assets at fair value through profit or loss and amounts receivable as loans and receivable. The Company did not have any financial assets classified as available-for-sale or held-to-maturity.

Non-derivative financial liabilities

The Company classified financial liabilities as other liabilities. Such financial liabilities are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

Accounts payable and accrued liabilities are classified as other liabilities.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial asset are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the assets have been impacted. Factors that could indicate impairment of financial assets include significant financial difficulty, default or delinquency in payment, bankruptcy, or financial reorganization.

2. Summary of Significant Accounting Policies (continued)

(j) Financial Instruments (continued)

Impairment of financial assets (continued)

For certain categories of financial assets, such as amounts receivable, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. The carrying amount of financial assets is reduced by the impairment loss directly for all financial assets with the exception of amounts receivable, where the carrying amount is reduced through the use of an allowance account. When an amount receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in the statement of operations.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the statement of operations 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. In respect of available-for-sale equity securities, impairment losses previously recognized through the statement of operations are not reversed through the statement of operations. Any increase in fair value subsequent to an impairment loss is recognized directly in equity.

(k) Share-based Payments

The Company grants share-based awards to employees, directors and consultants as an element of compensation. The fair value of the awards is recognized over the vesting period as share-based compensation expense and share-based payment reserves. The fair value of share-based payments is determined using the Black-Scholes option pricing model using estimates at the date of the grant. At each reporting date prior to vesting, the cumulative expense representing the extent to which the vesting period has expired and management's best estimate of the awards that are ultimately expected to vest is computed. The movement in cumulative expense is recognized in the statement of operations with a corresponding entry within equity, against share-based payment reserves. No expense is recognized for awards that do not ultimately vest. When stock options are exercised, the proceeds received, together with any related amount in share-based payment reserve, are credited to share capital.

Share-based payments arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, unless the fair value cannot be estimated reliably. If the Company cannot reliably estimate the fair value of the goods or services received, the Company will measure their value by reference to the fair value of the equity instruments granted.

(l) Accounting Standards Issued But Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended February 29, 2016, and have not been applied in preparing these financial statements:

IFRS 9, *Financial Instruments* (New)
IAS 1, *Presentation of Financial Statements* (Amended)

The Company has not early adopted these revised standards and is currently assessing the impact that these standards will have on the financial statements.

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

3. Exploration and Evaluation Assets

	Sericite East Property $
Acquisition costs:	
Balance, February 28, 2014, February 28, 2015, and February 29, 2016	7,322
Exploration costs:	
Balance, February 28, 2014	17,236
Additions	1,300
Balance, February 28, 2015	18,536
Additions	6,128
Balance, February 29, 2016	24,664
Carrying amounts:	
Balance, February 28, 2015	25,858
Balance, February 29, 2016	31,986

The Company owns a 100% interest in the Sericite East Property located in British Columbia, Canada, consisting of two mineral claims.

4. Accounts Payable and Accrued Liabilities

	2016 $	2015 $
Trade payables	12,155	15,907
Trade payables – related party (Note 7)	42,685	39,000
Accrued liabilities	4,935	2,103
	59,775	57,010

5. Share Capital

Authorized - unlimited common shares without par value

Escrow Shares

As at February 29, 2016, the Company has nil (2015 – 390,000) shares held in escrow.

Stock Option Plan

On March 22, 2012, the Company approved a Stock Option Plan (the "Plan") authorizing the issuance of a maximum of 10% of the Company's outstanding common shares on each grant date, inclusive of all shares reserved for issuance pursuant to previously granted stock options. Stock options to purchase common shares of the Company under the Plan may be granted by the Board of Directors to a director, officer, employee or consultant of the Company. The stock options are subject to vesting limitations, exercise price, and exercise periods, to a maximum term of 5 years, as determined by the Board of Directors. As of February 29, 2016 and February 28, 2015, the Company has no outstanding stock options.

6. Share Purchase Warrants

The following table summarizes the continuity of the Company's share purchase warrants:

	Number of warrants	Weighted average exercise price $
Balance, February 28, 2014 and 2015	3,225,318	0.18
Expired	(3,225,318)	–
Balance February 29, 2016	–	–

7. Related Party Transactions

(a) As at February 29, 2016, the Company is indebted to a company controlled by a former director of the Company for $40,500 (February 28, 2015 - $39,000). The amount is included in accounts payable and accrued liabilities and is unsecured, non-interest bearing, and due on demand.

(b) As at February 29, 2016, the Company is indebted to a company controlled by a director of the Company for $1,435 (February 28, 2015 - $nil). The amount is included in accounts payable and accrued liabilities and is unsecured, non-interest bearing, and due on demand.

(c) As at February 29, 2016, the Company is indebted to the Chief Financial Officer of the Company for $750 (February 28, 2015 - $nil). The amount is included in accounts payable and accrued liabilities and is unsecured, non-interest bearing, and due on demand. During the year ended February 29, 2016, the Company incurred accounting fees of $2,250 (February 28, 2015 - $nil) to the Chief Financial Officer of the Company.

(d) During the year ended February 29, 2016, the Company incurred rent of $1,500 (February 28, 2015 - $6,000) to a company controlled by a former director of the Company.

8. Capital Management

The Company currently manages its capital structure and makes adjustments to it, based on cash resources expected to be available to the Company, in order to support the planned exploration of mineral property interests. Management has not established a quantitative capital structure, but reviews on a regular basis the capital requirements of the Company relative to the stage of development of the business entity and mineral property interest and market conditions.

The Company currently is dependent on externally provided equity financing to fund its exploration activities. In order to carry out planned exploration and fund administrative costs, the Company will concentrate its capital plans to raise additional amounts as needed through equity financing. Management reviews the capital management approach on an ongoing basis and believes that this approach is reasonable given the current state of financial markets and the exploration industry. In the case of uncertainty over the ability to raise funds in current or future economic conditions, the Company would manage capital by minimizing ongoing expenses. The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended February 28, 2015.

9. Financial Instruments and Risk Management

The Company is exposed in varying degrees to a variety of financial instrument and related risks. Those risks and management's approach to mitigating those risks are as follows:

(a) Fair Values

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, February 29, 2016 $
Cash and cash equivalents	36,412	–	–	36,412

The fair values of other financial instruments, which include amounts receivable, and accounts payable and accrued liabilities, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is in its cash and cash equivalents and amounts receivable. Cash and cash equivalents are held either within a legal trust or with a major financial institution in Canada that has a high credit quality as determined by rating agencies. Amounts receivable is comprised of GST refunds which are due from the Government of Canada. The carrying amount of the financial assets represents the maximum credit exposure.

(c) Foreign Currency Risk

The Company's functional currency is the Canadian dollar. The Company has minimal exposure to foreign exchange risk as the Company operates within Canada.

(d) Interest Rate Risk

The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash is not significantly affected by changes in short- term interest rates.

(e) Liquidity and Funding Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available capital in order to meet its liquidity requirements. Management maintains sufficient cash to satisfy short-term liabilities in highly liquid investments.

Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions.

(f) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

10. Income Taxes

The tax effect (computed by applying the Canadian federal and provincial statutory rate) of the significant temporary differences, which comprise deferred income tax assets and liabilities, are as follows:

	2016 $	2015 $
Statutory income tax rate	26.00%	26.00%
Income tax recovery at statutory rate	(5,864)	(8,909)
Tax effect of:		
Change in unrecognized deferred income tax assets	5,864	8,909
Income tax provision	–	–

The significant components of deferred income tax assets and liabilities, after applying enacted corporate income tax rates, are as follows:

	2016 $	2015 $
Non capital losses carried forward	70,927	65,063
Exploration and evaluation assets	120	120
Unrecognized deferred income tax assets	(71,047)	(65,183)
Net deferred income tax asset	–	–

As at February 29, 2016, the Company has non-capital losses carried forward of $272,799 which are available to offset future years' taxable income. These losses expire as follows:

	$
2032	63,760
2033	83,186
2034	69,022
2035	34,266
2036	22,565
	272,799

The Company also has available mineral resource related expenditure pools totalling $32,466 (2015 - $26,318), which may be deducted against future taxable income on a discretionary basis.

FORTIFY RESOURCES INC.

Financial Statements

February 28, 2017 and February 29, 2016

(Expressed in Canadian Dollars)

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

11th floor, 1050 West Pender Street, Vancouver, BC, Canada V6E 3S7

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Fortify Resources Inc.

We have audited the accompanying financial statements of Fortify Resources Inc. which comprise the statement of financial position as at February 28, 2017, and the statements of comprehensive loss, changes in equity (deficiency) and cash flows for the year ended February 28, 2017 and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Fortify Resources Inc. at February 28, 2017, and its financial performance and its cash flows for the year ended February 28, 2017 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements, which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Fortify Resources Inc. to continue as a going concern.

Other Matter

The financial statements of Fortify Resources Inc. as at February 29, 2016 and for the year then ended were audited by another firm of independent auditors who expressed an unmodified opinion on those statements in their report dated June 27, 2016.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
May 25, 2017

FORTIFY RESOURCES INC.
Statements of Financial Position
(Expressed in Canadian Dollars)

	February 28, 2017 $	February 29, 2016 $
ASSETS		
Current assets		
Cash and cash equivalents	4,121	36,412
Amounts receivable	4,289	3,099
Total current assets	8,410	39,511
Non-current assets		
Exploration and evaluation assets (Note 3)	36,986	31,986
Total assets	45,396	71,497
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 4)	63,209	59,775
Due to related parties (Note 6)	24,370	-
Total liabilities	87,579	59,775
Shareholders' equity (deficiency)		
Share capital	284,521	284,521
Deficit	(326,704)	(272,799)
Total shareholders' equity (deficiency)	(42,183)	11,722
Total liabilities and shareholders' equity	45,396	71,497

Nature of business and going concern (Note 1)

Subsequent events (Note 10)

Approved and authorized for issuance by the Board of Directors on May 25, 2017:

/s/ "Nick Horsley"
Director

/s/ "Christine Mah"
Director

(The accompanying notes are an integral part of these financial statements)

FORTIFY RESOURCES INC.
Statements of Operations and Comprehensive Loss
(Expressed in Canadian Dollars)

	Year Ended February 28, 2017 $	Year Ended February 29, 2016 $
Operating Expenses		
Consulting fees (Note 6)	21,000	-
Filing fees	10,683	12,014
Office and general	5,972	173
Professional fees (Note 4)	13,050	7,278
Rent (Note 4)	3,200	3,100
Net loss and comprehensive loss	(53,905)	(22,565)
Net loss per share, basic and diluted	(0.04)	(0.02)
Weighted average shares outstanding, basic and diluted	1,292,949	1,292,949

(The accompanying notes are an integral part of these financial statements)

FORTIFY RESOURCES INC.
Statements of Changes in Equity (Deficiency)
(Expressed in Canadian Dollars)

	Share Capital			
	Number of Shares	Amount $	Deficit $	Total $
Balance, February 28, 2015	1,292,949	284,521	(250,234)	34,287
Net loss for the year	-	-	(22,565)	(22,565)
Balance, February 29, 2016	1,292,949	284,521	(272,799)	11,722
Net loss for the year	-	-	(53,905)	(53,905)
Balance, February 28, 2017	1,292,949	284,521	(326,704)	(42,183)

(The accompanying notes are an integral part of these financial statements)

FORTIFY RESOURCES INC.
Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year Ended February 28, 2017 $	Year Ended February 29, 2016 $
Operating Activities		
Net loss	(53,905)	(22,565)
Changes in non-cash working capital items:		
Amounts receivable	(1,190)	(1,412)
Accounts payable and accrued liabilities	3,434	1,637
Net cash used in operating activities	(51,661)	(22,340)
Investing Activities		
Exploration and evaluation expenditures, net of tax credits	(5,000)	(5,000)
Net cash used in investing activities	(5,000)	(5,000)
Financing Activities		
Due to related parties	24,370	-
Net cash provided by financing activities	24,370	-
Decrease in cash and cash equivalents	(32,291)	(27,340)
Cash and cash equivalents, beginning of year	36,412	63,752
Cash and cash equivalents, end of year	4,121	36,412
Cash and cash equivalents are comprised of:		
Cash	4,121	33,362
Cash held in legal trust	-	3,050
Total cash and cash equivalents	4,121	36,412
Supplemental information:		
Interest paid	-	-
Income taxes paid	-	-

(The accompanying notes are an integral part of these financial statements)

1. Nature of Business and Going Concern

Fortify Resources Inc. (the "Company") was incorporated on May 31, 2011, under the British Columbia Business Corporations Act. The Company's head office is located at Suite 600, 535 Howe Street, Vancouver, V6C 2Z4.

The Company is engaged in the acquisition and exploration of mineral properties in Canada. To maintain exploration programs, mineral property interests, and develop future projects beyond the exploration stage, the Company will need additional funding.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at February 28, 2017, the Company incurred a net loss of $53,905, had an accumulated deficit of $326,704 and a working capital deficiency of $79,169. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, and generating profitable operations in the future, these factors give rise to a material uncertainty which casts significant doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the company be unable to continue in business. Such adjustments could be material.

2. Summary of Significant Accounting Policies

(a) Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and Interpretations issued by the International Financial Reporting Interpretations Committee.

These financial statements were authorized for issue by the Board of Directors on May 25, 2017.

(b) Basis of Presentation

The financial statements have been prepared on a historical cost basis and are presented in Canadian dollars, which is also the Company's functional currency.

(c) Use of Estimates and Judgments

The preparation of the financial statements in conformity with IFRS requires the Company's management to make judgments, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. Actual results may differ from these estimates.

Significant areas requiring the use of estimates include the recoverability of exploration and evaluation assets, and unrecognized deferred income tax assets.

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the statement of operations in the period when the new information becomes available.

2. Summary of Significant Accounting Policies (continued)

(c) Use of Estimates and Judgments (continued)

The assessment of whether the going concern assumption is appropriate requires management to make judgments regarding all available information about the future, which is at least, but not limited to 12 months from the end of the reporting period. The Company is aware that material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

(d) Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance, are readily convertible to known amounts of cash, and which are subject to insignificant risk of change in value to be cash equivalents.

(e) Exploration and Evaluation Expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are charged to operations.

Exploration and evaluation assets are assessed for impairment if: (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant, and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(f) Impairment of Non-financial Assets

At each reporting period, the Company assesses whether there are indicators of impairment for its non-financial assets. If indicators exist, the Company determines if the recoverable amount of the asset or cash generating unit ("CGU") is greater than its carrying amount. A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets. The Company has used geographical proximity, geological similarities, analysis of shared infrastructure, commodity type, assessment of exposure to market risks and materiality to define its CGUs.

If the carrying amount exceeds the recoverable amount, the asset or CGU is recorded at its recoverable amount with the reduction recognized in the statement of operations. The recoverable amount is the greater of the value in use or fair value less costs to sell. Fair value is the amount the asset could be sold for in an arm's length transaction. The value in use is the present value of the estimated future cash flows of the asset from its continued use. The fair value less costs to sell considers the continued development of a property and market transactions in a valuation model.

2. Summary of Significant Accounting Policies (continued)

(f) Impairment of Non-financial Assets (continued)

Impairments are reversed in subsequent periods when there has been an increase in the recoverable amount of a previously impaired asset or CGU and these reversals are recognized in the statement of operations. The recovery is limited to the original carrying amount less depreciation, if any, that would have been recorded had the asset not been impaired.

(g) Restoration and Environmental Rehabilitation Provisions

The Company recognizes a provision for statutory, contractual, constructive or legal obligations associated with decommissioning of mining operations and reclamation and rehabilitation costs arising when environmental disturbance is caused by the exploration or development of mineral properties. Provisions for site closure and reclamation are recognized in the period in which the obligation is incurred or acquired, and are measured based on expected future cash flows to settle the obligation, discounted to their present value. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability including risks specific to the countries in which the related operation is located.

When an obligation is initially recognized, the corresponding cost is capitalized to the carrying amount of the related asset in mineral properties. These costs are depreciated using either the unit of production or straight line method depending on the asset to which the obligation relates.

The obligation is increased for the accretion and the corresponding amount is recognized as a finance expense. The obligation is also adjusted for changes in the estimated timing, amount of expected future cash flows, and changes in the discount rate. Such changes in estimates are added to or deducted from the related asset except where deductions are greater than the carrying value of the related asset in which case, the amount of the excess is recognized in the statement of operations.

Due to uncertainties concerning environmental remediation, the ultimate cost to the Company of future site restoration could differ from the amounts provided. The estimate of the total provision for future site closure and reclamation costs is subject to change based on amendments to laws and regulations, changes in technology, price increases and changes in interest rates, and as new information concerning the Company's closure and reclamation obligations becomes available.

The Company has no restoration, rehabilitation and environmental costs to date.

(h) Loss Per Share

Basic loss per share is computed by dividing the net income or loss applicable to common shares of the Company by the weighted average number of common shares outstanding for the relevant period. Diluted loss per share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding, if potentially dilutive instruments were converted. Potentially dilutive securities were excluded from the calculation of dilutive loss per share as they are anti-dilutive.

2. Summary of Significant Accounting Policies (continued)

(i) Income Tax

Income tax is comprised of current and deferred income taxes. Current income tax and deferred income tax are recognized in the statement of operations except to the extent that it relates to a business combination, or items recognized directly in equity or in the other comprehensive income (loss).

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

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

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

(j) Financial Instruments

The Company does not have any derivative financial instruments.

Non-derivative financial assets

The Company classifies financial assets as either financial assets at fair value through profit or loss, available-for-sale, or loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition.

Assets are classified as financial assets at fair value through profit or loss if it is classified as held-for-trading or is designated as such upon initial recognition, and are measured at fair value with changes in fair value and transaction costs recognized in the statement of operations when incurred.

Available-for-sale financial assets are non-derivatives that are either designated in this category or are not classified in any other financial asset category. They are measured at fair value and changes in fair value other than impairment losses and foreign currency differences are recognized in other comprehensive income or loss. When an investment is derecognized, the cumulative gain or loss in the investment revaluation reserve is transferred to the statement of operations.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Held-to-maturity investments are recognized on a trade-date basis and are initially measured at fair value, including transaction costs.

The Company classifies its cash and cash equivalents as financial assets at fair value through profit or loss. The Company did not have any financial assets classified as loans and receivable, available-for-sale or held-to-maturity.

2. Summary of Significant Accounting Policies (continued)

(j) Financial Instruments (continued)

Non-derivative financial liabilities

The Company classified financial liabilities as other liabilities. Such financial liabilities are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

Accounts payable and accrued liabilities, and due to related parties are classified as other liabilities.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial asset are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the assets have been impacted. Factors that could indicate impairment of financial assets include significant financial difficulty, default or delinquency in payment, bankruptcy, or financial reorganization.

For certain categories of financial assets, such as amounts receivable, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. The carrying amount of financial assets is reduced by the impairment loss directly for all financial assets with the exception of accounts receivable, where the carrying amount is reduced through the use of an allowance account. When an account receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in the statement of operations.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the statement of operations 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. In respect of available-for-sale equity securities, impairment losses previously recognized through the statement of operations are not reversed through the statement of operations. Any increase in fair value subsequent to an impairment loss is recognized directly in equity.

(k) Share-based Payments

The Company grants share-based awards to employees, directors and consultants as an element of compensation. The fair value of the awards is recognized over the vesting period as share-based compensation expense and share-based payment reserves. The fair value of share-based payments is determined using the Black-Scholes option pricing model using estimates at the date of the grant. At each reporting date prior to vesting, the cumulative expense representing the extent to which the vesting period has expired and management's best estimate of the awards that are ultimately expected to vest is computed. The movement in cumulative expense is recognized in the statement of operations with a corresponding entry within equity, against share-based payment reserves. No expense is recognized for awards that do not ultimately vest. When stock options are exercised, the proceeds received, together with any related amount in share-based payment reserve, are credited to share capital.

Share-based payments arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, unless the fair value cannot be estimated reliably. If the Company cannot reliably estimate the fair value of the goods or services received, the Company will measure their value by reference to the fair value of the equity instruments granted.

2. Summary of Significant Accounting Policies (continued)

(l) Accounting Standards Issued But Not Yet Effective

Accounting standards adopted during the year

There were no new or revised accounting standards scheduled for mandatory adoption on January 1, 2016 that affected the Company's financial statements.

Standards, amendments and interpretations not yet effective

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting periods beginning January 1, 2017 or later years.

The following accounting policies will be adopted by the Company effective January 1, 2017:

IAS 7 'Statement of Cash Flows': In January 2016, the IASB issued an amendment to IAS 7 Statement of Cash Flows. The amendment to IAS 7 requires additional disclosures for changes in liabilities arising from financing activities. This includes changes arising from cash flows, such as drawdowns and repayments of borrowings, and non-cash changes, such as acquisitions, disposals and unrealized exchange differences. The amendment is effective for fiscal years beginning on or after January 1, 2017, and is applied on a prospective basis. The adoption of this standard is not expected to have a material impact on the Company's financial statements.

The following accounting policies will be adopted by the Company effective January 1, 2018:

IFRS 2 *'Share-based payments'* In June 2016, the IASB issued the final amendments to IFRS 2 Share-based payments that clarify the classification and measurement of share-based payment transactions. This includes the effect of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, share-based payment transactions with a net settlement feature for withholding tax obligations, and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendments are to be applied prospectively and are effective for annual periods beginning on or after January 1, 2018, with earlier application permitted. The Company is currently assessing the impact of this standard.

IFRS 9, *Financial Instruments*, addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit and loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at fair value through profit and loss or at fair value through other comprehensive income. The adoption of this standard is not expected to have a material impact on the Company's financial statements.

IFRS 15 Revenue from Contracts with Customers - In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition. The adoption of this standard is not expected to have a material impact on the Company's financial statements.

The following standard will be adopted by the Company effective January 1, 2019:

IFRS 16 'Leases': IFRS 16 will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Company has adopted IFRS 15. This standard sets out a new model for lease accounting. The adoption of this standard is not expected to have a material impact on the Company's financial statements.

3. Exploration and Evaluation Assets

	Sericite East Property $
Acquisition costs:	
Balance, February 29, 2016 and February 28, 2017	7,322
Exploration costs:	
Balance, February 28, 2015	18,536
Additions	6,128
Balance, February 29, 2016	24,664
Additions	5,000
Balance, February 28, 2017	29,664
Carrying amounts:	
Balance, February 29, 2016	31,986
Balance, February 28, 2017	36,986

The Company owns a 100% interest in the Sericite East Property located in British Columbia, Canada, consisting of two mineral claims.

4. Accounts Payable and Accrued Liabilities

	2017 $	2016 $
Accounts payable	59,974	54,840
Accrued liabilities	3,235	4,935
	63,209	59,775

(a) As at February 28, 2017, the Company was indebted to a company controlled by a former director of the Company for $nil (February 29, 2016 - $1,435).

(b) As at February 28, 2017, the Company was indebted to the former CFO of the Company for $750 (February 29, 2016 - $750). During the year ended February 28, 2017, the Company incurred accounting fees of $nil (February 28, 2016 - $2,250) to the former CFO of the Company.

(c) During the year ended February 28, 2017, the Company incurred rent of $nil (February 29, 2016 - $1,500) to a company controlled by a former director of the Company.

The above noted amounts are included in accounts payable and accrued liabilities and are unsecured, non-interest bearing, and due on demand.

5. Share Capital

Authorized - unlimited common shares without par value

Shares Consolidation

Subsequent to the year ended February 28, 2017, the Company completed a share consolidation on the basis of one new common share for every 3.5 old common shares. All share amounts have been retroactively restated in these financial statements.

Stock Option Plan

On March 22, 2012, the Company approved a Stock Option Plan (the "Plan") authorizing the issuance of a maximum of 10% of the Company's outstanding common shares on each grant date, inclusive of all shares reserved for issuance pursuant to previously granted stock options. Stock options to purchase common shares of the Company under the Plan may be granted by the Board of Directors to a director, officer, employee or consultant of the Company. The stock options are subject to vesting limitations, exercise price, and exercise periods, to a maximum term of 5 years, as determined by the Board of Directors. As of February 29, 2017 and February 28, 2016, the Company has no outstanding stock options.

Share Purchase Warrants

The following table summarizes the continuity of the Company's share purchase warrants:

	Number of warrants	Weighted average exercise price $
Balance, February 28, 2015	921,519	0.63
Expired	(921,519)	–
Balance February 29, 2016 and February 28, 2017	–	–

6. Related Party Transactions and Balances

As at February 28, 2017, the Company was indebted to a company controlled by an officer of the Company for $40,500 (February 28, 2016 - $40,500) and the amounts are included in accounts payable and accrued liabilities. The amounts owing are unsecured, non-interest bearing and due on demand.

During the year ended February 28, 2017, the Company incurred consulting fees of $14,000 (2016 - $nil) to the CEO and $7,000 (2016 - $nil) to the CFO of the Company. As of February 28, 2017, the amounts due to the related parties remain outstanding, are unsecured, non-interest bearing and due on demand.

During the year ended February 28, 2017, the Company has an amounts owing of $3,370 (2016 - $2,250) and incurred office expenses of $2,250 (2016 - $2,250) to a company with a common director. The amounts owing are unsecured, non-interest bearing and due on demand.

These expenditures have occurred in the normal course of the business and are measured at the amount of consideration, approximate to fair value, as established and agreed to by the related parties.

7. Capital Management

The Company currently manages its capital structure and makes adjustments to it, based on cash resources expected to be available to the Company, in order to support the planned exploration of mineral property interests. Management has not established a quantitative capital structure, but reviews on a regular basis the capital requirements of the Company relative to the stage of development of the business entity and mineral property interest and market conditions.

The Company currently is dependent on externally provided equity financing to fund its exploration activities. In order to carry out planned exploration and fund administrative costs, the Company will concentrate its capital plans to raise additional amounts as needed through equity financing. Management reviews the capital management approach on an ongoing basis and believes that this approach is reasonable given the current state of financial markets and the exploration industry. In the case of uncertainty over the ability to raise funds in current or future economic conditions, the Company would manage capital by minimizing ongoing expenses. The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended February 28, 2017.

8. Financial Instruments and Risk Management

The Company is exposed in varying degrees to a variety of financial instrument and related risks. Those risks and management's approach to mitigating those risks are as follows:

(a) Fair Values

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Total $
Cash and cash equivalents	4,121	–	–	4,121

The fair values of other financial instruments, which include accounts payable and due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is in its cash and cash equivalents. Cash and cash equivalents are held either within a legal trust or with a major financial institution in Canada that has a high credit quality as determined by rating agencies. The carrying amount of the financial assets represents the maximum credit exposure.

(c) Foreign Currency Risk

The Company's functional currency is the Canadian dollar. The Company has minimal exposure to foreign exchange risk as the Company operates within Canada.

(d) Interest Rate Risk

The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash is not significantly affected by changes in short- term interest rates.

8. Financial Instruments and Risk Management (continued)

(e) Liquidity and Funding Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available capital in order to meet its liquidity requirements. Management maintains sufficient cash to satisfy short-term liabilities in highly liquid investments.

Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions.

(f) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

9. Income Taxes

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probable that sufficient taxable income will be realized during the carry forward periods to utilize all deferred tax assets.

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	2017 $	2016 $
Statutory income tax rate	26%	26%
Income tax recovery at statutory rate	(14,015)	(5,864)
Tax effect of:		
Change in unrecognized deferred income tax assets	14,015	5,864
Deferred income tax recovery	-	-

The temporary differences that give rise to significant portions of the deferred tax assets not recognized are presented below:

	2017 $	2016 $
Non-capital losses carried forward	84,942	70,927
Exploration and evaluation assets	120	120
Unrecognized deferred income tax assets	(85,062)	(71,047)
Net deferred income tax asset	-	-

As at February 28, 2017, the Company has non-capital losses carried forward of $326,704 which are available to offset future years' taxable income. These losses expire as follows:

	$
2032	63,760
2033	83,186
2034	69,022
2035	34,266
2036	22,565
2037	53,905
	326,704

10. Subsequent events

(a) Private placement

On April 28, 2017, the Company approved a non-brokered private placement to issue up to 1,500,000 units at a price of $0.12 per unit ("Unit"). Each Unit consists of one common share and one purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of $0.12 per share for 3 years. The Company has received subscriptions of $67,500 for 562,500Units.

(b) Shares Consolidation

Subsequent to the year ended February 28, 2017, the Company completed a share consolidation on the basis of one new common share for every 3.5 old common shares. All share amounts have been retroactively restated in these financial statements.

FORTIFY RESOURCES INC.

Interim Financial Statements

August 31, 2017

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

FORTIFY RESOURCES INC.
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)

	August 31, 2017 $ (unaudited)	February 28, 2017 $ (audited)
ASSETS		
Current assets		
Cash and cash equivalents	35,696	4,121
Amounts receivable	6,801	4,289
Total current assets	42,497	8,410
Non-current assets		
Exploration and evaluation assets (Note 3)	36,986	36,986
Total assets	79,483	45,396
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Notes 4 and 6)	15,630	63,209
Due to related parties (Note 6)	6,300	24,370
Total liabilities	21,930	87,579
Equity (deficiency)		
Share capital	492,630	284,521
Deficit	(435,076)	(326,704)
Total equity (deficiency)	57,553	(42,183)
Total liabilities and equity	79,483	45,396

Nature of business and continuance of operations (Note 1)

Approved and authorized for issuance by the Board of Directors on October 26, 2017:

/s/ 'Nick Horsley'
Nick Horsley, Director

/s/ 'Christine Mah'
Christine Mah, Director

(The accompanying notes are an integral part of these financial statements)

FORTIFY RESOURCES INC.
Condensed Interim Statements of Operations and Comprehensive Loss
(Unaudited)
(Expressed in Canadian Dollars)

	Three months ended August 31		Six months ended August 31	
	2017	**2016**	**2017**	**2016**
	$	$	$	$
Operating Expenses				
Advertising and promotion	7,813	-	7,813	-
Filing fees	3,426	6,143	9,805	9,302
Office and general	4,472	80	11,111	115
Professional fees (Note 6)	24,079	750	71,394	1,500
Rent	-	1,200	8,250	2,400
Net loss and comprehensive loss for the period	(39,790)	(8,173)	(108,373)	(13,317)
Loss per share – basic and diluted	(0.01)	(0.01)	(0.04)	(0.01)
Weighted average number of common shares outstanding	3,027,191	1,292,948	2,480,528	1,292,948

(The accompanying notes are an integral part of these financial statements)

FORTIFY RESOURCES INC.
Condensed Interim Statements of Changes in Equity (Deficiency)
(Unaudited)
(Expressed in Canadian Dollars)

	Share Capital			
	Number of Shares	Amount $	Deficit $	Total $
Balance, February 29, 2016	1,292,949	284,521	(272,799)	11,722
Net loss for the period	-	-	(13,317)	(13,317)
Balance August 31, 2016	1,292,949	284,521	(286,116)	(1,595)
Balance, February 28, 2017	1,292,949	284,521	(326,704)	(42,183)
Shares issued for cash	1,734,242	208,109	-	208,109
Net loss for the period	-	-	(108,373)	(108,373)
Balance, August 31, 2017	3,027,191	492,630	(435,077)	57,553

(The accompanying notes are an integral part of these financial statements)

FORTIFY RESOURCES INC.
Condensed Interim Statements of Cash Flows
(Unaudited)
(Expressed in Canadian Dollars)

	Six Months Ended August 31, 2017 $	Six Months Ended August 31, 2016 $
Operating Activities		
Net loss for the period	(108,373)	(13,317)
Changes in non-cash working capital items:		
Amounts receivable	(2,512)	(494)
Accounts payable and accrued liabilities	(47,579)	(7,233)
Net cash used in operating activities	(158,464)	(21,044)
Investing Activities		
Exploration and evaluation expenditures, net of tax credits	-	(5,000)
Net cash used in Investing activities	-	(5,000)
Financing Activities		
Share issued for cash	208,109	-
Due to related party	(18,070)	-
Net cash provided by financing activities	190,039	-
Increase (decrease) in cash and cash equivalents	31,575	(26,044)
Cash and cash equivalents, beginning of period	4,121	36,412
Cash and cash equivalents, end of period	35,696	10,368
Supplemental information:		
Interest paid	-	-
Income taxes paid	-	-

(The accompanying notes are an integral part of these financial statements)

1. Nature of Business and Continuance of Operations

Fortify Resources Inc. (the "Company") was incorporated on May 31, 2011, under the British Columbia Business Corporations Act. The Company is engaged in the acquisition and exploration of mineral properties in Canada. To maintain exploration programs, mineral property interests, and develop future projects beyond the exploration stage, the Company will need additional funding. The Company's head office is located at Suite 600 – 535 Howe Street, Vancouver, BC V6C 2Z4.

These interim financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and discharge of liabilities in the normal course of business. As at August 31, 2017, the Company has not generated any revenue, has incurred a loss of $108,373 and has an accumulated deficit of $435,076. The ability of the Company to continue as a going concern is dependent on its ability to raise additional working capital when needed, and generate profitable operations from its operations. Although management estimates that the Company has sufficient working capital to meet anticipated expenditures for at least the ensuing year, there is no certainty that the Company's current or future exploration projects will generate operating revenue or that the management can obtain the necessary financing at rates and terms that are suitable for the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These interim financial statements do not include any adjustments to the recorded assets or liabilities that might be necessary should the Company be unable to continue as a going concern.

2. Summary of Significant Accounting Policies

(a) Statement of Compliance

The financial statements are prepared in accordance with IAS 34 Interim Financial Reporting ("IAS34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). They do not include all financial information required for full annual financial statements and should be read in conjunction with the Audited Financial Statements of the Company for the year ended February 28, 2017.

The financial statements are prepared in accordance with accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretation of the International Financial Reporting Interpretation Committee ("IFRIC").

(b) Use of Estimates and Judgments

There have been no material revisions to the nature of judgments and estimates of amounts reported in the Company's February 28, 2017 annual financial statements.

(c) New Accounting Standards Issued but Not Yet Effective

Standards issued, but not yet effective, up to the date of issuance of the Company's financial statements are listed below. This listing of standards and interpretations issued are those that the Company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards when they become effective.

2. Summary of Significant Accounting Policies (continued)

(c) New Accounting Standards Issued but Not Yet Effective

New accounting standards effective for annual periods on or after March 1, 2018:

IFRS 2 -*Share-based payments*

In June 2016, the IASB issued the final amendments to IFRS 2 that clarify the classification and measurement of share-based payment transactions. This includes the effect of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, share-based payment transactions with a net settlement feature for withholding tax obligations, and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. The amendments are to be applied prospectively and are effective for annual periods beginning on or after January 1, 2018, with earlier application permitted. The Company is currently assessing the impact of this standard.

IFRS 9 – *Financial Instruments*

In November 2009, as part of the IASB project to replace IAS 39 Financial Instruments: Recognition and Measurement, the IASB issued the first phase of IFRS 9 Financial Instruments, that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities. In November 2013 the standard was revised to add the new general hedge accounting requirements. The standard was finalized in July 2014 and was revised to add a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income (FVOTCI) category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics test.

IFRS 15 – *Revenue from Contracts with Customers*

In May 2014, the IASB issued this standard which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programs, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition.

IFRS 16 – Leases

In June 2016, the IASB issued this standard which establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019.

The extent of the impact of adoption of these standards and interpretations on the financial statements of the Company has not been determined.

3. Exploration and Evaluation Assets

	Sericite East Property $
Acquisition costs:	
Balance, February 28, 2017, and August 31, 2017	7,322
Exploration costs:	
Balance, February 28, 2017 and August 31, 2017	29,664
Carrying amounts:	
Balance, February 28, 2017 and August 31, 2017	36,986

The Company owns a 100% interest in the Sericite East Property located in British Columbia, Canada, consisting of two mineral claims.

4. Accounts Payable and Accrued Liabilities

	August 31, 2017 $	February 28, 2017 $
Trade payables	15,630	59,974
Accrued liabilities	-	3,235
	15,630	63,209

5. Share Capital

(a) Authorized

Unlimited common shares, without par value.

(b) Issued

In March 2017, the Company completed a share consolidation on the basis of one new common share for every 3.5 old common shares. All share amounts have been retroactively restated in these financial statements.

Common shares issued and outstanding:

	Number of Shares	Amount ($)
Balance, February 28, 2017	1,292,949	284,521
Share issued under private placement	1,734,242	208,109
Balance, August 31, 2017	3,027,191	492,630

On April 28, 2017, the Company closed a non-brokered private placement and issued 1,734,242 units at $0.12 per unit for cash proceeds of $208,109. Each unit is composed of one common share and one share purchase warrant. Each warrant will entitle the holder to acquire one share at a price of $0.12 per share for a period of six years. There was no value allocated to the warrants.

5. Share Capital (continued)

(c) Stock Option Plan

On March 22, 2012, the Company approved a Stock Option Plan (the "Plan") authorizing the issuance of a maximum of 10% of the Company's outstanding common shares on each grant date, inclusive of all shares reserved for issuance pursuant to previously granted stock options. Stock options to purchase common shares of the Company under the Plan may be granted by the Board of Directors to a director, officer, employee or consultant of the Company. The stock options are subject to vesting limitations, exercise price, and exercise periods, to a maximum term of 5 years, as determined by the Board of Directors. As of August 31, 2017 and February 28, 2017, the Company has no outstanding stock options.

(d) Warrants:

Information regarding the Company's outstanding warrants is summarized below:

	Expiry date	Number of warrants outstanding	Number of warrants exercisable	Exercise price
Balance, February 28, 2017		-	-	$ -
Issued	April 28, 2020	1,734,242	1,734,242	$0.12
Balance, August 31, 2017		1,734,242	1,734,242	$0.12

6. Related Party Transactions

(a) As at August 31, 2017, the Company is indebted to a company controlled by a director of the Company for $nil (February 28, 2017 - $40,500). The amount was included in accounts payable and accrued liabilities.

(b) As at August 31, 2017, the Company is indebted to the CFO of the Company for $6,300 (February 28, 2017 - $nil), the amount is included in due to related party and is unsecured, non-interest bearing, and due on demand.

(c) During the three and six months period ended August 31, 2017, the Company incurred the following expenses to officers and directors and a company controlled by a common director:

	Three months ended August 31,		Six months ended August 31,	
	2017	2016	2017	2016
	$	$	$	$
Professional fees	20,000	-	40,000	-
Consulting fees	6,000	-	12,000	-
Rent	-	1,200	8,250	2,400
Office	4,980	-	4,980	-
	10,980	1,200	492,630	2,400

(d) During the three and six months period ended August 31, 2016, the Company incurred consulting fees of $750 and $1,500 to the former CFO of the Company.

These expenditures have occurred in the normal course of the business and are measured at the amount of consideration, approximate to fair value, as established and agreed to by the related parties.

7. Capital Management

The Company currently manages its capital structure and makes adjustments to it, based on cash resources expected to be available to the Company, in order to support the planned exploration of mineral property interests. Management has not established a quantitative capital structure, but reviews on a regular basis the capital requirements of the Company relative to the stage of development of the business entity and mineral property interest and market conditions.

The Company currently is dependent on externally provided equity financing to fund its exploration activities. In order to carry out planned exploration and fund administrative costs, the Company will concentrate its capital plans to raise additional amounts as needed through equity financing. Management reviews the capital management approach on an ongoing basis and believes that this approach is reasonable given the current state of financial markets and the exploration industry. In the case of uncertainty over the ability to raise funds in current or future economic conditions, the Company would manage capital by minimizing ongoing expenses. The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended February 28, 2017.

8. Financial Instruments and Risk Management

The Company is exposed in varying degrees to a variety of financial instrument and related risks. Those risks and management's approach to mitigating those risks are as follows:

(a) Fair Values

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, August 31, 2017 $
Cash and cash equivalents	35,696	–	–	35,696

The fair values of other financial instruments, which include amounts receivable, and accounts payable and accrued liabilities, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is in its cash and cash equivalents. Cash and cash equivalents are held either within a legal trust or with a major financial institution in Canada that has a high credit quality as determined by rating agencies. The carrying amount of the financial assets represents the maximum credit exposure.

(c) Foreign Currency Risk

The Company's functional currency is the Canadian dollar. The Company has minimal exposure to foreign exchange risk as the Company operates within Canada.

(d) Interest Rate Risk

The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash is not significantly affected by changes in short-term interest rates.

8. Financial Instruments and Risk Management (continued)

(e) Liquidity and Funding risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available capital in order to meet its liquidity requirements. Management maintains sufficient cash to satisfy short-term liabilities in highly liquid investments.

Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions.

(f) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

SCHEDULE "B"
MD&A OF THE CORPORATION

(See attached)

MANAGEMENT DISCUSSION AND ANALYSIS FOR FORTIFY RESOURCES INC.
FOR THE YEAR ENDED FEBRUARY 28, 2017

BACKGROUND

This discussion and analysis of financial position and results of operations is prepared as at May 25, 2017, and should be read in conjunction with the interim financial statements for the year ended February 28, 2017 of Fortify Resources Inc. (the "Company"). The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

CAUTIONARY STATEMENT ON FORWARD LOOKING INFORMATION

This Management's Discussion and Analysis may include forward-looking statements with respect to business plans, activities, prospects, opportunities and events anticipated or being pursued by the Company and the Company's future results. Although the Company believes the assumptions underlying such statements to be reasonable, any of the assumptions may prove to be incorrect. The anticipated results or events upon which current expectations are based may differ materially from actual results or events. Therefore, undue reliance should not be placed on such forward-looking information. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions in North America and internationally, (2) the inherent uncertainties and speculative nature associated with mineral exploration and production, (3) a decreased demand for minerals, (4) the risk that the Company does not execute its business plan, (5) inability to retain key employees, (6) inability to finance operations and growth, and (7) other factors beyond the Company's control.

Forward looking statements speak only as of the date of this MD&A and actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors. Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based may not occur. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

OVERALL PERFORMANCE

The Company was incorporated on May 31, 2011, under the British Columbia Business Corporations Act. The Company is engaged in the acquisition and exploration of mineral natural resource properties in Canada.

During the year ended February 29, 2012, the Company acquired a 100% ownership in the Property being two (2) adjoining mineral tenures comprising 436.80 has located in the Iskut River District, northwestern British Columbia approximately 90 kilometers north of the community of Stewart. The claims which comprise the Property were staked pursuant to the B.C. Ministry of Energy and Mines MTO system (Mineral Titles Online System). The earliest expiry date of the claim package is January 30, 2017. The Company completed an NI 43-101 report on the Property and plans to pursue the exploration program outlined in the report.

The breakdown of the material components of exploration assets are as follows:

Type of Costs	Sericite East Property $
Acquisition costs	7,322
Site visits, staking, sampling and technical reports	29,664
Total	**36,986**

As at February 28, 2017, the Company held assets totaling $8,410 consisting of $4,121 in cash and cash equivalents, $4,289 in GST recoverable, and $36,986 in exploration and evaluation assets. During the year ended February 28, 2017, the Company incurred a net loss of $53,905.

SUMMARY OF ANNUAL INFORMATION

The following table sets forth selected audited financial information of the Company from the last three fiscal periods:

	Year Ended February 28, 2017 $	Year Ended February 29, 2016 $	Year Ended February 28, 2015 $
Total Assets	45,396	71,497	91,297
Net Loss	(53,905)	(22,565)	(34,266)
Net Loss per share, basic and diluted	(0.04)	(0.01)	(0.01)

Year Ended February 28, 2017

During the year ended February 28, 2017, the Company did not earn any revenues, and incurred operating expenses of $53,905, comprised mainly of $13,050 of professional fees and $10,683 of filing fees incurred in connection with filing the Company's annual financial statements and management discussion and analysis.

For the year ended February 28, 2017, the Company incurred a net loss of $53,905 and a loss per share of $0.04.

Year Ended February 29, 2016

During the year ended February 29, 2016, the Company had operating expenses of $22,565 compared with $34,266 during the year ended February 28, 2015. The decrease in operating expenses was due to a decrease in filing fees and rent expense which was partially offset by higher legal fees. During the year the proposed transaction with Pelkbuck Oil & Gas Ltd. was terminated, the Company received $9,983 from Pelkbuck as a non-refundable deposit, which was offset against professional fees that were incurred as part of the proposed transaction.

SUMMARY OF QUARTERLY RESULTS

The following is selected financial information as prepared in Canadian dollars under International Financial Reporting Standards derived from the Company's most recently completed fiscal quarters:

	Revenue $	Net Loss for the Period $	Basic and Diluted Loss Per Share $
February 28, 2015	–	(5,934)	(0.00)
May 31, 2015	–	(10,732)	(0.01)
August 31, 2015	–	(5,663)	(0.00)
November 30, 2015	–	(5,314)	(0.00)
February 29, 2016	–	(856)	(0.00)
May 31, 2016	–	(5,144)	(0.00)
August 31, 2016	–	(8,173)	(0.00)
November 30, 2016	–	(4,369)	(0.00)
February 28, 2017	–	(36,219)	(0.03)

LIQUIDITY

The Company is a mining exploration and development company with no producing resource properties, and consequently, no current operating income or cash flow. The acquisition and development of future mineral property interests that the Company acquires will depend on the Company's ability to obtain additional financing through the sale of its securities or from third party loans. There is no assurance that such financing will be available when required by or under terms favorable to the Company.

As at February 28, 2017, the Company had total assets of $45,396, comprised of cash and cash equivalents of $4,121, amounts receivable of $4,289 relating to GST refunds, and exploration and evaluation assets of $36,986 relating to acquisition and exploration costs of the Company's interest in the Sericite East Property. Conversely, the Company had total liabilities of $87,579, comprised of accounts payable and accrued liabilities for unpaid general expenditures..

As at February 28, 2017, the Company had a working capital deficit of $79,169 compared to a working capital deficit of $20,264 at February 29, 2016. The increase in working capital deficit is due to the fact that the Company incurred operating expenses during the quarter but did not receive any funds from operating, investing, or financing activities.

Readers are cautioned that a number of factors beyond the control of the Company could result in the Company not being able to sustain its current position. Such factors could include adverse economic conditions, political and regulatory concerns and key individual staffing problems amongst others.

CAPITAL RESOURCES

The Company remains dependent upon equity markets for financing.

The Company has no cash flow from operations and is dependent upon raising equity financing to sustain its operations.

The Company has not issued dividends to date and has no plans to pay dividends in the foreseeable future.

TRANSACTIONS WITH RELATED PARTIES

As at February 28, 2017, the Company was indebted to a company controlled by an officer of the Company for $40,500 (February 28, 2016 - $40,500) and the amounts are included in accounts payable and accrued liabilities. The amounts owing are unsecured, non-interest bearing and due on demand.

During the year ended February 28, 2017, the Company incurred consulting fees of $14,000 (2016 - $nil) to the CEO and $7,000 (2016 - $nil) to the CFO of the Company. As of February 28, 2017, the amounts due to the related parties remain outstanding, are unsecured, non-interest bearing and due on demand.

During the year ended February 28, 2017, the Company has an amounts owing of $3,370 (2016 - $2,250) and incurred office expenses of $2,250 (2016 - $2,250) to a company with a common director. The amounts owing are unsecured, non-interest bearing and due on demand.

These expenditures have occurred in the normal course of the business and are measured at the amount of consideration, approximate to fair value, as established and agreed to by the related parties.

SHARE DATA

Capitalization as of February 28, 2017:

The Company is authorized to issue an unlimited number of common shares

As at February 28, 2017, there are 1,292,949 common shares issued and outstanding.

As at February 28, 2017, the Company has nil shares held in escrow.

Stock Option Plan

On March 22, 2012, the Company approved a Stock Option Plan (the "Plan") authorizing the issuance of a maximum of 10% of the Company's outstanding common shares on each grant date, inclusive of all shares reserved for issuance pursuant to previously granted stock options. Stock options to purchase common shares of the Company under the Plan may be granted by the Board of Directors to a director, officer, employee or consultant of the Company. The stock options are subject to vesting limitations, exercise price, and exercise periods, to a maximum term of 5 years, as determined by the Board of Directors.

As at February 28, 2017, there are no stock options outstanding.

As at February 28, 2017, there were nil share purchase warrants issued and outstanding.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements that would require disclosure.

CRITICAL ACCOUNTING ESTIMATES

The Company's critical accounting estimates include the valuation of exploration and evaluation assets, and valuation of deferred income tax assets and valuation allowances. Estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

CHANGES IN ACCOUNTING POLICIES

The Company has not made any changes to its accounting policies since its incorporation date.

FINANCIAL AND OTHER INSTRUMENTS

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management activities include the preservation of its capital by minimizing risk related to its cash. The Company does not trade financial instruments for speculative purposes. The Company does not have a risk management committee nor written risk management policies. The Company is exposed in varying degrees to a variety of financial instrument and related risks. Those risks and management's approach to mitigating those risks are as follows:

(a) Fair Values

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, price risk, currency risk and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, February 28, 2017 $
Cash and cash equivalents	4,121	–	–	4,121

The fair values of other financial instruments, which include amounts receivable, accounts payable and accrued liabilities approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is in its cash and cash equivalents and amounts receivables. Cash and cash equivalents are held either within a legal trust or with a major financial institution in Canada that has a high credit quality as determined by ratings agencies. The Company's receivables comprise of GST amounts due from the Government of Canada, and the carrying amount of the financial assets represents the maximum credit exposure.

(c) Currency Risk

The Company's functional currency is the Canadian dollar. There is low foreign exchange risk to the Company as the Company primarily operates within Canada.

(d) Interest Rate Risk

The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash and cash equivalents is not significantly affected by changes in short- term interest rates. The income earned from the bank account is subject to movements in interest rates.

(e) Liquidity and Funding Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available capital in order to meet its liquidity requirements. Management maintains sufficient cash to satisfy short-term liabilities in highly liquid investments.

Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions.

(f) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS OR IPO VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The Company has had no significant revenue from operations. During the year ended February 28, 2017, the Company incurred filing fees of $10,683, professional fees of $13,050, rent expense of $3,200, and office and general expenses of $5,972.

DISCLOSURE OF INTERNAL CONTROLS

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

MANAGEMENT DISCUSSION AND ANALYSIS FOR FORTIFY RESOURCES INC.
FOR THE QUARTER ENDED AUGUST 31, 2017

BACKGROUND

This discussion and analysis of financial position and results of operations is prepared as at October 26, 2017, and should be read in conjunction with the interim financial statements for the quarter ended August 31, 2017 of Fortify Resources Inc. (the "Company"). The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

CAUTIONARY STATEMENT ON FORWARD LOOKING INFORMATION

This Management's Discussion and Analysis may include forward-looking statements with respect to business plans, activities, prospects, opportunities and events anticipated or being pursued by the Company and the Company's future results. Although the Company believes the assumptions underlying such statements to be reasonable, any of the assumptions may prove to be incorrect. The anticipated results or events upon which current expectations are based may differ materially from actual results or events. Therefore, undue reliance should not be placed on such forward-looking information. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions in North America and internationally, (2) the inherent uncertainties and speculative nature associated with mineral exploration and production, (3) a decreased demand for minerals, (4) the risk that the Company does not execute its business plan, (5) inability to retain key employees, (6) inability to finance operations and growth, and (7) other factors beyond the Company's control.

Forward looking statements speak only as of the date of this MD&A and actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors. Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based may not occur. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

OVERALL PERFORMANCE

The Company was incorporated on May 31, 2011, under the British Columbia Business Corporations Act. The Company is engaged in the acquisition and exploration of mineral natural resource properties in Canada.

During the year ended February 29, 2012, the Company acquired a 100% ownership in the Property being two (2) adjoining mineral tenures comprising 436.80 has located in the Iskut River District, northwestern British Columbia approximately 90 kilometers north of the community of Stewart. The claims which comprise the Property were staked pursuant to the B.C. Ministry of Energy and Mines MTO system (Mineral Titles Online System). The earliest expiry date of the claim package is January 30, 2017. The Company completed an NI 43-101 report on the Property and plans to pursue the exploration program outlined in the report.

The breakdown of the material components of exploration assets are as follows:

Type of Costs	Sericite East Property $
Acquisition costs	7,322
Site visits, staking, sampling and technical reports	29,664
Total	**36,986**

As at August 31, 2017, the Company held assets totaling $79,483 consisting of $35,696 in cash and cash equivalents, $6,801 in GST recoverable, and $36,986 in exploration and evaluation assets. During the quarter ended August 31, 2017, the Company incurred a net loss of $39,790.

For The Six Months Ended August 31, 2017

During the six months ended August 31, 2017, the Company did not earn any revenues, and incurred operating expenses of $108,373, comprised mainly of $11,110 of office and other, $79,207 of professional fees and $9,805 of filing fees incurred in connection with filing the Company's annual financial statements and management discussion and analysis.

For the six months ended August 31, 2017, the Company incurred a net loss of $108,373 and a loss per share of $0.04.

SUMMARY OF QUARTERLY RESULTS

The following is selected financial information as prepared in Canadian dollars under International Financial Reporting Standards derived from the Company's most recently completed fiscal quarters:

	Revenue $	Net Loss for the Period $	Basic and Diluted Loss Per Share $
August 31, 2015	–	(5,663)	(0.00)
November 30, 2015	–	(5,314)	(0.00)
February 29, 2016	–	(856)	(0.00)
May 31, 2016	–	(5,144)	(0.00)
August 31, 2016	–	(8,173)	(0.00)
February 28, 2017	–	(36,219)	(0.00)
May 31, 2017	–	(68,582)	(0.04)
August 31, 2017	–	(39,790)	(0.01)

LIQUIDITY

The Company is a mining exploration and development company with no producing resource properties, and consequently, no current operating income or cash flow. The acquisition and development of future mineral property interests that the Company acquires will depend on the Company's ability to obtain additional financing through the sale of its securities or from third party loans. There is no assurance that such financing will be available when required by or under terms favorable to the Company.

As at August 31, 2017, the Company had total assets of $79,483, comprised of cash and cash equivalents of $35,696, amounts receivable of $6,801 relating to GST refunds, and exploration and evaluation assets of $36,986 relating to acquisition and exploration costs of the Company's interest in the Sericite East Property. Conversely, the Company had total liabilities of $21,930, comprised of accounts payable and accrued liabilities for unpaid general expenditures.

As at August 31, 2017, the Company had a working capital of $20,567 compared to a working capital deficit of $79,169 at February 28, 2017. The decrease in working capital deficit is due to the fact that the Company incurred lesser in operating expenses during the quarter but did not receive any funds from operating, investing, or financing activities.

Readers are cautioned that a number of factors beyond the control of the Company could result in the Company not being able to sustain its current position. Such factors could include adverse economic conditions, political and regulatory concerns and key individual staffing problems amongst others.

CAPITAL RESOURCES

The Company remains dependent upon equity markets for financing.

The Company has no cash flow from operations and is dependent upon raising equity financing to sustain its operations.

The Company has not issued dividends to date and has no plans to pay dividends in the foreseeable future.

TRANSACTIONS WITH RELATED PARTIES

As at August 31, 2017, the Company is indebted to a company controlled by a former director of the Company for $40,500 was fully paid. The amount is included in accounts payable and accrued liabilities and is unsecured, non-interest bearing and due on demand.

During the quarter ended August 31, 2017, the Company incurred rent of $nil to a company controlled by a director of the Company.

SHARE DATA

Capitalization as of August 31, 2017:

The Company is authorized to issue an unlimited number of common shares

There are 3,027,191 common shares issued and outstanding.

The Company has nil shares held in escrow.

Stock Option Plan

On March 22, 2012, the Company approved a Stock Option Plan (the "Plan") authorizing the issuance of a maximum of 10% of the Company's outstanding common shares on each grant date, inclusive of all shares reserved for issuance pursuant to previously granted stock options. Stock options to purchase common shares of the Company under the Plan may be granted by the Board of Directors to a director, officer, employee or consultant of the Company. The stock options are subject to vesting limitations, exercise price, and exercise periods, to a maximum term of 5 years, as determined by the Board of Directors.

As at August 31, 2017, there are no stock options outstanding.

As at August 31, 2017, there were 1,734,242 share purchase warrants issued and outstanding.

SUBSEQUENT EVENTS

There is no reportable subsequent events.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements that would require disclosure.

CRITICAL ACCOUNTING ESTIMATES

The Company's critical accounting estimates include the valuation of exploration and evaluation assets, and valuation of deferred income tax assets and valuation allowances. Estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

CHANGES IN ACCOUNTING POLICIES

The Company has not made any changes to its accounting policies since its incorporation date.

FINANCIAL AND OTHER INSTRUMENTS

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management activities include the preservation of its capital by minimizing risk related to its cash. The Company does not trade financial instruments for speculative purposes. The Company does not have a risk management committee nor written risk management policies. The Company is exposed in varying degrees to a variety of financial instrument and related risks. Those risks and management's approach to mitigating those risks are as follows:

(a) Fair Values

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity risk, credit risk, price risk, currency risk and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

Fair Value Measurements Using

	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, August 31, 2017 $
Cash and cash equivalents	35,696	–	–	35,696

The fair values of other financial instruments, which include amounts receivable, accounts payable and accrued liabilities approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is in its cash and cash equivalents and amounts receivables. Cash and cash equivalents are held either within a legal trust or with a major financial institution in Canada that has a high credit quality as determined by ratings agencies. The Company's receivables comprise of GST amounts due from the Government of Canada, and the carrying amount of the financial assets represents the maximum credit exposure.

(c) Currency Risk

The Company's functional currency is the Canadian dollar. There is low foreign exchange risk to the Company as the Company primarily operates within Canada.

(d) Interest Rate Risk

The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash and cash equivalents is not significantly affected by changes in short- term interest rates. The income earned from the bank account is subject to movements in interest rates.

(e) Liquidity and Funding Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available capital in order to meet its liquidity requirements. Management maintains sufficient cash to satisfy short-term liabilities in highly liquid investments.

Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions.

(f) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS OR IPO VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The Company has had no significant revenue from operations. During the quarter ended August 31, 2017, the Company incurred filing fees of $3,426, professional fees of $31,893, rent expense of $nil, and office and general expenses of $4,472.

DISCLOSURE OF INTERNAL CONTROLS

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

SCHEDULE "C"
FINANCIAL STATEMENTS OF DVI

(See attached)

DV INFRASTRUCTURE CORP.

FINANCIAL STATEMENTS

Nine Months Ended September 30, 2017 (Unaudited)

Year Ended December 31, 2016 (Audited)

Period From Incorporation on November 25, 2015 to December 31, 2015 (Audited)

(Expressed in Canadian Dollars)

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

11th floor, 1050 West Pender Street, Vancouver, BC, Canada V6E 3S7

Tel: 604. 714. 3600 Fax: 604. 714. 3669 Web: manningelliott.com

INDEPENDENT AUDITORS' REPORT

To the Directors of
DV Infrastructure Corp.

We have audited the accompanying financial statements of DV Infrastructure Corp. which comprise the statements of financial position as at December 31, 2016 and 2015 and the statements of comprehensive loss, changes in equity and cash flows for the year then ended December 31, 2016, and for the period from incorporation on November 27, 2015 to December 31, 2015, the related notes comprising a summary of significant accounting policies and other explanatory information.

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

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

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

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

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of DV Infrastructure Corp. as at December 31, 2016 and 2015 and its financial performance and its cash flows for the year ended December 31, 2016 and for the period of incorporation on November 27, 2015 to December 31, 2015 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
October 31, 2017

DV Infrastructure Corp.
Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	September 30, 2017 (Unaudited)	December 31, 2016 (Audited)	December 31, 2015 (Audited)
		$	$	$
ASSETS				
Current Assets				
Cash		811,564	-	-
Due from related parties	4	480,928	100	100
		1,292,492	100	100
LIABILITIES				
Accrued liabilities		19,000	-	-
SHAREHOLDERS' DEFICIENCY				
Share capital	5	763,600	100	100
Subscriptions received	9	735,208	-	-
Deficit		(225,316)	-	-
		1,273,492	100	100
		1,292,492	100	100

Nature and continuance of operations (Note 1)
Commitment (Note 8)
Subsequent event (Note 9)

These condensed interim financial statements were authorized for issue by the Board of Directors on October 31, 2017. Approved on behalf of the Board by:

"Brian Gusko", Director

DV Infrastructure Corp.
Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

	Nine Months Period Ended September 30, 2017 (Unaudited)	Nine Months Period Ended September 30, 2016 (Unaudited)	Year Ended December 31, 2016 (Audited)	Period from Incorporation on November 27, 2015 to December 31, 2015 (Audited)
	$	$	$	$
Expenses				
Professional fees	224,668	-	-	-
Office and miscellaneous	648	-	-	-
	225,316	-	-	-
Net loss and comprehensive loss	(225,316)	-	-	-
Basic and diluted loss per common share	(0.01)	-	-	-
Weighted average number of common shares outstanding	15,544,597	15,000,000	15,000,000	15,000,000

The accompanying notes are an integral part of these financial statements

DV Infrastructure Corp.
Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Share Capital				
	Number of Common shares	Share capital	Subscriptions received	Deficit	Total
		$	$	$	$
Balance on incorporation, November 27, 2015	-	-	-	-	-
Share issuance	15,000,000	100	-	-	100
Balance, December 31, 2016 and 2015 (Audited)	15,000,000	100	-	-	100
Shares issued by cash, net	7,825,000	763,500	-	-	763,500
Subscriptions received	-	-	735,208	-	735,208
Comprehensive loss	-	-	-	(225,316)	(225,316)
Balance, September 30, 2017 (Unaudited)	22,825,000	763,600	735,208	(225,316)	1,273,492

DV Infrastructure Corp.
Statements of Cash Flows
(Expressed in Canadian Dollars)

	Nine Months Period Ended September 30, 2017 (Unaudited)	Nine Months Period Ended September 30, 2016 (Unaudited)	Year Ended December 31, 2016 (Audited)	Period of Incorporation on November 27, 2015 to December 31, 2015 (Audited)
	$	$	$	$
Operating activities				
Net loss	(225,316)	-	-	-
Financing activities				
Advances to related party	(480,828)	-	-	-
Shares issued by cash	782,500	-	-	-
Subscriptions received	735,208	-	-	-
	1,036,880	-	-	-
Increase in cash	811,564	-	-	-
Cash, beginning	-	-	-	-
Cash, ending	811,564	-	-	-

The accompanying notes are an integral part of these financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS

DV Infrastructure Corp. (the "Company or DVI") was incorporated on November 27, 2015 under the under the BC Business Corporations Act. The head office, registered and records office of the Company is located at 2331 Rogerson Drive, Coquitlam, BC, V3J 6Y1 Canada.

DVI is engaged in the business of investing, constructing, owning and leasing mega greenhouse projects to licensed cannabis producers through its investment in DVG LLC ("DVG"), a limited liability company incorporated under the laws of Washington State (see Note 3).

On August 17, 2017, the Company entered into a Letter of Intent ("LOI") with Fortify Resources Inc. ("Fortify"), a company listed on the Canadian Stock Exchange under the symbol of "CSE: FTY" (see Note 8).

These financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has incurred losses since its inception and has an accumulated deficit of $225,316 as at September 30, 2017. In addition, the Company has no source of revenue and does not generate cash flows from operating activities.

The Company is currently subject to risks and uncertainties related to the negotiation and regulatory approval surrounding the potential transaction with Fortify. On completion of the transaction, the Company will become subject to risks and uncertainties common to drug discovery companies, including technological change, potential infringement on intellectual property of and by third parties, new product development, regulatory approval and market acceptance of its products, activities of competitors and its limited operating history. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These annual financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") .

The condensed interim financial statements are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with IFRS. These condensed interim financial statements have been prepared on an accrual basis.

These annual and condensed interim financial statements are prepared on historical costs, except for financial instruments classified as fair value through profit or loss. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. These financial statements are presented in Canadian dollars.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting judgments and estimates

The preparation of the condensed interim financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which affect the application of accounting policies and the reported amounts of assets, liabilities and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. Significant estimates include:

- the determination of deferred income tax assets and liabilities
- the determination and measurement of the amount of loss to recognize on the Company's interest in an associate

Critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements include the following:

- the evaluation of the Company's ability to continue as a going concern

Cash and cash equivalents

Cash and cash equivalents are comprised of cash in banks, and all short-term investments that are highly liquid in nature, cashable, and have an original maturity date of one year or less.

Deferred finance costs

Professional, consulting and regulatory fees as well as other costs directly attributable to financing transactions are reported as deferred financing costs until the transactions are completed, if the completion of the transaction is considered to be probable. Share issuance costs are charged to share capital when the related shares are issued. Costs relating to financing transactions that are not completed, or for which successful completion is considered unlikely, are charged to operations.

Shared-based payments

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the period that the employees earn the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

Deferred income tax assets and liabilities are recognized for deferred income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. To the extent that the Company does not consider it probable that a deferred income tax asset will be recovered, the deferred income tax asset is not recognized. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average share outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

Financial instruments

i) Financial assets

The Company classifies its financial assets in the following categories: held-to-maturity, fair value through profit or loss (“FVTPL”), loans and receivables, and available-for-sale (“AFS”). The classification depends on the purpose for which the financial assets were acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss

This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized through profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

i) Financial assets (continued)

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 carried at amortized cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity
These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized through profit or loss.

Available-for-sale
Non-derivative financial assets not included in the above categories are classified as available-for- sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized through other comprehensive income (loss).

Impairment of financial assets
A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset could be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost, this reversal is recognized in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

ii) Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized through profit or loss.

Other financial liabilities: This category consists of liabilities carried at amortized cost using the effective interest method.

Impairment

i) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred income tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit").

An impairment loss is recognized if the carrying amount of a cash-generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or a cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cost flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the assets. Impairment losses are recognized in net income (loss).

Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognized.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment (continued)

ii) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in net income (loss) and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through net income (loss).

Functional Currency

The functional and presentation currency if the Company is the Canadian dollar.

Joint arrangements

The Company classifies its interests in joint arrangements as either joint operations (if the company has rights to the assets, and obligations for the liabilities, relating to an arrangement) or joint ventures (if the Company has rights only to the net assets of an arrangement). When making this assessment, the Company considers the structure of the arrangement, the legal form of any separate vehicles, the contractual terms of the arrangement and other facts and circumstances.

In the case of a joint operation, the Company includes its share of the assets, liabilities and cash flows of the joint operation. The Company combines its share of such joint operations individual income and expenses, assets and liabilities and cash flows on a line-by-line basis with similar items in the Company's consolidated financial statements. Income taxes are recorded based on the Company's share of the operation's activities.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement and have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Joint arrangements (continued)

The Company's investments in joint ventures are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Company's share of net assets of the joint venture since the acquisition date less distributions received and any impairment in the fair value of investment.

The statement of comprehensive income (loss) reflects the Company's share of the results of operations of the joint venture.

After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investment in its joint venture. At each reporting date, the Company determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognizes the loss as "share of income (loss) from a joint venture" in the statement of comprehensive income (loss).

Upon loss of joint control over the joint venture, the Company measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognized in income (loss).

The financial statements of the joint venture are prepared for the same reporting period as the Company. Accounting policies of the joint venture and the Company are consistent.

Comprehensive income (loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in net profit. Other comprehensive income consists of changes to unrealized gain and losses on available for sale financial assets, changes to unrealized gains and losses on the effective portion of cash flow hedges and changes to foreign currency translation adjustments of self-sustaining foreign operations during the period. Comprehensive income measures net earnings for the period plus other comprehensive income. Amounts reported as other comprehensive income are accumulated in a separate component of shareholders' equity as Accumulated Other Comprehensive Income. The Company has not had other comprehensive income since inception.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Future changes in accounting policies

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC (International Financial Reporting Interpretations Committee) that are mandatory for accounting periods noted below. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

The following standards will be effective for annual periods beginning on or after January 1, 2018:

IFRS 15 Revenue from Contracts with Customers - In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programs, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition.

IFRS 9 Financial Instruments – In November 2009, as part of the IASB project the ASB intends to replace IAS 39 - Financial Instruments: Recognition and Measurement in its entirety with IFRS 9 – Financial Instruments (“IFRS 9”) which is intended to reduce the complexity in the classification and measurement of financial instruments. In July 2014, the final version of IFRS 9 was issued and adds a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flows characteristics.

IFRS 2 Share-based Payment - In November 2016, the IASB has revised IFRS 2 to incorporate amendments issued by the IASB in June 2016. The amendment provide guidance on the accounting for i) the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; ii) share-based payment transactions with a net settlement feature for withholding tax obligations and iii) a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. Earlier application is permitted.

Standard is effective for annual periods beginning on or after January 1, 2019:

IFRS 16 Leases - In June 2016, the IASB issued IFRS 16 - Leases. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, lessees are no longer classifying leases as either operating leases or finance leases as it is required by IAS 17.

The Company is currently evaluating the impact of the new standards on the Company’s financial statements.

3. LONG-TERM INVESTMENT

On August 17, 2017, the Company, along with Sentinel Property Management Ltd. ("Sentinel") and Stratto, LLC ("Stratto") entered into a Joint Venture Agreement ("JV Agreement") to form DVG, LLC. ("DVG"), a US company incorporated on July 28, 2017 in Washington USA. According to the JV Agreement DVI has a 30% interest in DVG, and Sentinel has 20% and Stratto has 50%. The primary business in DVG is to complete greenhouse construction, lease land, facilities and agriculture infrastructure to licensed marijuana growers in the State of Washington ("Tenant-Growers").

Under the JV Agreement, DVI will raise money to fund the DV greenhouse construction costs. As of September 30, 2017, DVG had incurred $174,723 in the construction in progress.

During the period ended September 30, 2017, DVG incurred a net loss of $16,690. According to the JV Agreement, the net profit (loss) distribution would be 60% for DVI, 30% for Stratto and 10% for Sentinel. As the Company's portion of the loss is greater than the carrying value of investment, the carrying value of the investment has been reduced to Nil. The following table shows the carrying value of the investment in DVG:

	$
Carrying value, December 31, 2015 and 2016 (Audited)	-
Investment in DVG	37
Loss of DVG from acquisition date	(37)
Carrying value, September 31, 2017 (Unaudited)	-

During the nine month period ended September 30, 2017, the Company advanced $480,865 to DVG (see Note 4(a)). The advances will be converted to promissory notes in accordance to the JV Agreement and secured by the assets of DVG. Management is in the process of preparing the promissory notes.

Summarized financial information for DVG (100% basis) prepared in accordance with IFRS as at September 30, 2017 is as follows:

	$
Total current assets	266,047
Total non-current assets	198,817
Total assets	464,864
Total current liabilities	481,467
Total non-current liabilities	-
Total liabilities	481,467
Total deficit	(16,603)
Total liabilities and deficit	464,864

4. DUE FROM RELATED PARTIES

As at September 30, 2017, the due from related parties consisted of the following:

a. Advances made to DVG, LLC in the amount of $480,865 as described in Note 3.

b. Amount receivable from a shareholder of $100.

c. Amount due to DVG, LCC in the amount of $37.

The balances are unsecured, non-interest bearing and without fixed repayment terms

5. SHARE CAPITAL

a. Authorized: unlimited Common shares without par value

b. Issued and Outstanding:

15,000,00 common shares were issued upon incorporation at $100.

During the period ended September 30, 2017, the Company completed a private placement at 7,825,000 units at a price of $0.10 per unit for total proceeds of $782,500. Each Unit consists of one common share and one-half share purchase warrant. Each full warrant will entitle the holder to purchase an additional common share at the price of $0.20 per share for a period of 24 months. Should the Company's share price trade at $0.40 per share or above for 5 consecutive trading days then the Company will have the option to give notice to the warrant holders to accelerate the exercise of the warrants within 10 days or the warrants will expire. No value has been allocated to the warrants. The Company accrued $19,000 in share issue costs related to the private placement.

As at September 30, 2017, the Company received $735,208 in share subscriptions for a private placement completed after the year end (see Note 9).

c. Warrants

Details of common share purchase warrants outstanding at September 30, 2017 are as follows:

Number of warrants	Exercise price	Remaining life (years)	Expiry date
3,912,500	$ 0.20	1.95	September 12, 2019

5. SHARE CAPITAL

c. Warrants

A summary of changes of warrants outstanding is as follows:

	Warrants	Weighted average exercise price
		$
Balance, December 31, 2015 and 2016	-	-
Issued	3,912,500	0.20
Balance, September 30, 2017	**3,912,500**	**0.20**

6. CAPITAL DISCLOSURES

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the operation of the Company. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through the equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator.

7. FINANCIAL INSTRUMENTS

Classification

The Company has classified its cash as FVTPL and due from related parties as loans and receivables. The carrying amount of this financial instrument is a reasonable estimate of its fair value because of its current nature.

The following table summarizes the carrying values of the Company's financial instruments:

	September 30, 2017 (Unaudited)	December 31, 2016 (Audited)	December 31, 2015 (Audited)
	$	$	$
FVTPL – Cash	811,564	-	-

7. FINANCIAL INSTRUMENTS (continued)

Fair values

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

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 (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 – Inputs that are not based on observable market date.

The following table sets forth the Company's financial assets measured at fair value on a recovering basis by level within the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
	$	$	$	$
September 30, 2017 (Unaudited)				
Cash	811,564	-	-	811,564

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

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. As described in Note 3, the loans from related parties will be secured by the assets of DVG which mitigates the credit risk. Therefore, the Company believes that the impact of credit risk is not significant.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. At September 30, 2017, December 31, 2016 and 2015, the Company is not exposed to significant interest rate risk as it has no interest bearing debt.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than US dollar. The Company is not subject to currency risk.

8. COMMITMENT

On August 18, 2017, the Company entered into a LOI with Fortify Resources Inc. regarding a proposed transaction which Fortify will acquire all of the issued and outstanding securities of the Company by issuing common shares of Fortify to the shareholders of DVI and warrants at the same terms as previously issued. This transaction will result in a reverse takeover of Fortify. Fortify will have until November 30, 2017 to conduct the due diligence on the Company.

9. SUBSEQUENT EVENT

Subsequent to the period ended September 30, 2017, the Company closed a private placement of 34,367,000 units. Each Unit consists of one common share and one-half share purchase warrant. Each full warrant will entitle the holder to purchase an additional common share at the price of $0.20 per share for a period of 24 months. Should the Company's share price trade at $0.40 per share or above for 5 consecutive trading days then the Company will have the option to give notice to the warrant holders to accelerate the exercise of the warrants within 10 days or the warrants will expire. The Company will also issue 1,091,000 brokers warrants in connection with financing. Each brokers warrant can be exercised to purchase an additional common share at the price of $0.20 per share for a period of 24 months. The Company will also pay share issuance costs of approximately $17,000.

As at September 30, 2017, the Company has received $735,208 in connection with this private placement.

SCHEDULE "D"
MD&A OF DVI

(See attached)

DV INFRASTRUCTURE CORP.
("DVI" or the "Company")
Annual Report
December 31, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

1.1 Date of Report: October 31, 2017

The following management's discussion and analysis ("MD&A") has been prepared as of October 31, 2017 and should be read together with the financial statements and accompanying notes for year ended December 31, 2015, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise indicated.

This MD&A includes certain statements that may be deemed "forward-looking statements". Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "project", "predict", "potential", "could", "might", "should" and other similar expressions. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

1.2 Nature of Business

DV Infrastructure Corp. (the "Company or DVI") was incorporated on November 27, 2015 under the under the BC Business Corporations Act. The head office, registered and records office of the Company is located at 2331 Rogerson Drive, Coquitlam, BC, V3J 6Y1 Canada.

DVI is engaged in the business of investing, constructing, owning and leasing mega greenhouse projects to licensed cannabis producers through its investment in DVG LLC ("DVG"), a limited liability company incorporated under the laws of Washington State.

1.3 Overall Performance

Announcements and Highlights during the year:

- The Company explored opportunities to secure a listing on the Canadian Stock Exchange during the year.
- Management began to focus on raising capital to support the company's business, marketing initiatives and general working capital.

1.3 Results of Operations

The Company had no operations during the period.

1.4 Liquidity and Capital Resources

As at December 31, 2015, the Company had minimal assets and no liabilities.

At December 31, 2015, share capital was $100 comprising 15,000,000 issued and outstanding common shares.

At present, the Company's operations do not generate cash inflows and its financial success after December 31, 2015 is dependent on management's ability to continue to obtain sufficient funding to sustain operations through the development.

The Company may not be able to generate sufficient cash flows from its operations in the foreseeable future to support its working capital needs. As a result, the Company will have to rely on funding through future equity issuances and through short term borrowing in order to finance ongoing operations. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

1.5 Share Capital

As at December 31, 2015, the Company had 15,000,000 common shares issued and outstanding.

1.6 Share Purchase Warrants

As at December 31, 2015, the Company had no share purchase warrants issued and outstanding.

1.7 Stock Options

The Company does not have stock option plan as of December 31, 2015.

1.8 Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed. The Company is not a party to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the Company's financial condition, changes in financial condition, revenues, expenses, results of operations, liquidity, capital expenditures or capital resources.

1.9 Transactions with Related Parties

Related parties include key management, personnel, and affiliated companies. Key management personnel include officers, directors or companies with common directors of the Company who

have direct or indirect authority and responsibility for planning, directing and controlling the activities of the Company.

During the period ended December 31, 2015, there no related party transactions.

1.10 Fourth Quarter

The Corporation had no operations in the fourth quarter ended December 31, 2015.

1.11 Subsequent Events

On August 17, 2017, the Company entered into a Letter of Intent ("LOI") with Fortify Resources Inc. ("Fortify"), a company listed on the Canadian Stock Exchange under the symbol of "CSE: FTY".

Subsequent to the period ended September 30, 2017, the Company closed a private placement of 34,367,000 units. Each Unit consists of one common share and one-half share purchase warrant. Each full warrant will entitle the holder to purchase an additional common share at the price of $0.20 per share for a period of 24 months. Should the Company's share price trade at $0.40 per share or above for 5 consecutive trading days then the Company will have the option to give notice to the warrant holders to accelerate the exercise of the warrants within 10 days or the warrants will expire. The Company will also issue 1,091,000 brokers warrants in connection with financing. Each brokers warrant can be exercised to purchase an additional common share at the price of $0.20 per share for a period of 24 months. The Company will also pay share issuance costs of approximately $17,000.

As at September 30, 2017, the Company has received $735,208 in connection with this private placement.

1.12 Changes in Accounting Policies

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements of the Company as at December 31, 2015. The unaudited condensed financial statements should be read in conjunction with the Company's audited financial statements for the period ended December 31, 2015.

<u>Accounting standards issued but not yet applied</u>

The following new standards and interpretations are not yet effective and have not been applied in preparing these financial statements. The Company is currently evaluating the potential impacts of these new standards and does not anticipate any material changes to the financial statements upon adoption of this new and revised accounting pronouncement.

Effective for annual periods beginning on or after January 1, 2018:

- IFRS 9 – Financial Instruments introduces new requirements for the classification and measurement of financial assets, and will replace IAS 39. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the

multiple classification options available in IAS 39.

- IFRS 15 - Revenue from Contracts with Customers is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service*.

Effective for annual periods beginning on or after January 1, 2019:

- IFRS 16 - Leases specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The extent of the impact of adoption has not yet been determined.

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

1.13 Financial Instruments and Other Instruments

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge any obligations. The Company is currently not exposed to any credit risk.

Fair value

The carrying value of due from related parties and due to a related party approximated their fair value because of the relatively short-term nature of these instruments.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates.

Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

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

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

The fair value of due from related parties and due to related party approximates fair value due to the short term nature of the financial instruments. These accounts are classified as loans and receivables.

1.14 Other MD&A Requirements

Disclosure of Outstanding Share Data

a. Authorized:

15,000,000 common shares with no par value

b. Common Shares Issued:

Balance, December 31, 2015:	15,000,000
Balance, October 31, 2017:	57,192,000

As at October 31, 2017 and December 31, 2015, there were no common shares held in escrow.

Risk Factors

The Company is focused on more select market introduction and development of all its product lines while instituting cost control of product development. The failure to generate future sales in the Company's main products could have a significant and adverse effect on the Company.

The Company success will depend in large measure on certain key personnel. The loss of the services of such key personnel could have a material adverse effect on the Company. The Company does not anticipate having key person insurance in effect for management. However, the Company will institute an insurance policy that provides directors and officers a minimum of $2 million liability coverage in the coming quarters. The contributions of these individuals to the immediate operations of the Company are of central importance. In addition, there can be no assurance that the Company will be able to continue to attract and retain all personnel necessary for the development and operation of its business.

Management is continuing efforts to attract additional equity and capital investors and implement cost control measures to maintain adequate levels of working capital. Nevertheless, there can be no assurance provided with respect to the successful outcome of these ongoing actions. If the Company is unable to obtain additional financing on reasonable terms, the Company may be required to curtail or reduce its operations to continue as a going concern.

In addition, the Company's limited working capital could affect the Company's ability to seize upon opportunities requiring investment, or to reinvest in its products in a timely manner.

DV INFRASTRUCTURE CORP.
("DVI" or the "Company")
Annual Report
December 31, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

1.1 Date of Report: October 31, 2017

The following management's discussion and analysis ("MD&A") has been prepared as of October 31, 2017 and should be read together with the financial statements and accompanying notes for year ended December 31, 2016, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise indicated.

This MD&A includes certain statements that may be deemed "forward-looking statements". Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "project", "predict", "potential", "could", "might", "should" and other similar expressions. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

1.2 Nature of Business

DV Infrastructure Corp. (the "Company or DVI") was incorporated on November 27, 2015 under the under the BC Business Corporations Act. The head office, registered and records office of the Company is located at 2331 Rogerson Drive, Coquitlam, BC, V3J 6Y1 Canada.

DVI is engaged in the business of investing, constructing, owning and leasing mega greenhouse projects to licensed cannabis producers through its investment in DVG LLC ("DVG"), a limited liability company incorporated under the laws of Washington State.

1.3 Overall Performance

Announcements and Highlights during the year:

- The Company explored opportunities to secure a listing on the Canadian Stock Exchange during the year.
- Management began to focus on raising capital to support the company's business, marketing initiatives and general working capital.

1.3 Results of Operations

The Company had no operations during the year ended December 31, 2016 and 2015.

1.4 Liquidity and Capital Resources

As at December 31, 2016, the Company had minimal assets and no liabilities.

At December 31, 2016, share capital was $100 comprising 15,000,000 issued and outstanding common shares.
At present, the Company's operations do not generate cash inflows and its financial success after December 31, 2016 is dependent on management's ability to continue to obtain sufficient funding to sustain operations through the development.

The Company may not be able to generate sufficient cash flows from its operations in the foreseeable future to support its working capital needs. As a result, the Company will have to rely on funding through future equity issuances and through short term borrowing in order to finance ongoing operations. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

1.5 Share Capital

As at December 31, 2016, the Company had 15,000,000 common shares issued and outstanding.

1.6 Share Purchase Warrants

As at December 31, 2016, the Company had np share purchase warrants issued and outstanding.

1.7 Stock Options

The Company does not have stock option plan as of December 31, 2016.

1.8 Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed. The Company is not a party to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the Company's financial condition, changes in financial condition, revenues, expenses, results of operations, liquidity, capital expenditures or capital resources.

1.9 Transactions with Related Parties

Related parties include key management, personnel, and affiliated companies. Key management personnel include officers, directors or companies with common directors of the Company who have direct or indirect authority and responsibility for planning, directing and controlling the activities of the Company.

During the period ended December 31, 2016, there no related party transactions.

1.10 Fourth Quarter

The Corporation had no operations in the fourth quarter..

1.11 Subsequent Events

On August 17, 2017, the Company entered into a Letter of Intent ("LOI") with Fortify Resources Inc. ("Fortify"), a company listed on the Canadian Stock Exchange under the symbol of "CSE: FTY".

Subsequent to the period ended September 30, 2017, the Company closed a private placement of 34,367,000 units. Each Unit consists of one common share and one-half share purchase warrant. Each full warrant will entitle the holder to purchase an additional common share at the price of $0.20 per share for a period of 24 months. Should the Company's share price trade at $0.40 per share or above for 5 consecutive trading days then the Company will have the option to give notice to the warrant holders to accelerate the exercise of the warrants within 10 days or the warrants will expire. The Company will also issue 1,091,000 brokers warrants in connection with financing. Each brokers warrant can be exercised to purchase an additional common share at the price of $0.20 per share for a period of 24 months. The Company will also pay share issuance costs of approximately $17,000.

As at September 30, 2017, the Company has received $735,208 in connection with this private placement.

1.12 Changes in Accounting Policies

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements of the Company as at December 31, 2016. The unaudited condensed financial statements should be read in conjunction with the Company's audited financial statements for the period ended December 31, 2016.

<u>Accounting standards issued but not yet applied</u>

The following new standards and interpretations are not yet effective and have not been applied in preparing these financial statements. The Company is currently evaluating the potential impacts of these new standards and does not anticipate any material changes to the financial statements upon adoption of this new and revised accounting pronouncement.

Effective for annual periods beginning on or after January 1, 2018:

- IFRS 9 – Financial Instruments introduces new requirements for the classification and measurement of financial assets, and will replace IAS 39. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple classification options available in IAS 39.
- IFRS 15 - Revenue from Contracts with Customers is a new standard to establish principles

for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service*.

Effective for annual periods beginning on or after January 1, 2019:

- IFRS 16 - Leases specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The extent of the impact of adoption has not yet been determined.

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

1.13 Financial Instruments and Other Instruments

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge any obligations. The Company is currently not exposed to any credit risk.

Fair value

The carrying value of due from related parties and due to a related party approximated their fair value because of the relatively short-term nature of these instruments.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates.

Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Financial assets and liabilities measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the

fair values. The three levels of the fair value hierarchy are:

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

The fair value of due from related parties and due to related party approximates fair value due to the short term nature of the financial instruments. These accounts are classified as loans and receivables.

1.14 Other MD&A Requirements

Disclosure of Outstanding Share Data

a. Authorized:

15,000,000 common shares with no par value

b. Common Shares Issued:

Balance, December 31, 2016:	15,000,000
Balance, October 31, 2017:	57,192,000

As at October 31, 2017 and December 31, 2016, there were no common shares held in escrow.

Risk Factors

The Company is focused on more select market introduction and development of all its product lines while instituting cost control of product development. The failure to generate future sales in the Company's main products could have a significant and adverse effect on the Company.

The Company success will depend in large measure on certain key personnel. The loss of the services of such key personnel could have a material adverse effect on the Company. The Company does not anticipate having key person insurance in effect for management. However, the Company will institute an insurance policy that provides directors and officers a minimum of $2 million liability coverage in the coming quarters. The contributions of these individuals to the immediate operations of the Company are of central importance. In addition, there can be no assurance that the Company will be able to continue to attract and retain all personnel necessary for the development and operation of its business.

Management is continuing efforts to attract additional equity and capital investors and implement cost control measures to maintain adequate levels of working capital. Nevertheless, there can be no assurance provided with respect to the successful outcome of these ongoing actions. If the Company is unable to obtain additional financing on reasonable terms, the Company may be required to curtail or reduce its operations to continue as a going concern.

In addition, the Company's limited working capital could affect the Company's ability to seize upon opportunities requiring investment, or to reinvest in its products in a timely manner.

DV INFRASTRUCTURE CORP.

("DVI" or the "Company")
Quarterly Report
Nine months ended September 30, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

1.1 Date of Report: October 31, 2017

The following management's discussion and analysis ("MD&A") has been prepared as of October 31, 2017 and should be read in conjunction with the condensed interim consolidated financial statements and accompanying notes for the nine months period ended September 30, 2017, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise indicated.

This MD&A includes certain statements that may be deemed "forward-looking statements". Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "project", "predict", "potential", "could", "might", "should" and other similar expressions. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

1.2 Nature of Business

DV Infrastructure Corp. (the "Company or DVI") was incorporated on November 27, 2015 under the under the BC Business Corporations Act. The head office, registered and records office of the Company is located at 2331 Rogerson Drive, Coquitlam, BC, V3J 6Y1 Canada.

DVI is engaged in the business of investing, constructing, owning and leasing mega greenhouse projects to licensed cannabis producers through its investment in DVG LLC ("DVG"), a limited liability company incorporated under the laws of Washington State.

On August 17, 2017, the Company entered into a Letter of Intent ("LOI") with Fortify Resources Inc. ("Fortify"), a company listed on the Canadian Stock Exchange under the symbol of "CSE: FTY".

1.3 Overall Performance

Announcements and Highlights during the quarter:

- During the quarter, the Company into a Letter of Intent ("LOI") with Fortify Resources Inc. ("Fortify"), a company listed on the Canadian Stock Exchange under the symbol of "CSE: FTY".

- On August 17, 2017, the Company, along with Sentinel Property Management Ltd. ("Sentinel") and Stratto, LLC ("Stratto") entered into a Joint Venture Agreement ("JV Agreement") to form DVG, LLC. ("DVG"), a US company incorporated on July 28, 2017 in Washington USA. According to

the JV Agreement DVI has a 30% interest in DVG, and Sentinel has 20% and Stratto has 50%. The primary business in DVG is to complete greenhouse construction, lease land, facilities and agriculture infrastructure to licensed marijuana growers in the State of Washington.

- Management continued to actively focus on capital raising to support the company's business, marketing initiatives and general working capital.

1.4 Results of Operations

Nine months ended September 30, 2017 and 2016

During the nine months ended September 30, 2017, the Company incurred net loss of $225,316 (September 30, 2016 - $nil). As at September 30, 2017 the Company had a positive working capital of $1,273,492 (December 31, 2016 - $100) and an accumulated deficit of $225,316 (December 31, 2016 - $nil)

Significant changes in the period are as follows:

- The Company incurred corporate and professional fees of $224,668 which includes legal, and consulting services performed.
- The Company incurred office and miscellaneous expenses of $648 due to the start up of the business and commencement of operational activities. The Company has no payroll and engages consultants on as needed basis.

Selected Quarterly Information

	September 30, 2017 $	June 30, 2017 $	March 31, 2017 $	December 31, 2016 $	September 30, 2016 $	June 30, 2016 $	March 31, 2016 $	December 31, 2015 $
Net loss	(225,316)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Basic and diluted loss per share	(0.01)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Cash	811,564	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Assets	1,292,492	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Non-Current Liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

1.5 Liquidity and Capital Resources

As at September 30, 2017, the Company has total assets of $1,292,492 and a positive working capital of $1,273,492.

At September 30, 2017, the Company had cash of $811,564 (December 31, 2016- $nil) and a positive working capital of $1,273,492. (December 31, 2016 - $100). As of September 30, 2017, the Company

advanced DVG $480,828 to commence operations. The advances were non-interesting, bearing, unsecured and no formal terms of repayments

Cash utilized in operating activities during the nine months ended September 30, 2017 was $206,316 (September 30, 2016 – $nil).

At September 30, 2017, share capital was $763,600 comprising 22,825,000 issued and outstanding common shares. There was no increase in the share capital for the period nine month ended September 30, 2016.

At present, the Company's operations generate minimal cash inflows and its financial success after September 30, 2017 is dependent on management's ability to continue to obtain sufficient funding to sustain operations through the development.

The Company may not be able to generate sufficient cash flows from its operations in the foreseeable future to support its working capital needs. As a result, the Company will have to rely on funding through future equity issuances and through short term borrowing in order to finance ongoing operations and the construction. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

1.6 Share Capital

As at September 30, 2017, the Company had 22,825,000 common shares issued and outstanding.

1.7 Share Purchase Warrants

As at September 30, 2017, the Company had 3,912,500 share purchase warrants issued and outstanding.

1.8 Stock Options

The Company does not have stock option plan as of September 30, 2017.

1.9 Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed. The Company is not a party to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the Company's financial condition, changes in financial condition, revenues, expenses, results of operations, liquidity, capital expenditures or capital resources.

1.10 Transactions with Related Parties

Related parties include key management, personnel, and affiliated companies. Key management personnel include officers, directors or companies with common directors of the Company who have direct or indirect authority and responsibility for planning, directing and controlling the activities of the Company.

As at September 30, 2017, the due from related parties consisted of the following:

a. Advances made to DVG, LLC in the amount of $480,865 as described in Note 3.
b. Amount receivable from a shareholder of $100.
c. Amount due to DVG, LCC in the amount of $37.

The balances are unsecured, non-interest bearing and without fixed repayment terms

1.11 Subsequent Events

Subsequent to the period ended September 30, 2017, the Company closed a private placement of 34,812,000 units. As at September 30, 2017, the Company has received $735,208 in connection to this private placement.

Subsequent to the period ended September 30, 2017, the Company closed a private placement of 34,367,000 units. Each Unit consists of one common share and one-half share purchase warrant. Each full warrant will entitle the holder to purchase an additional common share at the price of $0.20 per share for a period of 24 months. Should the Company's share price trade at $0.40 per share or above for 5 consecutive trading days then the Company will have the option to give notice to the warrant holders to accelerate the exercise of the warrants within 10 days or the warrants will expire. The Company will also issue 1,091,000 brokers warrants in connection with financing. Each brokers warrant can be exercised to purchase an additional common share at the price of $0.20 per share for a period of 24 months. The Company will also pay share issuance costs of approximately $17,000.

As at September 30, 2017, the Company has received $735,208 in connection with this private placement.

1.12 Changes in Accounting Policies

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements of the Company as at December 31, 2016. The unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited financial statements for the period ended December 31, 2016.

During the nine months ended September 30, 2017, the Company adopted the following policies:

Accounting standards issued but not yet applied

The following new standards and interpretations are not yet effective and have not been applied in preparing these financial statements. The Company is currently evaluating the potential impacts of these new standards and does not anticipate any material changes to the financial statements upon adoption of this new and revised accounting pronouncement.

Effective for annual periods beginning on or after January 1, 2018:

- IFRS 9 – Financial Instruments introduces new requirements for the classification and measurement of financial assets, and will replace IAS 39. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple classification options available in IAS 39.
- IFRS 15 - Revenue from Contracts with Customers is a new standard to establish principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model in order to depict the transfer of promised goods or services to customers. IFRS 15 supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programs*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers*, and SIC-31, *Revenue – Barter Transactions involving Advertising Service*.

Effective for annual periods beginning on or after January 1, 2019:

- IFRS 16 - Leases specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and

liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The extent of the impact of adoption has not yet been determined.

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

1.13 Financial Instruments and Other Instruments

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge any obligations. The Company's cash and receivables are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness.

Fair value

The carrying value of cash, due from a related party approximated their fair value because of the relatively short-term nature of these instruments.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

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

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

The fair value of accounts receivables, advances, accounts payable and accrued liabilities, due to related party and due from related parties approximates fair value due to the short term nature of the financial instruments. Cash is classified as fair value through profit or loss and is measured using level 1 inputs of the fair value hierarchy.

1.14 Other MD&A Requirements

Disclosure of Outstanding Share Data

a. Authorized:

22,825,000 common shares with no par value

b. Common Shares Issued:

Balance, September 30, 2017	22,825,000
Balance, October 31, 2017	57,192,000

As at October 31, 2017 and September 30, 2017, there were no common shares held in escrow.

Risk Factors

The Company is focused on more select market introduction and development. The failure to generate future sales in the Company's main products could have a significant and adverse affect on the Company.

The Company success will depend in large measure on certain key personnel. The loss of the services of such key personnel could have a material adverse affect on the Company. The Company does not anticipate having key person insurance in effect for management. However, the Company will institute an insurance policy that provides directors and officers a minimum of $2 million liability coverage in the coming quarters. The contributions of these individuals to the immediate operations of the Company areof central importance. In addition, there can be no assurance that the Company will be able to continue to attract and retain all personnel necessary for the development and operation of its business.

The Company has incurred a net loss for the period ended September 30, 2017 of $225,316 and has a deficit of $225,316. Management is continuing efforts to attract additional equity and capital investors and implement cost control measures to maintain adequate levels of working capital. Nevertheless, there can be no assurance provided with respect to the successful outcome of these ongoing actions. If the Company is unable to obtain additional financing on reasonable terms, the Company may be required to curtail or reduce its operations to continue as a going concern.

In addition, the Company's limited working capital could affect the Company's ability to seize upon opportunities requiring investment, or to reinvest in its products in a timely manner.

SCHEDULE "E"
PRO FORMA FINANCIAL STATEMENTS

(See attached)

FORTIFY RESOURCES INC.

UNAUDITED PRO-FORMA
Consolidated Statement of Financial Position
(Prepared by Management)
(Expressed in Canadian dollars)

September 30, 2017

FORTIFY RESOURCES INC.
UNAUDITED PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2016

	Fortify Resouces Inc.. as at September 30, 2017 (unaudited)	DVI Infrustracture Corp. as at September 30, 2017 (unaudited)	Notes	Pro-forma Adjustments (unaudited)	Consolidated (unaudited)
ASSETS					
Current assets					
Cash	$ 35,696	$ 811,564	3(c)	$ 4,000,000	$ 4,427,260
			3(c)	(320,000)	
			3(d)	(100,000)	
Receivables	6,801	-		-	6,801
Due from related parties	-	480,928		-	480,928
	42,497	1,292,492		3,580,000	4,914,989
Non-current					
Exploration and evaluation assets	36,986	-		(36,986)	-
	$ 79,483	$ 1,292,492		$ 3,543,014	$ 4,914,989
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	$ 15,630	$ 19,000		$ -	$ 34,630
Due drom related parties	6,300	-		-	6,300
	21,930	19,000		-	40,930
SHAREHOLDERS' EQUITY					
Share capital	492,630	763,600	3(a)	(492,630)	4,525,319
			3(b)	302,719	
			3(c)	4,000,000	
			3(c)	(320,000)	
			3(c)	(100,000)	
			3(c)	(121,000)	
				4,525,319	
Share subscription received	-	735,208			735,208
Contributed surplus	-	-	3(a)	110,000	231,000
			3(b)	121,000	
				231,000	
Deficit	(435,077)	(225,316)	3(a)	435,077	(617,468)
			3(a)	(355,166)	
			3(a)	(36,986)	
				(617,468)	
Accumulated other comprehensive income	-	-		-	-
	57,553	1,273,492		3,543,014	4,874,060
	$ 79,483	$ 1,292,492		$ 3,543,014	$ 4,914,989

The accompanying notes are an integral part of this unaudited pro-forma consolidated statement of financial position.

FORTIFY RESOUCES INC.
NOTES TO THE UNAUDITED PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2017

1. PROPOSED TRANSACTION

Fortify Resouces Inc.. ("Fortify" or the "Company") Fortify Resources Inc. (the "Company") was incorporated on May 31, 2011, under the British Columbia Business Corporations Act. The Company is engaged in the acquisition and exploration of mineral properties in Canada. DV infrustracture Corp. ("DVI"), a private limited liability company organized under the laws of British Colombia, Canada, involved in the business investing, constructing, owning and leasing mega greenhouse project ot licensed cannabis producers.

On August 17, 2017, Fortify and DVI entered into a letter of intent ("LOI") by which the Company will acquire all the issued and outstanding equity of DVI in exchange for similar equity instruments of the Company (the "Agreement). Under the terms of the Agreement , Fortify will acquire all of the issued and outstanding equity instruments of DVI in exchange for 1 (the "Exchange Ratio") of similar equity instruments in the Company that are outstanding at the time of closing the transaction (the "Transaction"). Equity instruments will include common shares, common share purchase warrants and stock options.

DVI is in the process of completing a private placement financing to raise gross proceeds of $4,000,000 (the "Subsequent Financing") by the issuance of 40,000,000 Units at $0.10 per unit. Each unit consists of one common share and one purchase warrant. Each purchase half-warrant entitles the holder to purchase one common share of Fortify at $0.20 per share for up to 2 years. The warrants are subject to an acceleration clause whereby if the common shares trade equal to or greater the $0.40 for a period of five consecutive trading days, the warrant expiry date shall accelerate to a date that is not less than twenty days after notice is given. In connection with the Subsequent Financing the Agent will be paid an 8% cash commission, will be issued 2,000,000 warrants with similar terms to the warrants included in the financing. As of September 30, 2017, DVI had completed the first tranche of the Subsequent Financing and had issued 7,825,000 units for gross proceeds of $763,500.

The boards of directors of Fortify and DVI have each unanimously approved the terms of the Transaction. As a result, Fortify will issue a total of 55,000,000 common shares and 20,000,000 common share purchase warrants to the DVI shareholders. It is anticipated that upon closing, DVI shareholders will hold approximately 94% of the outstanding shares of the Company.

The Transaction will be subject to certain customary conditions including approval of the Fortify and DVI shareholders and various regulatory approvals. The Agreement contains customary deal protection mechanisms and non-solicitation provisions.

On the closing of the Transaction, the Company will change its name to Grow Infrastructure Corp.

2. BASIS OF PRESENTATION

The unaudited pro-forma consolidated statement of financial position of Fortify gives effect to the Transaction as described above. In substance, the Transaction involves DVI shareholders obtaining control of Fortify and accordingly the Transaction will be considered to be a reverse takeover transaction ("RTO") with DVI acquiring Fortify. As Fortify does not meet the definition of a business under International Financial Reporting Standards ("IFRS"), the consolidated statement of financial position of the consolidated entity will represent the continuation of DVI. The Transaction has been accounted for as a share-based payment by which DVI acquired the net liabilities and listing status of Fortify. Accordingly, the accompanying unaudited pro-forma consolidated statement of financial position of Fortify has been prepared by management using the same accounting policies as described in DVI's consolidated financial statements for the period ended December 31, 2016 and its audited consolidated financial statements for the year ended December 31, 2016 which are consistent with the Company's accounting policies

The unaudited pro-forma consolidated statement of financial position is not necessarily indicative of the Company's consolidated financial position on closing of the Transaction had the Transaction closed on the dates assumed herein.

2. BASIS OF PRESENTATION (continued)

The unaudited pro-forma consolidated statement of financial position has been compiled from information derived from and should be read in conjunction with the following information, prepared in accordance with IFRS:

- Fortify's unaudited interim consolidated financial statements for the period ended September 30, 2017 and for the years ended February 28, 2017 and 2016;;
- DVI's unaudited condensed interim consolidated financial statements for the period ended September 30, 2017 and for the years ended December 31, 2016 and 2015; and
- the additional information set out in Note 3 of this unaudited pro-forma consolidated statement of financial position.

3. UNAUDITED PRO-FORMA ASSUMPTIONS AND ADJUSTMENTS

The unaudited pro-forma consolidated statement of financial position gives effect had the transaction completed by September 30, 2017. Consequential adjustments to the accululated deficit are based on the transaction described in Note 3(a).

The unaudited pro-forma consolidated statement of financial position has been prepared based on the following assumptions:

a) As consideration for 100% of the outstanding common shares of DVI, Fortify will issue 55,000,000 common shares and 20,000,000 non-transferable common share purchase warrants in exchange for all of the DVI securities.

As a result of the share exchange, the former shareholders of DVI will acquire control of Fortify and the Transaction will be treated as an RTO. The Transaction will be accounted for as an acquisition of the net liabilities and listing status of Fortify by DVI via a share based payment. The excess of the estimated fair value of the equity instruments that DVI is deemed to have issued to acquire Fortify, plus the transaction costs (both the "Consideration") and the estimated fair value of Fortify's net liabilities, will be recorded as the cost of obtaining the listing.

For the purposes of the pro-forma consolidated statement of financial position, management has estimated the fair value of the equity instruments deemed to be issued by Fortify. The fair value of the 3,027,188 common shares amounted to $302,719, based on the proposed DVI private placement financing of $0.10 per share. The fair value of the 1,734,242 warrants outstanding was 1,734,242 $110,000 The fair value of the stock purchase warrants was estimated using the Black-Scholes option pricing model applying a market price of $0.10, an exercise price of $0.12, a risk free rate of 0.54%, an expected volatility of 150% and an expected dividend yield of 0%.

3. UNAUDITED PRO-FORMA ASSUMPTIONS AND ADJUSTMENTS (continued)

The allocation of the Consideration for the purposes of the pro-forma consolidated statement of financial position is as follows:

Net liabilities acquired:		
Cash	$	35,696
Other assets		6,801
Accounts payable and accrued liabilities		(15,630)
Due to related party		(6,300)
Net liabilities assumed		20,567
Consideration given		412,719
Cost of public listing charged to deficit	$	392,152
Consideration:		
Common shares deemed to be issued re Fortify	$	302,719
Stock options deemed to be issued re Fortify		-
Legal and other transaction costs		100,000
	$	412,719

b) As a result of the acquisition, there will be an elimination of Fortify's pre-acquisition share capital of $492,630, and the deficit of $435,077.

c) The pro-forma statement of financial position assumes DVI completes its private placement financing for gross proceeds of $4,000,000 at a price of $0.10 per common share, resulting in the issuance of 40,000,000 common shares. A 8% cash finder's fee of $320,000 broker warrants will be payable on a portion the financing. The broker's warrants will entitle the holders to acquire 2,000,000 common shares at an exercise price of $0.20 for two years with a fair value of $121,000. The fair value was estimated using the Black-Scholes option pricing model applying a market price of $0.10, an exercise price of $0.12, a risk free rate of 0.54%, an expected volatility of 150% and an expected dividend yield of 0%. The finder's fee and fair value of the brokers' warrants will be recorded as a share issue cost. The pro-forma consolidated statement of financial position and the adjustments reflects the remaining portion of the private placement as Fortify had closed the first tranche of the private place by September 30, 2017.

d) Fortify and DVI's legal, business valuator and other transaction costs are estimated to be $100,000 which will be recorded as a listing expense.

4. PRO-FORMA SHAREHOLDERS' EQUITY

As a result of the Transaction and the pro-forma assumptions and adjustments, the shareholders' equity of the combined entity as at September 30, 2017 is comprised of the following:

		Share Capital					
	Notes	Number of Shares	Capital Stock	Contributed Surplus	Share subscription received	Deficit	Total
DVI balances prior to transactions below		22,825,000	$ 763,600	$ -	$ 735,208	$ (225,316)	$ 1,273,492
Common shares of DVI exchanged	3(a)	(22,825,000)	-	-	-	-	-
For common share of Fortify Shares	3(a)	3,027,188	-	-	-	-	-
Shares issued in concurrent financing	3(c)	40,000,000	4,000,000	-	-	-	4,000,000
Shares deemed to be issued re Fortify	3(a)	15,000,000	302,719	-	-	-	302,719
Net liabilities assumed re Fortify	3(a)	-	-	-	-	(355,166)	(355,166)
Share issue costs	3(c)	-	(320,000)	110,000	-	-	(210,000)
Share issue costs – broker's warrants	3(c)	-	(121,000)	121,000	-	-	-
Share issue costs – broker's cash	3(c)	-	-	-	-	-	-
Exploration and evaulation		-	-	-	-	(36,986)	(36,986)
Transaction costs - cash	3(d)	-	)	-	-	(100,000)	(100,000)
		58,027,188	$ 4,525,319	$ 231,000	$ 735,208	$ (617,468)	$ 4,874,060

5. INCOME TAXES

The effective income tax rate applicable to the consolidated operations is estimated to be 31%.

SCHEDULE "F"
FAIRNESS OPINION

(See attached)

FAIRNESS OPINION

regarding a Proposed Transaction involving

DVI Infrastructure Corp.

Vancouver, British Columbia, Canada

Independently Prepared for:

Fortify Resources Inc.
and its Special Committee of Independent Directors

November 2, 2017

RwE GROWTH PARTNERS, INC.

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EXECUTIVE SUMMARY

RwE Growth Partners, Inc. ("RwE" or the "authors of the Report") was requested by the Special Committee ("Committee") of the Board of Directors (the "Board") of Fortify Resources Inc. (hereinafter referred to as "Fortify Resources" or "FRI") of Vancouver, B.C. to prepare this formal Fairness Opinion (the "Report") from the perspective of the shareholders of FRI. FRI is listed for trading on the Canadian Securities Exchange ("CSE" or the "Exchange") under symbol FTY.

Specifically, FRI has announced that, *"on August 17, 2017, FRI announced that it had entered into a letter of intent (the "LOI") with DV Infrastructure Corp. ("DVI") regarding a proposed transaction to acquire all of the issued and outstanding securities of DVI. DVI is engaged in the business of investing, constructing, owning and leasing mega greenhouse projects to provide turnkey real estate solutions for lease to licensed cannabis producers and processors who have best-in-class operations and brands. DVI, Sentinel Property Management Ltd. and Stratto, LLC are parties to a joint venture entity – referred to as DVG LLC ("DVG"), a limited liability company constituted under the laws of Washington State. DVG holds a lease with an option to purchase four acres of land located in Moses Lake, Washington (the "Property"). Moses Lake, Washington has some of the lowest cost power available in Washington State and the Property that is being developed is zoned for commercial cannabis production. DVG has commenced site preparation for construction on its greenhouse project at the Property (the "Agri-Campus"), which will consist of twelve (12) separate greenhouses with a total of 43,680 square feet of canopy for lease to producers/processors.*

DVG management estimates that the Agri-Campus will cost DVI up to US$2.0 million – which is to be provided under a loan agreement. DVI will receive preferential pay back on capital at a rate of 60% of the profits of DVG until it has recouped the entirety of its investment. Stratto, LLC for its interest in DVG is responsible for introducing two production/processing licensees to enter lease, equipment rental, management, and licensing contracts with DVG, with the intention that those licenses will become DVG's newest 'tenant-growers'.

Once DVI has recouped all its loan investment it will earn income from DVG equal to 30% of the lease, equipment rental, management fees, and licensing revenue charged to tenant growers. Stratto, LLC management estimates that the prospective tenant-growers will have a total potential yield of over 24,000 pounds annually (10,886 kilos) at the Property."

FRI has, as at September 30, 2017, issued and outstanding 3,027,188 common shares as well as 1,734,242 warrants (issued as part of private placement in April of 2017) at a price of C$0.12 until April 28, 2020. Conversely, DVI has 22,825,000 common shares issued and outstanding as at September 30, 2017.

FRI has noted that, "subject to the execution of a Definitive Agreement, FRI proposes to acquire all of the issued and outstanding common shares of DVI in exchange for common shares of FRI (the "Payment Shares"). The Payment Shares would be issued to the shareholders of DVI on a pro-rata basis based on a 1:1 ratio."

In other words, the share structure of FRI, after the acquisition of DVI would be:

Original FRI shareholders	3,027,188	4.6%
Seed Round DVI shareholders	15,000,000	22.8%
Private Placement shareholders in DVI to 09/30/2017	7,825,000	11.9%
Planned private placement of C$4.0 million at C$0.10	40,000,000	60.7%
Total Shares Issued Post DVI acquisition	65,852,188	100.0%

In addition to the above, all of the outstanding common share purchase warrants of DVI will, subject to the rules of the Canadian Securities Exchange, be exchanged for common share purchase warrants of GROW, Inc. ("GROW"). GROW, Inc. is the name that Fortify Resources Inc. will be renamed to when the Proposed Transaction is completed (also GROW is referred to within this Report as the "Resulting Issuer").

FRI management has advised RwE that there are three (3) shareholders of FRI that are also shareholders of DVI, those being Hani John El Rayess, Dan Terrett and Nick Horsley. The Proposed Transaction will be completed pursuant to a statutory plan of arrangement.

RwE further understands from the FRI Board that after its extensive review of possible options during the past twelve months regarding funding and/or other transactions (which included examining change of control transactions, strategic deals, sales, joint ventures, partnerships, earn-ins, etc.) that the FRI Board has determined that the Proposed Transaction is in the best interests of FRI given that, among other things, no alternatives have been found that are better for FRI or financially better to the FRI shareholders than the Proposed Transaction.

FRI Shareholders in a Favorable Financial Position Post-Proposed Transaction

Given all of the above, the scope of work performed, and the assumptions made, it is the opinion of RwE that the FRI shareholders (viewed as one group) are in a more favorable economic position post-Proposed Transaction. The Proposed Transaction provides FRI common shares to the DVI shareholders (and a conversion of their warrants) for their DVI held shares (and warrants) on a 1:1 basis. RwE has been advised by the Board that: (a) the Board has contacted other third-parties to discuss the possibility of a transaction with FRI; and (c) the Proposed Transaction provides DVI shareholders common share consideration (and warrant conversion).

Given all of the above and given the stated terms and conditions of the Proposed Transaction, the FRI shareholders are in a favorable range per share for their holdings of GROW post-Proposed Transaction, as compared to their FRI shares on a pre-Proposed Transaction basis. Based upon all of the reviews, analysis and work conducted by RwE as well as subject to all of the foregoing, including the assumptions set out in the Report, RwE is of the opinion, as at the Valuation Date, that the terms (including the consideration to be received by the DVI shareholders) of the ***Proposed Transaction is fair, from a financial point of view, to the shareholders of FRI (refer to Schedule 9.0)***. Readers should review the entire Report for a complete review of the basis of the conclusions in the Report.

1.0 ASSIGNMENT, BACKGROUND & PROPOSED TRANSACTION

1.1 Assignment

RwE Growth Partners, Inc. ("RwE" or the "authors of the Report") was requested by the Special Committee ("Committee") of the Board of Directors (the "Board") of Fortify Resources Inc. (hereinafter referred to as "Fortify Resources" or "FRI") of Vancouver, B.C. to prepare this formal Fairness Opinion (the "Report") from the perspective of the shareholders of FRI. FRI is listed for trading on the Canadian Securities Exchange ("CSE" or the "Exchange") under symbol FTY.

Specifically, FRI has announced that, *"on August 17, 2017, FRI announced that it had entered into a letter of intent (the "LOI") with DV Infrastructure Corp. ("DVI" or the "Company") regarding a proposed transaction to acquire all of the issued and outstanding securities of DVI. DVI is engaged in the business of investing, constructing, owning and leasing mega greenhouse projects to provide turnkey real estate solutions for lease to licensed cannabis producers and processors who have best-in-class operations and brands.*

DVI, Sentinel Property Management Ltd. and Stratto, LLC are parties to a joint venture entity – referred to as DVG LLC ("DVG"), a limited liability company constituted under the laws of Washington State. DVG holds a lease with an option to purchase four acres of land located in Moses Lake, Washington (the "Property"). Moses Lake, Washington has some of the lowest cost power available in Washington State and the Property that is being developed is zoned for commercial cannabis production. DVG has commenced site preparation for construction on its greenhouse project at the Property (the "Agri-Campus"), which will consist of twelve (12) separate greenhouses with a total of 43,680 square feet of canopy for lease to producers/processors.

DVG management estimates that the Agri-Campus will cost DVI up to US$2.0 million – which is to be provided under a loan agreement. DVI will receive preferential pay back on capital at a rate of 60% of the profits of DVG until it has recouped the entirety of its investment. Stratto, LLC for its interest in DVG is responsible for introducing two production/processing licensees to enter lease, equipment rental, management, and licensing contracts with DVG, with the intention that those licenses will become DVG's newest 'tenant-growers'.

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Conversely, DVI has 22,825,000 common shares issued and outstanding as at September 30, 2017.

FRI has noted that, subject to the execution of a Definitive Agreement, FRI proposes to acquire all of the issued and outstanding common shares of DVI in exchange for common shares of FRI (the "Payment Shares").

The Payment Shares would be issued to the shareholders of DVI on a pro-rata basis based on a 1:1 ratio.

In other words, the share structure of FRI, after the acquisition of DVI would be:

Original FRI shareholders	3,027,188	4.6%
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Planned private placement of C$4.0 million at C$0.10	40,000,000	60.7%
Total Shares Issued Post DVI acquisition	65,852,188	100.0%

In addition to the above, all of the outstanding common share purchase warrants of DVI will, subject to the rules of the Canadian Securities Exchange, be exchanged for common share purchase warrants of GROW, Inc. ("GROW").

GROW, Inc. is the name that Fortify Resources Inc. will be renamed to when the Proposed Transaction is completed (also GROW is referred to within this Report as the "Resulting Issuer").

FRI management has advised RwE that none of the shareholders of FRI are also shareholders of DVI. The Proposed Transaction will be completed pursuant to a statutory plan of arrangement.

RwE further understands from the FRI Board that after its extensive review of possible options during the past twelve months regarding funding and/or other transactions (which included examining change of control transactions, strategic deals, sales, joint ventures, partnerships, earn-ins, etc.) that the FRI Board has determined that the Proposed Transaction is in the best interests of FRI.

The Board has assessed this given that, among other things, no alternatives have been found that are better for FRI or financially better to the FRI shareholders than the Proposed Transaction.

The reader is advised to refer to www.sedar.com, and under FRI's profile, for detailed information and the details of the Proposed Transaction.

Given this, RwE was requested to undertake the Report in order to provide an independent opinion as to the fairness of the Proposed Transaction, from a financial point of view, to the shareholders of FRI.

In preparing the Report, RwE carefully considered both the quantitative and qualitative factors related to the Proposed Transaction.

The Report is prepared for the Board and FRI shareholders and may also be included in FRI's information circular to be sent to its securityholders and filed on SEDAR, submitted to B.C. Supreme Court and to any applicable local, national and/or international regulatory bodies.

In connection with the Proposed Transaction, RwE understands that the Board has conducted its own review of the Proposed Transaction.

After this review, the Board has requested RwE's opinion and independent verification of the fairness of the Proposed Transaction from FRI's shareholders' point of view given the facts and information that is available to RwE.

As RwE has relied on information, materials and representations provided by the representatives of the Company, the authors of the Report required that the Company's management confirm to RwE that they have reviewed the final, signed Report in detail and that the information and management's representations contained in the final, signed Report are accurate, correct and complete to the best of the Company's management knowledge, and that there are no material omissions of information that would affect the conclusions contained in the Report. FRI and the Company have done this.

RwE, its principals and partners, staff and associates, do not assume any responsibility or liability for losses incurred by FRI, the Company, any local, national or international non-related or related company to FRI or DVI, the Board, the Court, the FRI shareholders and security and debt holders.

Also, with reference to the Company's and/or any related parties and/or any other parties as a result of the circulation, publication, reproduction, or use of the Report, or its use contrary to the terms and conditions and all aspects of the Report.

RwE also reserves the right, if RwE considers it necessary, to revise the Report in light of any material information regarding the Proposed Transaction or the Company existing at September 30, 2017 (i.e., the Valuation Date) which does not become known to RwE until after the date of the Report.

The Valuation Date is September 30, 2017.

Unless otherwise indicated, all monetary amounts are stated in Canadian dollars (C$) and a conversion rate of C$1.00 is equal to US$0.80.

1.2 Background

Grow, Inc. ("GROW", "GI" or the "Company") previously was incorporated as Fortify Resources Inc. ("FTY"). Fortify Resources Inc. was incorporated on May 31, 2011, under the British Columbia Business Corporations Act.

The Company plans to operate from its principal and registered office located at 2331 Rogerson Drive, Coquitlam, British Columbia V3J 6Y1.

GROW involves:

(1) the acquisition of DV Infrastructure Corp. ("DVI"). DVI is a private British Columbia company that is engaged in the business of investing and leasing various size greenhouse projects to provide turnkey real estate and equipment solutions for lease to licensed cannabis producers and processors who have best in class operations and brands. DVI undertakes this activity through a joint venture relationship. Specifically, DVI, Sentinel Property Management Ltd. and Stratto, LLC are all arms' length parties to a joint venture agreement ("JV") – formed as DVG LLC ("DVG").

The DVG JV is dated August 17, 2017 and outlines that DVI holds a 30% interest in DVG. DVG is the JV and is a limited liability company constituted under the laws of Washington State that holds a lease with an option to purchase four acres of land located in Moses Lake, Washington (referred to as the "Property").

(2) FTY is listed for trading on the Canadian Securities Exchange ("CSE" or the "Exchange") will change its name to – "GROW, INC." DVI has been 100% acquired by FTY. Focused on providing high-quality facility and equipment access/services to marijuana growers in Moses Lake, Washington State.

(3) GROW – through DVG - has commenced site preparation for construction of its greenhouse project at the Property, which will consist of twelve (12) separate greenhouses (the "Facility") with a total of 43,680 square feet of canopy for lease to marijuana producers/processors from Moses Lake.

(4) The Company will seek to sign up various high-quality, licensed and Washington State approved marijuana producers and processors of marijuana for indoor production – DVG already has an anchor tenant (see page 16).

(5) The Company, via being listed on the CSE, plans to raise at least C$4.0 million (the "Funding") to provide to DVG so as to enable DVG to undertake and complete construction of the Facility on the Property.

The reader should also refer to www.sedar.com for detailed information on FRI and its Proposed Transaction with the Company.

2.0 CONDITIONS AND RESTRICTIONS OF THE REPORT

2.1 The final signed Report is to be used by the Board, and the securityholders of FRI and the B.C. Supreme Court only.

2.2 As set out in the engagement letter, any use beyond that defined above is done so without the consent of RwE and readers are advised of such restricted use.

2.3 RwE did apply generally accepted valuation principles to the financial information it did receive from the Company.

RwE has assumed that the information regarding the Company which is contained in the Report, is accurate, correct and complete, and that there are no material omissions of such information that would affect the conclusions contained in the Report.

The conclusion represents our assessment based on the work undertaken and the assumptions made.

2.4 This Report is subject to the scope of the work conducted (refer to section 3.0), as well as the assumptions made (refer to section 4.0), and to all of the other sections of the Report. Should the assumptions used in the Report be found to be materially incorrect, then the valuation and fairness opinion conclusion may be rendered invalid and would likely have to be reviewed in light of correct and/or additional information.

2.5 RwE's assessments and conclusion is based on the information that has been made available to it. RwE reserves the right, if it considers it necessary, to revise part and/or its entire Report in light of any material information regarding the Company and/or the Proposed Transaction which becomes known to RwE during or after the date of this Report.

2.6 RwE denies any responsibility, financial or legal or otherwise, for any use and/or improper use of the Report however occasioned.

2.7 RwE as well as all of its principals, partner, staff or associates' total liability for any errors, omissions or negligent acts, whether they are in contract or in tort or in breach of fiduciary duty or otherwise, arising from any professional services performed or not performed by RwE, its principals, partner, any of its directors, officers, shareholders or employees, shall be limited to the fees charged and paid for the Report. No claim shall be brought against any of the above parties, in contract or in tort, more than two years after the date of the Report.

2.8 Any legal disputes or legal action against RwE Growth Partners, Inc. as a result of the Report, or any other matter, is agreed by the Company and FRI to be settled only in a Canadian court of law.

3.0 SCOPE OF WORK CONDUCTED

In arriving at the assessment and conclusion as to the fairness to the FRI shareholders regarding the Proposed Transaction as at the Valuation Date, RwE has relied on the following documents and information:

- Interviewed management of FRI and the Company to gain an understanding of the Company's current and planned operations and regarding the business and development history and current situation regarding the Company.
- Reviewed documentation on FRI that was available on the data vault and on www.sedar.com.
- Interviewed a number of key operational executives of FRI to gain an understanding of the Company's current operations and development plans going forward.
- Examined the August 31, 2017 FRO management-prepared financial statements, and the Draft unaudited DVI September 30, 2017 financial statements as provided by Manning Elliott, Chartered Professional Accountants, and the DVG compiled September 30, 2017 financial statements as prepared by management. No other FVG financial statements were available.
- Reviewed the composed financial projections for GROW for the years ended December 31, 2017 – 2022.
- Did not receive and could not review any signed arrangement agreement between FRI and DVG.
- Reviewed the Company's product and service offerings in its Business Plan as provided to RwE.
- Reviewed stock market trading data and financial information on the numerous public companies whose common shares are listed for trading on North American stock exchanges as well as data from various industry sources as noted through the Report.
- Reviewed the Company's product and quality assurance process and overview.
- Reviewed the Company's organizational data.
- Reviewed the Company's corporate documentation.
- Reviewed the business data provided.
- Reviewed the GROW description of its business and offerings.

- Conducted limited financial due diligence with: Bloomberg, Reuters, Capital IQ, Bank of Canada, Toronto Dominion Bank, Scotiabank, Moodys, Financial Week, Barrons, The Globe and Mail, mergermarket, TD Securities, BMO Capital Markets, CIBC World Markets, National Bank, The Economist, Morningstar Dividend Investor and Standard Bank.

- Reviewed financial and stock market trading data on comparable companies in the medical marijuana sectors and whose shares trade on North American stock exchanges. In addition to reviewing financial information, RwE reviewed the operations of these various companies to determine if any had undertaken any material or relevant acquisitions in the last 12 - 24 months.

- Reviewed information on the Company's markets from such sources as from Yahoo Finance, Forbes Magazine, CBS.MarketWatch.com, and the Gartner Group.

- RwE has relied on GROW materials and any Company and/or internal technical and due diligence work as well as the Company' management's disclosure with respect to operations.

- RwE did not visit DVG's facility in Washington State. Remote picture and review, indicated that the facility is under construction. The construction appeared logical and there were no specific other matters seen in such pictures by RwE.

- Gathered data from Capital IQ and from Pratt's Stats as available through online and/or subscription services available to RwE.

- Access to additional technical, financial and/or technical information and data may have resulted in different RwE assessments and conclusions; and such conclusions may have been materially different.

4.0 ASSUMPTIONS OF THE REPORT

RwE has made the following material assumptions in completing the Report:

(a) As at the Valuation Date all material assets and liabilities of FRI, DVI and DVG have been recorded in their accounts and financial statements and follow IFRS.

(b) Completed audits of DVI and DVG's financial statements for the period ending September 30th, 2017, would not result in any material financial change to the existing financial statements that were provided to RwE.

(c) There is no expected material change in the financial position of FRI, DVI and DVG between the date of the most recent provided financial statements and the respective Valuation Date and the closing of the Proposed Transaction and unless

noted in the Report. RwE cautions readers of the risk given that there are no financial statements for Sentinel Property Management Ltd. and Stratto, LLC. No data was provided to RwE as to how and/or for what reasons Sentinel Property Management Ltd. and Stratto, LLC., received 20% and 50% of DVG. Readers are cautioned of this; RwE has assumed that all such issuances are supported between the parties and they are all acting at arms' length and under no undue compulsion to act. This entire assumption is critical to the assessment, conclusions and fairness calculation as carried out by RwE in this Report.

(d) FRI, DVI and DVG's balance sheets are assumed to be materially the same as at the dates provided and in the Schedules and at the closing of the Proposed Transaction.

(e) The stated book value of the loan advanced DVI as at the Valuation Date has a fair market value of not more than the stated book value amount. During the nine-month period ended September 30, 2017, DVI advanced C$480,865 to DVG. The advances will be converted to promissory notes in accordance to the JV agreement and secured by the assets of DVG. DVI advised RwE that DVI management is in the process of preparing the promissory notes.

(f) The book value of FRI, DVI and DVG's assets at the Valuation Date equaled their fair market value as at August 31, 2017 and September 30, 2017 unless otherwise noted and adjusted in the Report.

(g) DVG has clear and free and satisfactory title to all of the material assets and Property and there are no material liens or encumbrances on such assets nor have any assets been pledged in any way unless otherwise disclosed in the Report or on DVI or DVG' financial statements.

(h) DVI and DVG has complied with all Washington State marijuana production and growing and other government taxation and regulatory practices as well as all aspects of their contractual agreements that would have an effect on the Report and there are no other material agreements entered into by the Company that are not disclosed by FRI.

(i) FRI has the ability to acquire 100% of DVI's shares and is able to issue the 22,825,000 shares to DVI. RwE has assumed that at least C$4.0 million in Funding is secured as part of the Proposed Transaction and per the GROW business plan.

(j) All conditions precedent to the closing of the Proposed Transaction have, or will be, satisfied or waived, as at the closing of the Proposed Transaction.

(k) DVI, DVG and the JV partners have no off-balance sheet liabilities, no contingent liabilities, unusual material contractual arrangements, or material commitments, other than in the ordinary course of business, nor material litigation pending or threatened, nor judgments rendered against it, other than those disclosed by management that would materially affect FRI's acquisition or transaction with the Company.

(l) The Company confirms to RwE that to its knowledge there is currently no existing or threatened litigation against FRI, DVI and/or DVG and/or any of their assets.

(m) There are no shareholder and/or agreements in place that limit or set the value of DVI and/or DVG.

(n) There are no tax and/or cash negative and/or dilutive events that occur at the closing of the Proposed Transaction that would affect DVG, DVI, the JV partners, the shareholders of FRI or FRI itself.

(o) Fairness is calculated from examining the Draft unaudited DVI and the management-prepared only financial statements of FRI and DVG as at the Valuation Date. Such statements are all assumed to be accurate as at the closing of the Proposed Transaction.

(p) FRI's Board, DVI and DVG management have stated to RwE that collectively they are not aware of any other material facts or data involving the parties or the assets and/or the Proposed Transaction that would have a material effect on the conclusions in the Report that has not been disclosed to RwE.

RwE believes the above assumptions to be reasonable and logical given the statement of facts and all of the information available to RwE. If any of the assumptions proves to be incorrect or invalid the conclusions contained in the Report may be different, and readers are cautioned that such differences may be material.

5.0 DEFINITION OF FAIR MARKET VALUE

In this Report, fair market value is defined as the highest price available in an open and unrestricted market between informed and prudent parties, acting at arms' length and under no compulsion to act, expressed in terms of cash. With respect to the market for the shares or units of a company viewed "en bloc" (i.e., all of them together) there are, in essence, as many "prices" for any business interest as there are purchasers and each purchaser for a particular "pool of assets", be it represented by overlying shares or the assets themselves, can likely pay a price unique to it because of its ability to utilize the assets in a manner peculiar to it.

In any open market transaction, a purchaser will review a potential acquisition in relation to what economies of scale (e.g., reduced or eliminated competition, ensured source of material supply or sales, cost savings arising on business combinations following acquisitions, and so on), or "synergies" that may result from such an acquisition.

Theoretically, each corporate purchaser can be presumed to be able to enjoy such economies of scale in differing degrees and therefore each purchaser could pay a different price for a particular pool of assets than can each other purchaser. Based on the authors of the Report's experience, it is only in negotiations with such a special purchaser

that potential synergies can be quantified and even then, the purchaser is generally in a better position to quantify the value of any special benefits than is the vendor.

In this engagement RwE was not able to expose the Company for sale in the open market and were therefore unable to determine the existence of any special interest purchasers who might be prepared to pay a price equal or greater than the fair market values (assuming the existence of special interest purchasers) outlined in the Report for the Company. As noted above, special interest purchasers might be prepared to pay a price higher than fair market value for the synergies noted above.

The shares of FRI and DVI and DVG have been viewed, analyzed and assessed as one group for purposes of fairness.

6.0 VALUATION METHODOLOGIES

6.1 Going Concern versus Liquidation Value

The first stage in determining which approach to utilize in valuing a company is to determine whether the company is a going concern or whether it should be valued based on a liquidation assumption.

A business is deemed to be a going concern if it is both conducting operations at a given date and has every reasonable expectation of doing so for the foreseeable future after that date. If a company is deemed to not be a going concern, it is valued based on a liquidation assumption.

6.2 Overview

In valuing an asset and/or a business, there is no single or specific mathematical formula. The particular approach and the factors to consider will vary in each case.

Where there is evidence of open market transactions having occurred involving the shares, or operating assets, of a business interest, those transactions may often form the basis for establishing the value of the company.

In the absence of open market transactions, the three basic, generally-accepted approaches for valuing a business interest are:

(a) The Income / Cash Flow Approach;

(b) The Market Approach; and

(c) The Cost or Asset-Based Approach.

A summary of these generally-accepted valuation approaches is provided below.

The Income/Cash Flow Approach is a general way of determining a value indication of a business (or its underlying assets), using one or more methods wherein a value is determined by capitalizing or discounting anticipated future benefits. This approach contemplates the continuation of the operations, as if the business is a "going concern".

With regards to a company involved in intellectual property development, or the valuation of an intellectual property itself, the Income Approach generally relates to the current value of expected future income or cash flow arising from the potential development of the intellectual property.

The Market Approach to valuation is a general way of determining a value indication of a business or an equity interest therein using one or more methods that compare the subject entity to similar businesses, business ownership interests and securities (investments) that have been sold. Examples of methods applied under this approach include, as appropriate: (a) the "Trading Price Method", (b) the "Guideline Public Company Method", (c) the "Merger and Acquisition Method"; and (d) analyses of prior transactions of ownership interests in the subject entity.

The Cost Approach is based upon the economic principle of substitution. This basic economic principle asserts that an informed, prudent purchaser will pay no more for an asset than the cost to obtain an opportunity of equal utility (that is, either purchase or construct a similar asset). From an economic perspective, a purchaser will consider the costs that they will avoid and use this as a basis for value.

The Cost Approach typically includes a comprehensive and all- inclusive definition of the cost to recreate an asset. Typically, the definition of cost includes the direct material, labor and overhead costs, indirect administrative costs, and all forms of obsolescence applicable to the asset.

With regards to intellectual property based firms, the Cost Approach involves a review of the historical intellectual property development and expenditures and their contribution to the current value of the business. In cases a discount or premium to depreciated historical development costs may be utilized.

The Asset-Based Approach is adopted where either:

(a) liquidation is contemplated because the business is not viable as an ongoing operation;

(b) the nature of the business is such that asset values constitute the prime determinant of corporate worth (e.g., a portfolio of intellectual property, marketable securities, or investment holding company, etc.); or

(c) there are no indicated earnings/cash flows to be capitalized.

If consideration of all relevant facts establishes that the Asset-Based Approach (sometimes a Depreciated Replacement Cost) is applicable, the method to be employed will be either a going-concern scenario ("Adjusted Net Asset Method") or a liquidation scenario (on either a forced or an orderly basis), depending on the facts.

Lastly, a combination of the above approaches may be necessary to consider the various elements that are often found within companies and/or are associated with various forms assets.

7.0 REVIEW OF FINANCIAL RESULTS

7.1 Historical Financial Results

The authors of the Report reviewed: (1) FRI's management-compiled August 30, 2017 financial statements; (2) DVI's Draft unaudited September 30, 2017 financial statements and (3) DVG's unaudited, management-prepared financial statements for the period ending as at September 30, 2017. The reader should refer to the Section 4.0, Assumptions of the Report, regarding the financial status of FRI, DVI and DVG and the JV partners. The reader should also refer to Schedules 1.0 and 2.0.

7.2 Financial Plan

The Company's management provided RwE with its most recent prepared projections for the period 2018 to 2022.

RwE understands that 2012 projections, completed in the third quarter of 2018, with an internal review, represents DVI and DVG management's estimate as to its possible financial results during the next five-year period.

DVI and DVG's management have noted to RwE that management-prepared projections, as in any company, may change due to various circumstances. DVI and DVG management have tried their best to estimate a range of future revenues and earnings.

RwE has considered this and applied discounts/assessments when considering the present value of such longer-term cash flow values.

As the Company is only at the early stages of profitable, commercial operations, with more marketing work needed, it is not uncommon for management to note that projections are subject to change.

8.0 VALUATION ANALYSIS

8.1 RwE has assessed the value of the Company based on using various traditional valuation approaches. RwE has examined the Company based on a detailed valuation/fairness analysis involving all of the following:

- Depreciated Replacement Cost of the DVG intangible and tangible assets
- Adjusted Book Value of the Company
- Modified Discounted Cash Flow (First Chicago)
- Public Guideline - Comparable Transactions
- Weighting of the above methods
- Economic analysis or market and challenges for the Company
- Tangible Asset Backing of FRI and DVI
- Assessment of Management-Projected Five-Year Forecasts from Operations
- Review of Market Characteristics that GROW operations in - now plus 5 years +
- Review of the Note Payable between DVI and DVG
- Review of the marijuana producers in Washington State and laws related to growing marijuana and taxes collected as stated by 502 data:

	2014	2015	2016	2017	Total
Marijuana Retail Sales	$31m	$323m	$696m	$685m	$1,735m
Processor Sales	$16m	$148m	$362m	$364m	$889m
Producer Sales	$3m	$15m	$51m	$54m	$122m
Total Sales	**$49m**	**$486m**	**$1,109m**	**$1,103m**	**$2,747m**
Excise Tax Collected	**$16m**	**$129m**	**$256m**	**$253m**	**$654m**

Prior to July 2015, all producers, processors, and retailers paid 25% of their marijuana sales revenue as excise tax to the Washington State Liquor Control Board.

Sales numbers have been restated backing out the tax, which was reported as sales until July 2015.

- Reviewed certain competitive offerings related to the planned offerings of the Company by examining top stated producers in Washington State; these being Northwest Cannabis Solutions, Grow Op Farms, Artizen Cannabis Company, Cowlitz County Cannabis Cultivation and Harmony Farms.

These calculations are in Schedules 1.0 to 8.0.

9.0 FAIRNESS CONSIDERATIONS

9.1 Introduction

The fairness of the Proposed Transaction for FRI shareholders is tested by:

i. assessing the latest available management-prepared August 31, 2017 FRI financial statements; the Draft unaudited financial statements of DVI as at September 30, 2017 and the management-compiled statements of DVG as at September 30, 2017. Assuming there is no material change in such financial statements that were provided by FRI, DVI and/or DVG (and the JV partners) from the provided financial statement dates of FRI, DVI and DVG and the closing of the Proposed Transaction.

ii. calculating whether the fair market value of the share of held by the existing FRI shareholders is in at least a comparable range upon completion of the Proposed Transaction with the fair market value of FRI prior to completion of the Proposed Transaction; and

iii. considering qualitative factors, such as synergies and costs/risk reduction, that may result from the Proposed Transaction.

There are many events that are assumed will occur between the Valuation Date and the closing of the Proposed Transaction.

These events are either conditions of the Proposed Transaction or are necessary aspects of the closing process.

9.2 FRI and DVI – Post Proposed Transaction

RwE has assessed the following:

(1) The fair market value of FRI and DVI and DVG, on a pre-Proposed Transaction basis, is based on the methods shown in Schedules 4.0 to 8.0.

RwE's assessment as to the fair market value of the TLT, on a pre-Proposed Transaction basis should be based on the work in Schedules 4.0 to 8.0. This was concluded after examining all other traditional valuation methods, which included the present value of DVG's expected cash flows, comparable transactions of publicly available data and information and other means related to the DVG/DVI business.

(2) One fundamental question to the FRI shareholders is not necessarily just the value of the Company and DVG, but is whether there are any better alternatives to the Proposed Transaction are open to FRI. FRI's Board has said "no" to RwE.

(3) Whether the existing FRI shareholders (measured as one group) will be at least in a comparable or better position (on a per share basis) upon completion of the Proposed Transaction as they were on a pre-Proposed Transaction basis, given that the Proposed Transaction is completed as per all of the documentation that was provided to RwE.

10.0 CONCLUSION AS TO FAIRNESS

FRI Shareholders are in a Favorable Position on a Post-Proposed Transaction Basis

Given all of the above, the scope of work performed, and the assumptions made, the FRI shareholders (viewed as one group) are in a more favorable economic position post-Proposed Transaction.

RwE has been advised by FRI Board:

(a) We have conducted a process of contacting other third parties regarding an alternative transaction involving deals; and

(b) the Proposed Transaction provides existing FRI shareholders a Proposed Transaction that is in a business area (i.e., marijuana) that is on favorable business and financial terms.

Given all of the above, the scope of work performed, and the assumptions made, it is the opinion of RwE that the FRI shareholders (viewed as one group) are in a more favorable economic position post-Proposed Transaction. The Proposed Transaction provides FRI common shares to the DVI shareholders (and a conversion of their warrants) for their DVI held shares (and warrants) on a 1:1 basis. RwE has been advised by the Board that: (a) the Board has contacted other third-parties to discuss the possibility of a transaction with FRI; and (c) the Proposed Transaction provides DVI shareholders common share consideration (and warrant conversion).

Given all of the above and given the stated terms and conditions of the Proposed Transaction, the FRI shareholders are in a favorable range per share for their holdings of GROW post-Proposed Transaction, as compared to their FRI shares on a pre-Proposed Transaction basis.

Based upon all of the reviews, analysis and work conducted by RwE as well as subject to all of the foregoing, including the assumptions set out in the Report, RwE is of the opinion, as at the Valuation Date, that the terms (including the consideration to be received by the DVI shareholders) of the ***Proposed Transaction is fair, from a financial point of view, to the shareholders of FRI***. The readers should review the entire Report for a complete review of the basis of the conclusions in the Report.

The reader should all refer to Schedule 9.0.

There are a number of additional qualitative factors associated with the completion of the Proposed Transaction that the FRI shareholders might consider in determining the overall fairness of the Proposed Transaction. In assessing the fairness of the Proposed Transaction to the shareholders of FRI, RwE has considered, *inter alia*, the following:

1. FRI's Board has conducted a process to find the best alternative for it and they could find no better financial alternatives to the DVI transaction with the Company – i.e., the Proposed Transaction.

   Other potential benefits and issues that may be realized and/or arise subsequent to the completion of the Proposed Transaction.

   Certain additional potential benefits/issues are as follows:

   i. The marijuana business in Washington State has been expanding according to data available from the State government.

   ii. Investments in marijuana businesses have been material in Canada and the U.S. over the last few years.

   iii. FRI and DVI management have noted to RwE that,

   "What is important to note is that the infrastructure and development that make this a passive investment for DVI is $4.0 million and 3 years by Mr. David Baker (refer to GROW business plan) and his team fine tuning their craft for producing and processing in Washington and ensure that our facilities will be tenanted and cash flowing."

   RwE has taken FRI disclosure and adjusted the previous work to a reasonable fair market value as at the Valuation Date (refer to Schedule

   iv. Private placements are always challenging for private companies that have not developed consistent positive cash flows over an extended period – even in the marijuana markets (though less difficult lately compared to some other businesses).

   v. The strength of the 2017+ capital markets and the marijuana opportunities in junior marketplaces are not yet as certain as senior markets and it may be challenging for smaller public companies to find other marijuana or other deals that generate consistent, material cash flows and/or raise capital.

   vi. When one considers the above together, it is reasonable to conclude that the Proposed Transaction is fair, from a financial viewpoint, to the shareholders of FRI.

11.0 QUALIFICATIONS, INDEPENDENCE AND CERTIFICATE

11.1 Qualifications

The Report preparation, and related fieldwork and due diligence investigations, were carried out by Richard W. Evans, MBA, CBV, ASA.

Since 1994 Richard W. Evans has been involved in the financial services and management consulting fields and has been involved in the preparation of over 2,350 technical and assessment reports, business plans, valuations, and feasibility studies.

Richard Evans is a Principal of RwE. He has almost twenty-years of experience working in the areas of valuation, litigation support, mergers & acquisitions and capital formation. He has more than ten years of management experience in the high-tech field where he held various positions in technical support, marketing, project manager, channels management and senior management positions.

Prior to focusing on expanding and diversifying a small financial consulting firm, Richard was extensively involved in the high technology sector in Western Canada and the U.S. Pacific Northwest where he served for two years as the General Manager of Sidus Systems Inc.

At Sidus he was directly responsible for managing the firm's C$15 million business operation throughout Western Canada and the Pacific Northwest. Previous to this, he spent almost nine years with Digital Equipment of Canada Limited where he was involved in a technical support, sales, marketing, project management and eventually channels management capacity.

Richard has been actively involved in the above professional services with hundreds of companies and has served as a Board Member for a select number of public and private firms.

His area of professional expertise is in middle market and micro-cap technology and industrial companies, especially firms needing advice and assistance with their business plans, operating plans and valuations. He has undertaken both buy side and sell side engagements.

Richard has conducted numerous valuations and fairness opinions for biotechnology, health sciences and general medical companies during the past twenty years for various courts, for the TSX-V, TSX, AMEX, NASDAQ as well as for other stock exchanges in Australia, Europe and Asia.

Richard has conducted numerous valuations assignments, fairness opinions, business assessments and plans for pharmaceutical and marijuana processing, growing and retail-related companies. A sample of these include:

Abbatis Pharmaceuticals	Sundial Growers, Inc.
Alternative Extracts Inc.	Arcturus Growth
BioHEP	BioDE
Cannibis Royalties	Cannastrips
Dragon Pharmaceuticals	Entertopia Corp.
GardenMeds, Inc.	Marapharm Ventures
Medicann	Naturally Splendid
Nutrilife Plant Products	Western AgriPharma

He has also undertaken work used on and relied upon by public companies and regulatory bodies in Canada, the United States, Europe and Asia. He has undertaken valuation work for the Courts in British Columbia, Alberta and Australia as well as for the Family Court in B.C.

Richard is extensively involved in sports coaching management and volunteer work throughout BC helping young adults and volunteer associations.

He obtained his Bachelor of Business Administration degree from Simon Fraser University, British Columbia in 1981 as well as completed his Master's degree in Business Administration at the University of Portland, Oregon in 1984 (where he graduated with honors).

Richard holds the professional designations of Chartered Business Valuator and Accredited Senior Appraiser.

He is a member in good standing with both the Canadian Institute of Chartered Business and the American Society of Appraisers.

11.2 Independence and Certification

The analyses, opinions, calculations and conclusions were developed, and this Report has been prepared in accordance with the standards set forth by the Canadian Institute of Chartered Business Valuators and the American Society of Appraisers.

RwE was paid a professional fee including out-of-pocket disbursements for the preparation of the Report and was paid at the time of completion of the work and not based on any transaction occurring or event(s).

The fee established for the Report has not been contingent upon the outcome of the Report, or by the value or other opinions presented.

RwE has no present or prospective relationship with or interest in FRI, DVI, DVG or the JV partners and/or any entity/company/individual that is the subject of this Report.

RwE – and its principal Richard W. Evans - has no personal interest with respect to any of the parties involved in the Proposed Transaction.

RwE GROWTH PARTNERS, INC.

Richard W Evans, MBA, CBV, ASA
Principal
Office: (778) 373-5432

Chartered Business Valuator – Canadian Institute of Chartered Business Valuators
Accredited Senior Appraiser – American Society of Appraisers

RwE GROWTH PARTNERS, INC.

DVG, LLC

Balance Sheet

Schedule 1.0

as at September 30, 2017

Canadian dollars

	As at September 30th, 2017 Mgt.-Prepared
ASSETS	
Curent Assets	
Cash	200,304
Other	-
Prepaid expenses	65,743
Total Current Asset	**266,047**
Non-current Assets	
Property & equipment (net)	198,817
Goodwill et al	-
Total Other Assets	**198,817**
TOTAL ASSETS	**464,864**
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable and accrued liabilities	-
Due to related parties	481,467
Total Current Liabilities	**481,467**
LONG TERM LIABILITIES	
Loans payable	-
Convertible debentures	-
Total Long Term Liabilities	**-**
TOTAL LIABILITIES	**481,467**
SHAREHOLDERS' EQUITY	
Share capital	124
Retained earnings / deficit	(16,690)
Accumlated other comprehensive loss	(37)
Total Equity / Book Value	**(16,603)**
TOTAL LIABILITIES & EQUITY	**464,864**

DV INFRASTRUCTURE CORP.

Balance Sheet

Schedule 2.0

as at September 30, 2017

Canadian dollars

	As at September 30th, 2017 Mgt.-Prepared	As at December 31st 2016 Audited
ASSETS		
Curent Assets		
Cash	811,564	-
Due from DVG	480,928	100
Prepaid expenses	-	-
Total Current Asset	**1,292,492**	**100**
Non-current Assets		
Property & equipment (net)	-	-
Goodwill et al	-	-
Total Other Assets	**-**	**-**
TOTAL ASSETS	**1,292,492**	**100**
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	19,000	-
Due to related parties	-	-
Total Current Liabilities	**19,000**	**-**
LONG TERM LIABILITIES		
Loans payable	-	-
Convertible debentures	-	-
Total Long Term Liabilities	-	-
TOTAL LIABILITIES	**19,000**	**-**
SHAREHOLDERS' EQUITY		
Share capital	763,600	100
Subscriptions	735,208	-
Retained earnings / deficit	(225,316)	-
Total Equity / Book Value	**1,273,492**	**100**
TOTAL LIABILITIES & EQUITY	**1,292,492**	**100**

FORTIFY RESOURCES INC.

Balance Sheet

Schedule 3.0

as at August 31, 2017

Canadian dollars

	As at August 31st, 2017 Mgt.-Prepared	As at February 28th 2017 Audited
ASSETS		
Curent Assets		
Cash	35,696	4,121
Accounts receivable	6,801	4,289
Prepaid expenses	-	-
Total Current Asset	**42,497**	**8,410**
Non-current Assets		
Property & equipment (net)	-	-
Exploration and evaluation assets	36,986	36,986
Goodwill et al	-	-
Total Other Assets	**36,986**	**36,986**
TOTAL ASSETS	**79,483**	**45,396**
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	15,630	63,209
Due to related parties	6,300	24,370
Total Current Liabilities	**21,930**	**87,579**
LONG TERM LIABILITIES		
Loans payable	-	-
Convertible debentures	-	-
Total Long Term Liabilities	-	-
TOTAL LIABILITIES	**21,930**	**87,579**
SHAREHOLDERS' EQUITY		
Share capital	492,630	284,521
Retained earnings / deficit	(435,077)	(326,704)
Net income / loss	-	-
Total Equity / Book Value	**57,553**	**(42,183)**
TOTAL LIABILITIES & EQUITY	**79,483**	**45,396**

DVG, LLC

Tangible Asset Backing

Schedule 4.0

as at September 30, 2017

Canadian dollars

	Company Unadjusted	Adjustments	TAB Adjusted
CURRENT ASSETS			
Cash	200,304	-	200,304
Other	-	-	-
Prepaid expenses	65,743	-	65,743
Adjusted Current Assets			**266,047**
***less:* CURRENT LIABILITIES**			
Accounts payable and accrued liabilities	-	-	-
Due to related parties	481,467	-	481,467
Adjusted Current Liabilities			**481,467**
WORKING CAPITAL			**(215,420)**
***plus: INTANGIBLES* & OTHER ASSETS**			
Property & equipment (net)	198,817		198,817
Goodwill et al	-		-
Adjusted Other Assets			**198,817**
***less:* Long Term Liabilities**			
Loans payable	-	-	-
Convertible debentures	-	-	-
			-
Assets less Liabilities			**(16,603)**
Tangible Asset Backing, Say			**Nil**

DV INFRASTRUCTURE CORP.

Tangible Asset Backing

Schedule 5.0

as at September 30, 2017

Canadian dollars

	Company Unadjusted	Adjustments	TAB Adjusted
CURRENT ASSETS			
Cash	811,564	-	811,564
Due from DVG	480,928	-	480,928
Prepaid expenses	-	-	-
Adjusted Current Assets			**1,292,492**
***less:* CURRENT LIABILITIES**			
Accounts payable and accrued liabilities	19,000	-	19,000
Due to related parties	-	-	-
Adjusted Current Liabilities			**19,000**
WORKING CAPITAL			**1,273,492**
***plus: INTANGIBLES* & OTHER ASSETS**			
Property & equipment (net)	-		-
Goodwill et al	-		-
Adjusted Other Assets			**-**
***less:* Long Term Liabilities**			
Loans payable	-	-	-
Convertible debentures	-	-	-
			-
Assets less Liabilities			**1,273,492**
Tangible Asset Backing, Say			**1,270,000**

FORTIFY RESOURCES INC.

Tangible Asset Backing

Schedule 6.0

as at August 31, 2017

Canadian dollars

	Company Unadjusted	Adjustments	TAB Adjusted	Notes
CURRENT ASSETS				
Cash	35,696	-	35,696	
Accounts receivable	6,801	-	6,801	
Prepaid expenses	-	-	-	
Adjusted Current Assets			**42,497**	
***less:* CURRENT LIABILITIES**				
Accounts payable and accrued liabilities	15,630	-	15,630	
Due to related parties	6,300	-	6,300	
Adjusted Current Liabilities			**21,930**	
WORKING CAPITAL			**20,567**	
***plus: INTANGIBLES &* OTHER ASSETS**				
Property & equipment (net)	-		-	
Exploration and evaluation assets	36,986	(36,986)	-	Removed mining work
Goodwill et al	-		-	
Adjusted Other Assets			**-**	
***less:* Long Term Liabilities**				
Loans payable	-	-	-	
Convertible debentures	-	-	-	
			-	
Assets less Liabilities			**20,567**	
Tangible Asset Backing, Say			**20,600**	

DVG, LLC

ADJUSTED BOOK VALUE APPROACH

Schedule 7.0

Canadian dollars

	Management-Prepared	Adjustments		Fair Market Value		
	as at September 30, 2017	LOW	HIGH	LOW	HIGH	Notes
				Assumption: Mgt. Prepared Financials		
ASSETS						
Current Assets						
Cash	200,304			200,304	200,304	
Other	-			-	-	
Prepaid expenses	65,743			65,743	65,743	
	266,047			266,047	266,047	
Property & equipment (net)	198,817			198,817	198,817	**1**
Goodwill et al	-			-	-	
	198,817			198,817	198,817	
FMV of the DVG Intangibles and Work	-	950,000	1,150,000	950,000	1,150,000	Refer below
TOTAL ASSETS	464,864			1,414,864	1,614,864	
LIABILITIES AND CAPITAL						
Current Liabilities:						
Accounts payable and accrued liabilities	-			-	-	
Due to DVI - Promissory Note	481,467			481,467	481,467	**2**
	481,467			481,467	481,467	
Non-current Liabilities:						
Loans payable	-			-	-	
Convertible debentures	-			-	-	
	481,467			-	-	
TOTAL LIABILITIES	481,467			481,467	481,467	
Less: Other Adjustments				0	0	
ADJUSTED BOOK VALUE				**930,000**	**1,130,000**	
			Midpoint		**1,030,000**	

Historical Work by Dave Baker and Group
adjusted by RwE based on Industry Work Comparison of other Marijuana

Prparation of Systems/Method/Techniques	*Low*	*High*
Growing processes	$ 250,000	$ 325,000
Plant and seed management	$ 275,000	$ 325,000
Technqiues for lighting and energy management	$ 425,000	$ 500,000
	$ 950,000	$ 1,150,000

Notes:

1. No evidence that equipment/construction BV should be written down.
2. DVI promissory note will require payment of the amont due from operating results.
   Business model does support that cash flows will exist from DVG to generate payments back to DVI.
   Given the above, and the JV agreement, RwE has assessed that the $481,467 will be paid to DVI.

DV INFRASTRUCTURE CORP.

ADJUSTED BOOK VALUE APPROACH

Schedule 8.0

Canadian dollars

	Unaudited	Adjustments		Fair Market Value		
	as at September 30, 2017	LOW	HIGH	LOW	HIGH	Notes
	Manning Elliott - CPA					
ASSETS						
Current Assets						
Cash	811,564			811,564	811,564	
Due from DVG	480,928			480,928	480,928	
Prepaid expenses	-			-	-	
	1,292,492			1,292,492	1,292,492	
Property & equipment (net)	-			-	-	
Goodwill et al	-			-	-	
	-			-	-	
FMV of 30% of DVG as at the Valuation Date	-	279,000	339,000	279,000	339,000	Refer to Schedule 7.0
TOTAL ASSETS	1,292,492			1,571,492	1,631,492	
LIABILITIES AND CAPITAL						
Current Liabilities:						
Accounts payable and accrued liabilities	19,000			19,000	19,000	
Due to related parties	-			-	-	
	19,000			19,000	19,000	
Non-current Liabilities:						
Loans payable	-			-	-	
Convertible debentures	-			-	-	
	19,000			-	-	
TOTAL LIABILITIES	19,000			19,000	19,000	
Less: Other Adjustments				0	0	
ADJUSTED BOOK VALUE				**1,550,000**	**1,610,000**	
			Midpoint		**1,580,000**	

Fortify Resources Inc. and DVI Infrastructure Corp. - the Proposed Transaction

Fairness Calculations

Capital Raise	$4,000,000

Schedule 9.0

Fair Market Value of DVI - Pre-Proposed Transaction*

	LOW	HIGH
Fair Market Value, say (C$) *	$1,550,000	$1,610,000

Fair Market Value of FRI - Pre-Proposed Transaction

	LOW	HIGH
Tangible Asset Backing	$20,600	$20,600
Public Entity (Shell)	$100,000	$125,000
Fair Market Value of FRI, say (C$) *	$120,600	$145,600

RwE has assumed at the value of FRI is equal to its TAB plus the value associated with being a public entity.
Public entity valuation is based on RwE's assessments as to prices for acquiring similar public entities control positions.

Fair Market Value of Resulting Issuer Post-Proposed Transaction (C$)

	LOW	HIGH
Fair Market Value of DVI	$1,550,000	$1,610,000
Fair Market Value of FRI say	$120,600	$145,600
Proceeds from Option Exercise - "In-the-Money" - both Companies	$0	$0
Proceeds from Any "In-the-Money" Warrant Exercise - both Companies	$0	$0
Net Proceeds from the Funding - per FRI Board Disclosure	$4,000,000	$4,000,000
Expenses to Close Proposed Transaction	-$160,000	-$180,000
Commission to Close Proposed Transaction - 8%	-$320,000	-$320,000
Fair Market Value of Entity - POST Proposed Transaction, say	$5,190,600	$5,255,600
Shares Outstanding in Resulting Issuer - POST Proposed Transaction	65,852,188	65,852,188

Calculation of Shares Outstanding in Resulting DCS Post-Proposed Transaction

	LOW	HIGH
Shares Issued to FRI Shareholders	3,027,188	3,027,188
Shares Issued to DVI	15,000,000	15,000,000
Placement of DVI Shares to 09/30/2017	7,825,000	7,825,000
Shares Issued from Any "In-the-Money" Option Exercise - both Companies	0	0
Shares Issued from Any "In-the-Money" Warrant Exercise - both Companies	0	0
Shares Issued forEquity Financing (the "Funding")	40,000,000	40,000,000
Shares Issued for Transaction/Financing Fees	0	0
Shares Outstanding in ResultingIssuer - GROW, Inc. - POST Proposed Transaction	**65,852,188**	**65,852,188**

* - assumes completion of the Funding and the Proposed Transaction.

Assumed Shareholdings in Resulting Issuer - GROW, Inc. POST Proposed Transaction

Shares issued to FRI Shareholders	3,027,188	4.6%
Shares issued to DVI	22,825,000	34.7%
Funding Round	40,000,000	60.7%
Shares Issued to any other Parties	0	0.0%
"In the Money" Warrants/Options that purchase shares - both Companies	0	0.0%
Shares Issued for Transaction/Financing Fees	0	0.0%
	65,852,188	100.0%

	Combined Fair Market Value of Resulting Issuer - GROW, Inc., say:	$5,220,000	
POST PROPOSED TRANSACTION	**Fair Market Value of Resulting Issuer - GROW, Inc. - held by existing FRI shareholders, say:**	**$240,000**	**(x)**
PRE PROPOSED TRANSACTION	**Fair Market Value of Existing FRI - PRE Proposed Transaction, say:**	**$133,000**	**(y)**

** based on assumption the Funding and the Proposed Transaction does close.

(x) is equal to or greater than **(y)** so the ***Proposed Transaction is Fair to the FRI Shareholders***

CERTIFICATE OF FORTIFY RESOURCES INC.

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of Fortify Resources Inc. assuming completion of the Change of Business and the Amalgamation.

Dated at Vancouver, B.C., this 14th day of November, 2017.

(s) Robert Nick Horsley
Robert Nick Horsley
CEO and Director

ON BEHALF OF THE BOARD OF DIRECTORS OF FORTIFY RESOURCES INC.

(s) Christine Mah
Christine Mah
Director

(s) Nigel Alex Horsley
Nigel Horsley
Director

CERTIFICATE OF DV INFRASTRUCTURE CORP.

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

Dated at Vancouver, B.C., this 14th day of November, 2017.

(s) Brian Gusko
Brian Gusko
Director

ON BEHALF OF THE BOARD OF DIRECTORS OF DV INFRASTRUCTURE CORP.

(s) Brian Gusko
Brian Gusko
Director