Form 45-106F2

Offering Memorandum for Non-Qualifying Issuers

Date: **Amended as of September 27, 2019**

The Issuer	
Name:	Burnstown Farms Cannabis Company Ltd., O/A Wildfire Collective
Head Office:	Care of Momentum Business Law 320 March Road, Suite 201 Ottawa, Ontario K2K 2E3 mark@wildfirecollective.ca (613) 253-3083
Listing:	**These securities do not trade on any exchange or market.**
Reporting Issuer:	No
SEDAR Filing:	No

The Offering	
Securities Offered:	5,000,000 class B shares
Price:	$0.15 per share
Minimum Offering:	**There is no minimum.** **You may be the only investor. Funds available under the offering may not be sufficient to accomplish our proposed objectives.**
Maximum Offering:	$750,000
Minimum Subscription:	$500 CDN
Payment Terms:	The full Subscription Price is payable through the Frontfundr.com online platform.
Proposed Closing Date:	The closing of the sale of the class B shares offered hereunder will take place at such times as are chosen by the Company (each, a "Closing"). The Company reserves the right to close the Offering at any time as subscriptions are received.
Tax Consequences:	There are important tax consequences to these securities. See item 6.
Selling Agent:	Silver Maple Ventures Inc, dba FrontFundr. See item 7.

Resale restrictions

You will be restricted from selling your securities for an indefinite period. See item 11.

Purchaser's rights

You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this offering memorandum, you have the right to sue either for damages or to cancel the agreement. See item 12.

"No securities regulatory authority has assessed the merits of these securities or reviewed this offering memorandum. Any representation to the contrary is an offence. This is a risky investment. See item 9."

About this Offering Memorandum

This Offering is being made pursuant to certain prospectus exemptions contained in NI 45-106. This Offering Memorandum constitutes an offering of securities only in such jurisdictions and only to those persons to whom they may be lawfully offered for sale. This Offering Memorandum is not, and under no circumstances is to be construed as a prospectus or advertisement or a public offering of these securities.

Prospective investors should rely only on the information contained in this Offering Memorandum and should not rely on some parts of this Offering Memorandum to the exclusion of others. No person has been authorized to give any information or to make any representation not contained in this Offering memorandum. Any such information or representation which is given or received must not be relied upon.

No person is authorized to give any information or to make any representation not contained in this Offering Memorandum, and any information or representation other than those contained herein must not be relied upon. This Offering Memorandum is furnished solely by the Issuer for the use of purchasers who by their acceptance hereof agree that they will not transmit, reproduce or otherwise make available this document or any information contained in it except with the written consent of the Issuer.

All subscriptions received with respect to this Offering are subject to rejection or acceptance in full or in part by the Issuer. The Issuer is not obligated to accept any subscription. Subscriptions which are rejected will be returned without interest or deduction. Insiders of the Issuer and their associates may purchase securities under the Offering. This Offering Memorandum contains information as at September 27, 2019, unless otherwise specified.

This Offering Memorandum contains summaries of the proposed terms of this Offering and of certain documents related to this Offering. Reference should be made to the actual documents for complete information concerning the rights and obligations of the parties thereto, and all such summaries are qualified in their entirety accordingly. Copies of the documents referred to in this Offering Memorandum are available upon request made in writing to the Issuer. Each purchaser must consult with their own advisors as to legal, tax, business, financial and related aspects of any purchase of class B shares. A sale of class B shares is subject to the provisions of the Subscription Agreement which accompanies this document.

Forward Looking Information

This Offering Memorandum includes forward-looking information and forward-looking statements (collectively, “forward-looking information") with respect to the Issuer. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases including, but not limited to, "expects", "does not expect", "is expected", "anticipates", "does not anticipate", "plans", "estimates", "believes", "does not believe" or "intends", or stating that certain actions, events or results may, could, would, might or will be taken, occur or be achieved) are not statements of historical fact and may be "forward-looking information". This information represents predictions and actual events or results may differ materially.

Forward-looking information may relate to the Issuer’s outlook and anticipated events or results and may include statements regarding the Issuer’s financial results, future financial position, expected growth of cash flows, business strategy, budgets, projected costs, projected capital expenditures, taxes, plans, objectives, industry trends and growth opportunities. Forward-looking information contained in this Offering Memorandum is based on certain assumptions regarding expected growth, results of operations, performance, industry trends and growth opportunities.

While management considers these assumptions to be reasonable, based on information available, they may prove to be incorrect. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These risks, uncertainties and other factors include, but are not limited to risks associated with general economic conditions; adverse industry events; marketing costs; loss of markets; future legislative and regulatory developments involving the cannabis industry; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the cannabis industry generally, income tax and regulatory matters; the ability of the Issuer to implement its business strategies including expansion plans; competition; currency and interest rate fluctuations, and the other risks discussed under the heading “Risk Factors” in this Offering Memorandum. The foregoing factors are not intended to be exhaustive.

Although the Issuer has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date hereof and the Issuer and its directors, officers and employees disclaim and obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, you should not place undue reliance on forward-looking statements due to the inherent uncertainty therein. All forward-looking information is expressly qualified in its entirety by this cautionary statement. Forward-looking information and other information contained herein concerning management’s general expectations concerning the cannabis industry is based on estimates prepared by management using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which management believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While management is not aware of any misstatements regarding any industry data or comparables presented herein, industry data and comparables are subject to change based on various factors. The Issuer has not independently verified any of this data from independent third-party sources.

Any forward-looking statements contained in this Offering Memorandum are made as of the date hereof and the Company does not undertake to update or revise them, except as may be required by applicable securities law.

Marketing Materials

Any "OM marketing materials" (as such term is defined in National Instrument 45-106- Prospectus Exemptions) related to each distribution under this Offering Memorandum and delivered or made reasonably available to a prospective purchaser before the termination of such distribution will be, and will be deemed to be, incorporated by reference into this Offering Memorandum, provided that any OM marketing materials to be incorporated by reference into this Offering Memorandum is not part of the Offering Memorandum to the extent that the contents of such OM marketing materials have been modified or superseded by a statement contained in an amended or amended and restated Offering Memorandum or OM marketing materials subsequently delivered or made reasonably available to a prospective purchaser prior to the execution of the subscription agreement by the purchaser.

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Key Terms

The following is a glossary of certain terms used in this offering memorandum including the summary hereof. Terms and abbreviations used in the financial statements of the Company and in the appendices to this Offering Memorandum 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.

All dollar amounts herein are in Canadian dollars, unless otherwise stated.

"Accredited Investor" as defined in National Instrument 45-106 – *Prospectus Exemptions*;

"**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 a "**subsidiary**" of another company if it is controlled by the other company.

A company is "**controlled**" by a Person if:
(a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person, and
(b) the voting securities, if voted, entitle the Person to elect most of the directors of the company.

A Person beneficially owns securities that are beneficially owned by:
(a) a company controlled by that Person, or
(b) an Affiliate of that Person or an Affiliate of any company controlled by that Person;

"**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 the Person to more than 10% of the voting rights attached to all outstanding voting 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 the Person serves as trustee or in a similar capacity; and
(d) in the case of a Person who is an individual and is:
    i. that Person's spouse or child, or
    ii. any relative of that Person or of his spouse who has the same residence as that Person;
(e) BUT where the Exchange determines that two Persons shall, or shall not, be deemed to be Associates with respect to a Member (as defined by the policies of the Exchange) firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D of the Exchange with respect to that Member firm, Member corporation or holding company;

"**Business Day**" means any day other than a Saturday, Sunday or a day on which banking institutions in Ottawa, Ontario are authorized or obligated by law to close;

"**Company**" or "**Issuer**" or "**Wildfire**" means Burnstown Farms Cannabis Company Ltd. O/A Wildfire Collective a private company incorporated on December 5, 2017 under the laws of Canada and pursuant to the Canada Business Corporations Act.

"Class B shares" means the class B shares in the capital of the Company, as presently constituted;

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

"**GAAP**" means generally accepted accounting principles in Canada;

"**Insider**" as used in relation to an Issuer, means

(a) a director or senior officer of the Issuer;
(b) a director or senior officer of a company that is an Insider or subsidiary of the Issuer;
(c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Issuer; or
(d) the Issuer itself if it holds any of its own securities;

"**Non Arm's Length Parties**" means: (a) in relation to a company: a promoter, officer, director, other Insider or Control Person of that company (including an Issuer) and any Associates or Affiliates of any such persons; and (b) in relation to an individual, any Associate of the individual or any company of which the individual is a promoter, officer, director, Insider or Control Person;

"**Offering**" means the distribution of class B shares pursuant to this Offering Memorandum;

"**Offering Memorandum**" means this offering memorandum of the Company September 27, 2019, together with the appendices attached hereto and including the summary hereof;

"**Person**" means any individual, firm, partnership, company, corporation or other body corporate, and the heirs, executors, administrators and other legal representatives of an individual;

"**Related Parties**" or individually, a "**Related Party**" means promoters, officers, directors and other Insiders of a company, and Associates or Affiliates thereof;

"Shareholders" means holders of the class B shares of the Company;

"**Share Purchase Options**" means the stock options of the Company outstanding as of the date of this Offering memorandum;

"**Share Purchase Warrants**" means the class B share purchase warrants of the Company outstanding as of the date of this Offering memorandum, each entitling the holder thereof to acquire one class B share at an exercise price and within a certain term after the warrants are issued to the agent, pursuant to the particular terms of the Warrant.

"Voting Trust Agreement" means the voting trust agreement among the Company, certain Shareholders, and Mark Spear, who is named as the trustee to hold the class B shares of the Shareholders in trust and to vote those shares pursuant to the agreement's terms.

Item 1: Use of Available Funds

1.1 Funds.

Table 1: Funds available as a result of this Offering

		Assuming Min. Offering	Assuming Max. Offering
A.	Amount to be raised by this offering	$0	$750,000
B.	Selling commissions and fees	$0	$45,000
C.	Estimated offering costs (legal, accounting, audit)	-$28,000	$28,000
D.	Available Funds: D = A - (B+C)	-$28,000	$677,000
E.	Additional sources of funding required	$778,000	$0
F.	Working capital deficiency	Nil	Nil
G.	**Total:** G= (D+E) - F	**$750,000**	**$677,000**

Notes:

(1) We have agreed to pay Silver Maple Ventures Inc. (dba FrontFundr):
   - (a) a fee of $6500 to conduct a due diligence review;
   - (b) a fee of $100 for due diligence to investigate each of our officers, directors, and principals if more than 3;
   - (c) a fee equal to the greater of $40 or 6% of the gross proceeds raised through this offering with an individual subscriber or a fee equal to the greater of $40 or 6% of the gross proceeds raised through this offering with a corporate subscriber.

(2) We have paid the initial fees due to Silver Maple Ventures Inc., and the estimated offering costs associated with this offering memorandum with other funds available to us. These are, however, the estimated costs of these expenditures.

(3) We will require additional financing as set out in 1.2 Table 2: Use of available funds. Concurrent with this offering we will be raising capital under the accredited investor exemption and other exemptions available to us.

1.2 Use of Available Funds.

The following table provides a breakdown of how the Company will use the available funds from this Offering.

Table 2: Use of available funds

Description Of Intended Use Of Available Funds (By Priority)	Assuming Min. Offering	Assuming Max. Offering
Facilities Construction	$0	$125,000
Fence construction	$0	$50,000
Security equipment	$0	$75,000
Non-Salary Operating Expenses	$0	$100,000

Land Purchase	$0	$300,000
Salaries and Benefits	$0	$27,000
Total:	**$0**	**$677,000**

Any proceeds raised under this Offering Memorandum will fund the immediate build out of the required fence and security on the Renfrew County Location before the winter season interferes with construction, and in order for the site to be able to continue necessary build out and be ready to apply for its licence from Health Canada in 2020.

1.3 Reallocation.

Wildfire intends to spend the Available Funds as stated. The Company may reallocate funds for sound business reasons.

The actual allocation of the net proceeds may vary depending on future developments of the Company and will be at the discretion of the Board and Management. Investors who are not prepared to permit the Company's Management to exercise discretion in the application of these funds should not be holders of the Company's securities. Until the use of proceeds are deployed as outlined above, the Company intends to invest the net proceeds of the Offering in short- term, interest bearing deposits. The Management of the Company is responsible for determining the investment policies of the Company.

1.4 Working Capital Deficiency.

Wildfire has no working capital deficiency. The funds available as a result of this Offering may not be sufficient to accomplish all of our proposed objectives, and there is no assurance that the alternative financing will be available. The Company has entered into a letter of intent with a third party to provide further financing, but due diligence is being conducted and definitive agreements negotiated as of the date of this Offering Memorandum, and the Company is not guaranteed to receive additional funds. See Section 2.7 for additional details.

Item 2: Business of Wildfire

2.1 Structure.

Burnstown Farms Cannabis Company Ltd. was incorporated on December 5, 2017 under the laws of Canada and pursuant to the *Canada Business Corporations Act.* The Company registered as the Wildfire Collective on July 5th, 2019, and is trademarked in Canada. The company has a March 31st fiscal year-end. The Company does not currently own any subsidiaries.

The head office and registered office of the Company is currently located at 417 Amberwood Road, Ashton, Ontario, K0A 1B0.

2.2 Our Business.

Our immediate goal is to become a licensed cultivator of cannabis under the *Cannabis Act*, which is regulated federally by Health Canada. The licensing system has recently changed to add more predictability to the process and shorten overall wait times for applicants. Health Canada has targeted a 60 day turn-around for new applicants. It is our hope that these changes will facilitate a faster application process for the Company, and a shorter timeline to production and fulfilling our goals.

Our Mission:

- To produce exceptional, small-batch organic cannabis products for Canada's medical and recreational markets.
- To enable experienced farmers to flourish in the cannabis industry, and to collaborate with them to grow exceptional and sustainably-grown outdoor cannabis.
- To show compassion and respect for our communities - first locally, then globally - by contributing to a number of charities.

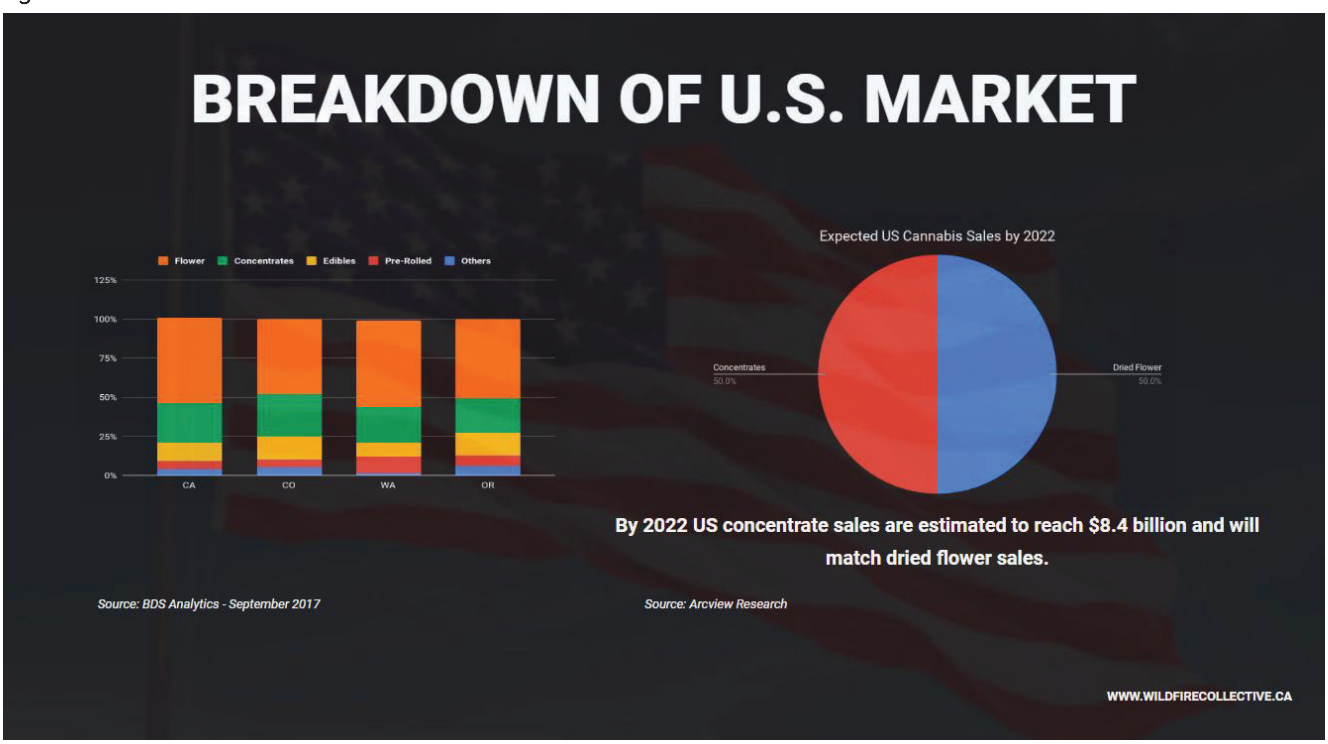
With the introduction of legal derivative cannabis products, such as vapourized concentrates, coming in late 2019, the timing is ideal for low-cost outdoor production that competes with the quality of more expensive indoor-grown cannabis and extracts.

The company is poised to fill a specific niche that is expected to develop into a multi-billion dollar industry. With a total market size of $8.7 billion in Canada (see figure 1), Deloitte estimates that the Canadian market for alternative cannabis products to be worth C$2.7 billion annually—with cannabis extract based products accounting for C$1.6 billion alone. According to Arciview Research, by 2022 U.S. concentrate sales are expected to match dried flower sales, and Canada is expected to follow a similar trend (see figure 2).

Environmental impact is a rising concern in Canada and around the world, and outdoor production may be the most sustainable way to produce cannabis. Our operations are projected to use 99% less electricity than an indoor facility and generate a fraction of the waste. Wildfire's products will be developed with a focus on obtaining a lower carbon footprint compared to the rest of the industry and will play a key role in the marketing and branding of the company.

Figure 1 - domestic market size

Figure 2 - U.S. market breakdown



2.3 Development of Business.

Recreational cannabis was legalized in Canada on October 17, 2018, when the *Cannabis Act* was brought into force. Before then, cannabis was only legally available for medical use, and could only be legally be purchased from federally licensed producers that sold direct to patients under the *Access to Cannabis for Medical Purposes Regulations*(*ACMPR)*. The regulations governing production and sale were highly restricted, and only permitted indoor and greenhouse cultivation. This was a focused and small market that did not allow derivative products other than diluted edible oil capped at 3% THC. Under legalization and the *Cannabis Act,* individuals that are over the required minimum age in their province can now purchase cannabis, cannabis products, and accessories from a variety of local retailers or online stores. Additionally, under this new legal framework a range of new cannabis production and sales licences have been made available, permitting prospective growers and sellers to set up new operational models.

The Company incorporated in December 2017 in anticipation of the addition of commercial outdoor cannabis production in the *Cannabis Act*, which occurred in October of 2018. This has created an opportunity for a much larger market, while adding a significantly more cost-efficient cultivation option.

As a prospective strictly outdoor craft cannabis producer, and one of the first in Canada, the Company has developed a strong social and traditional media presence. Consumers are demanding high-quality, organic, small-batch cannabis that is produced sustainably with care, with very limited options in the current market.

Over the last few years, a network of personal medical cultivators and breeders of cannabis plants have been developing cultivars that are best suited to the Canadian climate. Since legalization, Health Canada has also approved a set of rules under which seed and plant genetics can be transferred to newly licenced producers for use in the legal market. The Company intends to use these rules to acquire and utilize these Canada tailored cultivars and seeds for commercial production, greatly increasing the likelihood of a highly successful crop and saving years of valuable time. These crops were also produced to the strict commercial standards of the *Cannabis Act,* with preliminary laboratory testing showing that the outdoor-grown plants were rich in terpenes and cannabinoids, at similar levels of indoor grown. This cannabis easily passed the strict heavy metal and pesticide testing mandated for commercial cannabis crops.

The company has recently secured an ideal site located in Renfrew County, on rich, well-draining organic sandy loam soil in a relatively secluded agricultural area, ideal for physical and bio-security. The soil has been analyzed and tested for pesticides, heavy metals and mineral content, and can be certified organic. The municipality has confirmed that the zoning is correct for cannabis production outdoors, and that drying is a normal and permitted farm practice. They have indicated they will treat this farm as they would any other, with no additional requirements, setbacks or the site plan control process. This municipality has also opted into cannabis retail, opening the door for potential farmgate sales in the future.

The Company signed commercial agreements to provide ongoing consulting, genetics materials, and processing services to two experienced organic farms in Southern Ontario in December 2018. License applications were submitted late 2018 and both applications have passed Health Canada's high-level review, and both are now under development in anticipation of the 2020 season.

Wildfire has also recently signed non-binding supply and distribution agreements with Tantalus Labs (a currently licensed producer of premium, sustainably-produced greenhouse-grown cannabis in BC) and Taima Extracts (a 20,000ft^2 processing applicant completing buildout in Toronto). These agreements allow our products to be processed and distributed at a wholesale level without additional licensing for the first year. Note these are preliminary agreements with definitive agreements yet to come.

In the fall of 2018 the company secured a property lease with an option to buy in Lanark County (Beckwith township). The township development committee approved the site control plan in November and confirmed to Health Canada that the property was properly zoned, and development began. In early 2019 the municipality implemented a temporary interim control bylaw prohibiting cannabis production until the bylaw was updated for outdoor cultivation. This temporarily halted progress. The bylaw was updated in August 2019 permitting outdoor cannabis production and the company anticipates developing the site for R&D and novel genetics. The application for this site passed Health Canada's high-level review in the spring of 2019.

The company's first selected location in the summer of 2018 was near Burnstown Ontario, but due to restrictive bylaws (a 300 meter setback) this site was not feasible.

2.4 Long Term Objectives.

Wildfire has developed the following milestone and financial projections based on the management team's business development experience, and knowledge within both the market and industry with the given completed research.

The objectives and financial plan depends on important assumptions, most of which are shown in the following tables. The key underlying assumptions are the following:

Table 3: Long Term Objectives

Objective and Requirements	Target Completion Date	Estimated Cost
Phase 1A - Pre-license ● Initial construction of hoop house, climate controlled drying area and temporary buildings. ● 3 acres fenced and secured cultivation space in Renfrew ● 2 partner farms with 18 acres of cultivation space	December 2020	$677,000
Phase 1B ● Complete construction of production areas & buildings ● Staff recruitment and salaries ● Consumables and production equipment ● Operating & cultivation expenses	March 2020	$1,823,000
Phase 2 ● Completed construction and licensing of 5000 f^2 production building , 10,000f^2 hoop house. ● Added processing equipment and license ● Expanded acres cultivated to 8 at Renfrew ● 6 partner farms for cultivation of cannabis ● Existing partner farms expanding ● Adding Lanark breeding/R&D site	October 2021	$3,616,710
Phase 3 ● Expanded processing/drying space ● Expanded acres cultivated to 16 at Renfrew ● 12 partner farms for production of cannabis ● Existing partner farms expanded ● Added agritourism	October 2022	$7,608,324

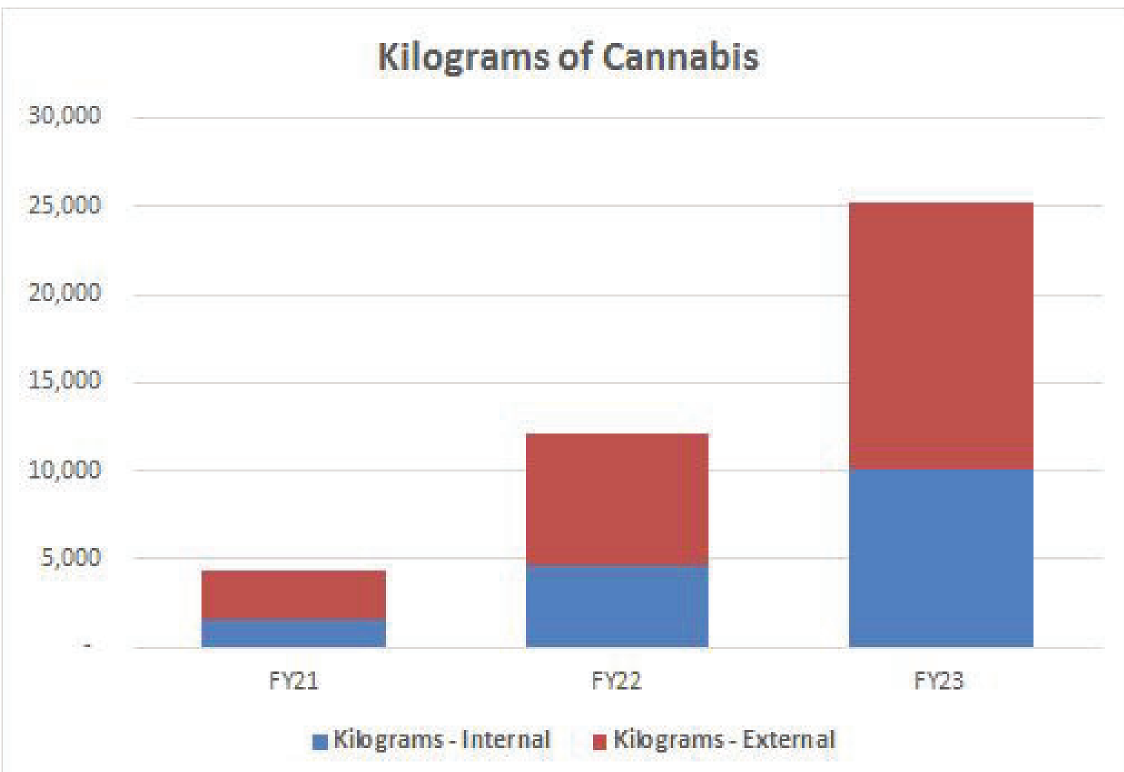
Phase 4 ● Expanded processing/drying space ● Expanded acres cultivated to 32 at Renfrew ● 24 partner farms for production of cannabis ● Existing partner farms expanded ● Expanded agritourism	October 2023	$10,555,978

These long term objectives are incorporated in an integrated financial forecast prepared by the Chief Financial Officer and reviewed by the Chief Executive Officer. The purpose of this forecast is to serve as Wildfire's operating budget, manage cyclical liquidity, and as the basis for equity fundraising. Note that there are no prior year financial results, as Wildfire is a new company.

Revenue Assumptions:

Wildfire is forecasting internal cultivation area of 3, 8, and 16 acres in the respective 2020, 2021, and 2022 growing seasons. The yield assumptions per square foot of cultivation area for the respective growing seasons are 12, 13, and 15 grams per year. The expected marginal yield increases will result from improved learning, growing methodology improvements, as well as genetic material improvements.

Internally grown production capacity will be augmented through externally sourced product through partner farms, with approximately 60%-65% of total production capacity constituting external partner farm sourced product.



Production capacity forecast by year of dried flower, separated by internal production and partner farm production. External production is sourced from partner farms, with the Company retaining 30% of the sale price.

Furthermore, revenue assumptions are driven by graded per-gram wholesale prices that are forecasted to decrease over time, as current supply shortages are met with increased production. Wildfire's grade assumption is 20% of yield at AAAA (dried flower) and 80% of yield at AAA (extract feedstock).

In April 2019 to May 2019, the average spot price for cannabis per the Canada Cannabis Spot Index (CCSI) was $7.07. However, the EY Defining the cannabis sector in Canada by 2025 report forecasted average wholesale price for dried cannabis flower in five years at $4-$5.

Table 4: Wholesale price per gram forecasted* over the next 4 years

Year	Grade	Price
2020	AAAA (dried flower)	$4.00
	AAA (extract feedstock)	$2.50
2021	AAAA	$3.25
	AAA	$2.00
2022	AAAA	$2.50
	AAA	$1.50
2023	AAAA	$2.00
	AAA	$1.25

**Forecast based on management's assessment of the current licit and illicit market information, industry forecasted demand for new derivative products (Deloitte - Cannabis 2.0 report), and data from other legal jurisdictions.*

Provided that market demand remains strong, Wildfire's assumption is that the revenue forecast is based on realistic yield, quality, and pricing parameters. See Section 2.7 *Material Agreements* for more information on supply agreements in place. Wildfire anticipates that its customers will consist of a relatively small number of Licensed Producers and Licensed Processors purchasing product in bulk.

<u>Expense Assumptions:</u>

Wildfire is forecasting production cost per gram of cannabis of $0.47, $0.40, and $0.28 in the respective 2020, 2021, and 2022 growing seasons. The forecasted reduction in production cost over time is to reflect economies of scale, increased learning, growing methodology improvements, and genetic material improvements over time.

Production costs consist primarily of starting materials, wages, production supplies, and consumables. Production related headcount is forecasted to be 8, 23, and 44 in the respective 2020, 2021, and 2022 growing seasons.

These assumptions are subject to change depending on certain factors outside of the Company's control, such as the cost of inputs, efficiency of operations given the environment, and other external economic factors.

<u>Financing Assumptions:</u>

The financial forecast assumed that the Maximum Offering amount will be raised. This is reflected in the forecast as an increase in equity on the balance sheet, with a corresponding increase in the cash balance in the third quarter of fiscal 2020.

Table 5: Income statement forecast for the next 4 years

Wildfire Collective	BUDGET	BUDGET	BUDGET	BUDGET
Income Statement Forecast	**FY20**	**FY21**	**FY22**	**FY23**
Total Income	-	12,434,568	26,385,547	42,111,737
Cost of Goods Sold	355,681	970,508	2,272,146	3,300,928
Sales	-	217,221	399,331	670,541
Marketing	56,000	255,000	328,000	910,000
General & Administration	616,053	1,637,466	2,790,541	3,587,527
Depreciation	91,181	373,786	1,391,506	2,949,667
Taxes	-	1,236,542	3,089,329	5,046,411
Net Income	**(1,118,915)**	**7,744,045**	**16,114,693**	**25,646,662**

Table 6: Balance sheet forecast for the next 4 years

Wildfire Collective Balance Sheet Forecast	BUDGET FY20	BUDGET FY21	BUDGET FY22	BUDGET FY23
Cash	441,115	7,068,350	19,733,815	40,525,039
HST Receivable	8,717	19,723	28,355	39,098
Trade Prepaids	10,059	22,758	32,717	45,113
Current assets	459,891	7,110,831	19,794,887	40,609,250
Long term assets	1,035,069	2,225,533	5,732,528	10,659,861
Total assets	**1,494,960**	**9,336,364**	**25,527,415**	**51,269,111**
Accounts Payable	67,057	151,717	218,115	300,752
Accrued Liabilities	10,059	22,758	32,717	45,113
Total liabilities	77,115	174,475	250,832	345,865
class B shares	2,780,000	2,780,000	2,780,000	2,780,000
Retained earnings	(1,362,155)	6,381,890	22,496,583	48,143,246
Shareholders' equity	1,417,845	9,161,890	25,276,583	50,923,246
Total liabilities and equity	**1,494,960**	**9,336,364**	**25,527,415**	**51,269,111**

Note: *Neither the Company's independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.*

2.5 Short Term Objectives and Methods to Achieve Them

Objective Breakdown:

Objective and Requirements	Target Completion Date	Estimated Cost
Land Purchase - Renfrew, ON • 130 acres total	November 2019	$300,000
Phase 1B Financing • Close first tranche of $1,000,000 of equity financing with Global Grow Inc. at $0.15/class B share[1] • Issued 5,000,000 class A shares to Global Grow Inc, consisting of 60.7% of the voting shares on a fully diluted basis • Complete buildout for evidence package submission	November 2019	$NIL
Initial facility build-out • Site prep - Driveway, building site & field prep. • Temporary buildings - office/staff room, storage, security. • Hoop house • Drying - climate controlled drying space. • Fencing - chain link w/ barbed wire. • Evidence package submission to Health Canada	December 2019	$250,000
Receive cultivation license • Second tranche of $1M of equity financing with Global Grow Inc. at $0.18/class B share • Operating expenses & salaries	February 2020	$127,000
Plants in the ground • Third tranche of $500k of equity financing with Global Grow Inc. at $0.20/class B share	May 2020	$NIL
Total		**$677,000**

2.6 Insufficient Funds.

The proceeds of the Offering may not be sufficient to accomplish all of the Company's proposed objectives. Management anticipates that revenue received from sales and funds from additional financing will be sufficient for it to meet its objectives, however there is no assurance that such revenue will result or that additional financing will be available. The Company may have to curtail its operations if revenue does not increase as expected, or additional financing is not available.

2.7 Material Agreements.

Since incorporation, the only material contracts entered into by the Company, or which are material to the Company, other than contracts entered into in the ordinary course of business, are as follows:

[1] This funding and all other objectives related to Global Grow Inc. are subject to certain negotiations and conditions, and is not guaranteed to be obtained by the Company. See Section 2.7 for details.

Date	Related Party	Value	Description
2018-11-16	Martin Farms		Commercial agreement to provide consulting services related to production licence applications, starting genetic materials, and processing services. The includes IP and ownership protections of genetic materials for the Company. Also includes a right of first refusal to process and sell viable cannabis crops.
2018-11-16	Mac Tab Acres		Commercial agreement to provide consulting services related to production licence applications, starting genetic materials, and processing services. The includes IP and ownership protections of genetic materials for the Company. Also includes a right of first refusal to process and sell viable cannabis crops.
2019-03-28	Silver Maple Ventures Inc., dba Frontfundr	$6500	Frontfundr agency agreement for due diligence and listing on the Frontfundr.com platform. Frontfundr will act as the Company's non-exclusive sales, marketing and administrative Agent in connection with the Offering under this Offering Memorandum, and to provide certain related services to the Company.
2019-07-03	Tantalus Labs Ltd.		LOI governing wholesale supply of cannabis, 1500kg for 2020 and 3000kg for 2021+. Agreement is a preliminary term sheet, and pending negotiation and execution of a definitive agreement.
2019-07-11	Taima Extracts Inc.		LOI governing collaboration with a prospective licenced processor whereby Wildfire will provide cannabis and Taima will process said cannabis to create white labeled vapourizer and extract products. The parties will share in the profits of the sale of the resulting products, per the terms of the LOI. 2000kg+ for 2020 with an option to renew.
2019-07-17	Mark Spear		Voluntary founder share lockup agreement for 3 years, prohibiting the sale or transfer of shares for the duration of the agreement.
2019-09-24	Global Grow Inc.	$2.5M	Binding letter of intent for a prospective corporate restructuring and financing arrangement to be entered into among the Company and Global Grow Inc. which would result in the substantive restructuring of the Company and committed financing for its initial business (the "**Prospective Arrangemen**t"). More information is available below.

The Prospective Arrangement

Under the Prospective Arrangement transaction the Company will enter into a share exchange whereby its Shareholders will exchange each class B share of the Company for a similar Class B share (bearing 1 vote per share) in a new corporation, while Global Grow Inc. shall acquire a new Class A share with super voting rights (bearing 10 votes per share). Each share will have equal liquidation, dissolution and economic rights.

The new company shall be run by a board of 5 directors, of which Global Grow Inc. shall have the right to elect 1 nominee, Mark Spear will have the right to elect 1 nominee, and the Class B shareholders shall collectively have the right to elect 1 nominee. The new company shall also put in place a shareholders agreement which will provide for the customary shareholder protections and procedural rules. The shareholders agreement shall also require that the management team of the new company submit an operating program and budget for each year, which shall be subject to the approval of the board of directors, that certain key decisions will require the approval of the majority of the board including the Global Grow Inc. nominee and Mark Spear's nominee, and that certain fundamental changes shall require the approval of 90% of the shareholders.

Under the Prospective Arrangement Global Grow Inc. will commit to funding phase 1b in the amount of

$2,500,000 to purchase Class B shares over three tranches, starting in November 2019, upon the new company reaching the following milestones:

1. On the closing date of the Prospective Arrangement, $1,000,000 shall be paid to the new company;
2. On or prior to the awarding of a cultivation license to Wildfire an additional $1,000,000 shall be paid to the new company; and
3. On or prior to the date that crops are planted in the ground an additional $500,000 shall be paid to the new company.

Under the terms of the binding LOI the parties are currently engaged in due diligence and the negotiation of definitive agreements to effect the Prospective Arrangement. The completion of the contemplated Prospective Arrangement will be conditional upon the fulfilment of certain requirements by the parties, and upon the final approval of the current shareholders of the Company, including any new shareholders pursuant to this Offering Memorandum. All of the foregoing terms of the Prospective Arrangement are subject to change depending on the negotiation of the parties. The final terms and definitive agreements to the prospective Arrangement will be presented to the shareholders of the Company prior to their vote. The shareholder vote and subsequent execution of the transaction to give effect to the Prospective Arrangement is currently expected to take place in early November, 2019.

There is no guarantee that the Prospective Arrangement will be approved, that the parties will agree upon and execute the definitive agreements to give effect to the transaction, or that any additional financing or amounts will ultimately be made available to the Company.

Item 3: Interests of Directors, Management, Promoters and Principal Holders

3.1 Compensation and Securities Held.

The following table provides the specified information about our directors and officers and each person who, directly or indirectly, beneficially owns or controls, or who will own or control following the Maximum Offering, 10% or more of any class of voting securities of the Company:

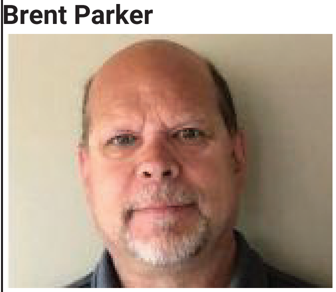
Name and Location	Positions Held	Compensation	Securities Holdings after Min. Offering	Securities Holdings after Max. Offering
Mark Spear, Ashton, Ontario	Director and CEO	$100,000 annual salary, increasing to $185,000 in February 2020	26,000,000* class B shares	26,000,000* class B shares

*Note: Mark Spear has executed a binding Lock-Up Agreement which prohibits the sale of any of his shares for a 3-year period up to August 1, 2022, unless otherwise consented to by a vote of the shareholders.

There are currently 5,775,000 options outstanding to company management, advisors and board members, none of which total more than 10% of the outstanding shares of the Company.

3.2 Management Experience.

The following sets forth further particulars on those individuals who will be members of management, directors and key personnel of the Company, including the positions they will hold with the Company and their relevant educational background:

Name	Principal occupation and related experience
Mark Spear 	**CEO, Chairman of the Board** ● President of the Ontario Independent Cannabis Association ● 10 years of medical cannabis advocacy & research ● 5 years of industry experience, 2 years with Canopy Growth in production, R&D, and Special Projects ● Advisory board member of the Sun & Earth Regenerative Organic Cannabis Standards
Brent Parker 	**Board Member** ● Respected industry professional with 25 years' experience ● Expert in horticultural lighting technology & hydroponics ● Worldwide network of cannabis industry contacts

Georges Routhier 	**Board Member** ● Operated a cannabis licensing & consulting firm since 2013 ● Has received 32 licenses and counting for clients in Canada ● Certified in GMP by Cornell University
Wynand Stassen, CPA, CA 	**CFO, Secretary and Treasurer** ● Chartered Professional Accountant with 12 years professional experience. ● Served as CFO of a Kolab Project (formerly RockGarden Cannabis) during capitalization, license grant, and subsequent sale to Auxly (formerly Cannabis Wheaton). ● Currently on contract until a full-time CFO is required in the spring of 2020 (to be recruited).
Rob Samek 	**Master Grower** ● 15 years' experience with cannabis cultivation ● 3 years of experience at Canopy Growth managing 14,000ft^2 of indoor grow space ● Expert in cultivation, irrigation, breeding and genetics

3.3 Penalties, Sanctions and Bankruptcy.

No current or proposed director, officer, control person or promoter or the Company has, within the 10 years prior to the date of this Offering Memorandum, been subject to any penalties or sanctions imposed by a court or securities regulatory authority. No issuer of which a current or proposed director, officer, control person or promoter of the Company was a director, senior officer or control person at the applicable time has been subject to any penalties or sanctions imposed by a court or securities regulatory authority relating to trading in securities, promotion or management of such issuer.

On June 22, 2019, Mark Spear was involved in a motor vehicle accident. An oncoming vehicle swerved into his lane, forcing him off the road to avoid a head-on collision. The other driver did not stop and fled the scene. Mr. Spear subsequently caught up to the driver and placed them under citizen's arrest.The other driver was arrested at the scene and charged with leaving the scene of an accident and dangerous operation of a motor vehicle. Mr. Spear was charged with assault and dangerous operation of a motor vehicle, despite the lack of injuries and the lawful citizens arrest.

Mr. Spear has obtained legal counsel and will be defending against the charges. His lawyer, Daniel Ciarabellini, is highly confident these charges will be dismissed.

These proceedings are not expected to impact a Health Canada security clearance, the Company's licence applications, or Mr. Spear's ability to oversee the operations of the Company, regardless of the outcome.

3.3 Loans.

There are no loans or debentures to or from any directors, management or promoters.

Item 4: Capital Structure

4.1 Share Capital.

Security	Number Authorized	Number Outstanding on September 27, 2019	Number Outstanding After Min. Offering	Number Outstanding After Max. Offering
Class B shares	Unlimited	29,679,167	29,679,167	34,679,167
Options for class B share	7,000,000	6,255,000	6,255,000	6,255,000

Options are held by company management, advisors and board members, and vest over three years with a one year cliff.

4.2 Long Term Debt.

The Company currently does not have any long-term debt securities.

4.3 Prior Sales

Date of Issuance	Description	Type of Security	Number of Securities Issued	Price	Total funds received
2018-03-27	Grant of Founder Shares	Class B shares	26,000,000	$0.00001	$260
2018-04-12 to 2018-09-20	Initial Private Placement under the Private Issuer prospectus exemption. (Seed Raise)	Class B shares	2,270,834	$0.12	$272,500
2019-01-09 to 2019-04-09	Second Private Placement under the Private Issuer prospectus exemption.	Class B shares	1,074,999	$0.12	$129,000
2019-07-09	Payment to consultants for key services rendered	Class B shares	333,334	$0.12	$40,000*

**Payment made in the form of services rendered to date.*

Item 5: Securities Offered

5.1 Terms of Securities.

The class B shares of the Company carry the following rights, privileges, and restrictions:

Category	Description
Voting Rights	Each class B share entitles the holder thereof to receive notice of any meetings of shareholders of the Company and to attend and cast one vote in person or by proxy per class B share at all such meetings. Under the current Offering new subscribers for Shares of the Company which purchase less than 100,000 Shares shall be required to enter into a Voting Trust Agreement, pursuant to the Company's form thereof.
Dividends	Holders of class B shares are entitled to receive on a pro-rata basis such dividends, if any, as and when declared by the Board at its discretion from funds legally available.
Distribution of Assets	Upon the liquidation, dissolution, or winding-up of the Company, all holders of these class B shares are entitled to receive, on a pro-rata basis, the net assets of the Company after payment of debts and other liabilities subject to the rights, privileges, restrictions, and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro-rata basis with the holders of Company with respect to dividends or liquidation.
Redemption, Retraction, Conversion	The class B shares do not carry any redemption, retraction, or automatic conversion rights.
Other Agreements	The class B shares are subject to the terms of a Shareholders' Agreement.
Listing Status	Currently, the class B shares are not listed on any stock exchange.

The holders of class B shares of the Company are subject to the terms of a Shareholders Agreement, which includes the following provisions:

Category	Description
Protections	Consent of majority of the then-outstanding shares will be required for any action that (i) amends the Shareholders' Agreement; or (ii) approves any merger, asset sale, liquidation or other corporate reorganization or acquisition.
Pre-Emptive Rights	Each shareholder will have a right to purchase its pro rata share of any offering of new securities by the Corporation, except for where such additional securities are being issued to persons pursuant to a stock option plan entered into by the Corporation from time to time, or shares otherwise issued for consideration other than money. This right will terminate immediately prior to the Corporation's IPO, a Sale Transaction or upon an amendment to the Shareholders' Agreement as approved by the shareholders.
Election of Directors:	The Shareholders acknowledge that the Corporation is an Applicant under the Access to Cannabis for Medical Purposes Regulations, the Cannabis Act, or any successor legislation or regulatory framework, and agree, until such time as the license is received by the Corporation, to vote to elect Mark Spear and such other directors as are directors at the date of the License application submission, as the Directors of the Corporation. Furthermore as a founder of the Corporation, Mark Spear shall be entitled to nominate one director to the board so long as he holds shares of the Corporation.

Sale Transaction	A "Sale Transaction" shall mean (i) any merger, amalgamation, reorganization, consolidation or other transaction involving the Corporation and any other corporation or other entity or person in which the persons who were the shareholders of the Corporation immediately prior to such merger, amalgamation, reorganization, consolidation or other transaction own less than fifty percent (50%) of the outstanding voting shares of the surviving or continuing entity after such merger, amalgamation, reorganization, consolidation or other transaction; (ii) the sale, exchange or transfer by the Corporation's shareholders, in a single transaction or series of related transactions, of all of the voting shares of the Corporation; or (iii) the sale of all or substantially all of the assets of the Corporation.
Tag-Along Offer	If any third party makes an offer to a shareholder owning or having control over collectively 51% or more of the shares of the Corporation, then the offering party shall be obligated to extend the offer on the same terms and conditions to each of the other shareholders to purchase the same proportion of their respective shares.
Carry-Along	If any third party makes an offer to a shareholder(s) owning or having control over collectively 51% or more of the shares of the Corporation, and the shareholder(s) wish to accept that offer, then the remaining shareholders may be obligated to participate in the offer on the same terms and conditions to sell their respective shares.

As at the date of this Offering Memorandum, there are a total of 29,679,167 class B shares issued and outstanding.

5.2 Subscription Procedure.

All Investors:

Subscribers that are subscribing under for class B shares pursuant to the Non-Brokered Offering will complete the applicable non-brokered subscription agreement.

The class B shares are offered for sale to qualified purchasers in the Provinces of Alberta, British Columbia, Ontario, Manitoba, Saskatchewan, Nova Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island and the territories of Nunavut, Yukon and Northwest Territories and such other jurisdictions as the Company may decide, in reliance upon exemptions from the prospectus requirements of applicable securities legislation.

Subscribers purchasing less than 166,667 class B shares of the Company will be required to enter into a form of voting trust agreement as a condition to their subscription, and such voting trust agreement shall name Mark Spear, the President of the Company, as the Voting Trustee who shall be entitled to vote all of the class B shares governed by the voting trust (the "**Voting Trust Agreement**")

You will be provided with this Offering Memorandum, a subscription agreement (the "**Subscription Agreement**"), and the Voting Trust Agreement if applicable, by the Company. If you wish to purchase class B shares under this Offering, you must complete and sign the Subscription Agreement, and the Voting Trust Agreement if applicable, as set out below.

The closing of this Offering shall be conditional upon the sale of at least the Minimum Offering (as described on the first page of this Offering Memorandum. If the Minimum Offering has not been sold or subscribed for at the time that the above documents are submitted by a Subscriber, the documents and any amounts delivered as payment for the related class B shares shall be held in escrow until such time as the Minimum Offering has been fulfilled. If the Minimum Offering is not met by the end of the Offering, then the Subscribers documents shall be deemed cancelled and any funds paid for class B shares shall be returned to their applicable Subscribers.

Accredited Investors:

If you are an accredited investor who is an individual (i.e. a natural person), please complete and sign the **Accredited Investor Questionnaire for Individuals** attached to the Subscription Agreement, and, if necessary, **Form 45-109F6 – Form for Individual Accredited Investors** attached to the Subscription Agreement**.** If you are a corporation, partnership or other entity, please complete the **Accredited Investor Certificate for Corporations, Partnerships and Other Entities** attached to the Subscription Agreement.

For Non-Accredited Investors:

You will be using the Offering Memorandum exemption, subject to your jurisdiction of residence:

British Columbia and Newfoundland and Labrador Subscribers:
Please complete and sign two copies of the **Form 45-106F4 – Risk Acknowledgement** attached to the Subscription Agreement.

Alberta, New Brunswick, Nova Scotia, Ontario and Saskatchewan Subscribers:

1) Please complete and sign the **Classification of Investors Under the Offering Memorandum Exemption** form attached to the Subscription Agreement, the **Investment Limits for Investors Under the Offering Memorandum Exemption** form attached to the Subscription Agreement, and complete and sign two copies of the **Form 45-106F4 – Risk Acknowledgement** attached to the Subscription Agreement.
2) If you are purchasing class B shares having an aggregate subscription price of greater than $10,000 and less than $30,000, you must be an "**eligible purchaser**" as defined below.
3) If you are purchasing class B shares having an aggregate subscription price of greater than $30,000 and less than $100,000, you must be an "**eligible purchaser**" as defined below AND have received advice from a portfolio manager, investment dealer or exempt market dealer that the class B shares is a suitable investment for you.

Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon Subscribers:

1) Please complete and sign the **Classification of Investors Under the Offering Memorandum Exemption** form attached to the Subscription Agreement, the **Investment Limits for Investors Under the Offering Memorandum Exemption** form attached to the Subscription Agreement, and complete and sign two copies of the **Form 45-106F4 – Risk Acknowledgement** attached to the Subscription Agreement.
2) If you are purchasing class B shares having an aggregate subscription price of greater than $10,000, you must be an "eligible purchaser" as defined below.

Offering Memorandum Categories:

An "**eligible investor**" is a

1) a person whose
    a. net assets, alone or with a spouse, in the case of an individual, exceed $400 000,
    b. net income before taxes exceeded $75 000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year, or
    c. net income before taxes, alone or with a spouse, in the case of an individual, exceeded $125,000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year;
2) a corporate entity/partnership/trust of which a majority of the voting securities are beneficially owned by eligible investors or a majority of the directors are eligible investors;
3) an accredited investor;
4) a person who is a family member, friends and business associates; or
5) in Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon, a person that has obtained advice regarding the suitability of the investment and, if the person is resident in a jurisdiction of Canada, that advice has been obtained from an eligibility adviser.

Purchase Procedure

To purchase the class B Shares, the following documents must be sent by the Subscriber to the Company:

a) Risk Acknowledgment Form 45106F4 for purchasers from all provinces. In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, Form 45106F4 includes Schedule 1 – Classification of Investors Under the Offering Memorandum Exemption, with respect to eligibility of individual investors, and Schedule 2 – Investment Limits for Investors Under the Offering Memorandum Exemption, with respect to investment limits of individual investors;

b) an executed copy of the Burnstown Farms Cannabis Company Ltd., O/A Wildfire Collective **SUBSCRIPTION AGREEMENT** including all applicable Schedules;

c) an executed copy of the **VOTING TRUST AGREEMENT** if applicable including all applicable Schedules;

d) an executed copy of the **SHAREHOLDER AGREEMENT**, by virtue of an **ACCESSION AGREEMENT**;

e) a wire transfer, certified or cashier's cheque or digital payment via the Company's Funding Portal in the amount of the aggregate purchase price of the class Shares payable to the Company, to be held in trust for a minimum of two Business Days following the execution of the Subscription Agreement by the Subscriber.

Once executed and delivered by the Subscriber, a Subscription Agreement constitutes an offer to the Company to purchase the class B shares described in the Subscription Agreement. Following execution of the Subscription Agreement by the Company, the Subscriber has no right to withdraw the amount of the purchase payment or any interest earned thereon, subject to the statutory two business days coolingoff period. Amounts will remain in the Company's escrow account pending satisfaction of the conditions set out in Item 5.2 Subscription Procedures.

5.3 Terms and Conditions of Sale.

The class B shares will be sold only to Subscribers who have duly executed and delivered the documentation specified in Section 5.2 Subscription Procedure.

Pursuant to the Subscription Agreement, each Subscriber shall have restrictions on transfer of the class B shares. Once the Company has accepted your Subscription Agreement, it will remain in effect as long as the class B shares purchased pursuant thereto remain outstanding. A Subscription Agreement terminates only upon:

1) the purchase for cancellation of the class B shares to which it relates; or
2) the liquidation of the Company.

Upon transfer of all class B shares of a particular class, the transferor is relieved of all restrictions and obligations under the Subscription Agreement which the transferor entered into upon the purchase of the class B shares. As a condition of the transfer any transferee will be required to abide by all of the provisions of the Subscription Agreement.

5.4 Termination and Closing.

The Company will have the right to reject any prospective purchaser of class B shares for any reason whatsoever. If the Company decides to accept an offer to purchase the class B shares, its representatives will execute a copy of the Subscription Agreement remitted by the purchaser. If a request to purchase is accepted, class B shares will be issued, and the purchaser will receive a certificate evidencing ownership of the class B shares. If the Company determines not to accept an offer to purchase the class B shares, it will return the Subscription Agreement, without its signature thereon, together with all funds held in escrow without interest to the applicable prospective purchasers.

THIS OFFERING IS SUBJECT TO A MAXIMUM OF 5,000,000 CLASS B SHARES AND IS MADE ON A CONTINUOUS BASIS. UNLESS TERMINATED EARLIER BY THE COMPANY, THIS OFFERING WILL TERMINATE ON THE DATE ON WHICH ALL OF THE CLASS B SHARES OFFERED HEREBY HAVE BEEN SOLD.

5.5 Distribution.

This Offering is being made to (and subscriptions will only be accepted from) persons resident in each of the provinces of Canada, except for Quebec pursuant to the "offering memorandum", “accredited investor”, and other applicable exemptions from the prospectus requirements of NI 45-106 adopted by Canadian Securities Administrators. At our discretion, Share Subscriptions may also be accepted from Subscribers of other jurisdictions if the purchaser provides the full particulars of the exemption being relied on from the registration and prospectus requirements under applicable securities laws and evidence of the purchaser’s qualifications.

The foregoing exemptions relieve us from the provisions of applicable securities laws which otherwise would require us to file and obtain a receipt for a prospectus. Accordingly, prospective Subscribers for the class B shares will not receive the benefits associated with a subscription for securities issued pursuant to a filed prospectus, including the review of material by securities regulatory authorities. Each purchaser is urged to consult with his or her own legal adviser as to the details of the statutory exemption being relied upon and the consequences of purchasing securities pursuant to such exemption.

The class B shares have not been and will not be registered under the *United States Securities Act of 1933*, as amended. Subject to certain exceptions, therefore, these securities may not be offered or sold in the U.S.

All Subscribers must complete and sign the Subscription Agreement, required risk acknowledgement forms, Shareholders’ Agreement Consent, and other documents that are set out as a condition to closing in the Subscription Agreement.

Item 6: Income Tax Consequences and RRSP Eligibility

6.1 Tax Advice.

You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.

Prospective purchasers should consult their own tax advisors for advice with respect to the income tax consequences associated with their acquisition, holding, and disposition of securities under this Offering Memorandum and with respect to their particular circumstances. Neither the Company nor its counsel makes any representations with respect to the income tax consequences to any prospective purchasers.

6.2 Material Income Tax Consequences.

There are no unique or material tax consequences that apply to the purchase of these shares. You may contact the Company directly to obtain any further information that may be needed by your accountant or financial advisor to assess your personal tax consequences.

6.3 RRSP & TFSA.

Not all securities are eligible for investment in a registered retirement savings plan ("**RRSP**") or through a Tax Free Savings Account ("**TFSA**"). You should consult your own professional advisers to obtain advice on the RRSP or TFSA eligibility of these securities in your circumstances.

The Company has obtained an opinion from MNP LLP stating that the class B shares of the Company are qualified investments for RRSPs and TFSAs under the *Income Tax Act (Canada)*.

Item 7: Compensation Paid to Sellers and Finders

The Company has entered into a nonexclusive agency agreement dated as of March 28, 2019 with Silver Maple Ventures Inc., doing business as FrontFundr. Burnstown Farms Cannabis Company Ltd., O/A Wildfire Collective engaged the Agent to act as a nonexclusive sales, marketing, and administrative agent in connection with the offering of the class B shares under this Offering Memorandum and to provide certain other related services. Under the Agency Agreement, the Agent is entitled to receive:

- An onboarding fee of $6,500 for the performance of due diligence review; and
- A $750 closing fee; and
- If the issuer has more than three officers, directors, principals with significant influence on the business, a fee of $100 plus applicable taxes per additional officer, director, or principal will be charged to the issuer; and
- A commission equal to 6% of the gross proceeds from the sale of the class B shares by the selling agents in the Offering; or
- A fee of $50 per subscriber that invests through a registered account.

Item 8: Other Material Facts

None.

Item 9: Risk Factors

An investment in the class B shares involves a substantial degree of risk and is highly speculative due to the nature of the Company's business. As a result, investors should consider investing in the class B shares only if they can afford to lose their entire investment. Investors should carefully consider the risks described below and the other information contained in this Offering memorandum before making a decision to buy the class B shares. If any of the following risks or other risks not listed below occurs, the Company's business prospects, financial condition, results of operations and cash flows could be materially adversely impacted. In that case, investors could lose part or all of their investment in the class B shares.

9.1 *Investment Risk*

Investors May Lose Their Entire Investment

An investment in the class B shares is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in high-risk investments and who can afford to lose their entire investment should consider purchasing the class B shares.

Resale Restrictions

The resale of the class B shares shall be subject to certain restrictions and requirements contained in the Company's Articles, Shareholders Agreement, and any applicable securities laws or regulations. Purchasers of class B shares may be restricted to selling their shares in accordance with limited exemptions under the applicable agreements and securities laws, or may not be able to sell their shares at all.

Lack of Market for Sale

The class B shares are being sold pursuant the prospectus exemptions provided for under the applicable securities laws and regulations, and are not current registered for public sale with any exchange. No public market now exists for any of the class B shares issued by the Company, and the Company has made no assurances that a public market will ever exist for the Company's class B shares.

class B share Price

The Company has set the purchase price for the class B shares based on its experience and financial calculation. However, this price is still a subjective determination by the Company and its consultants, and may not reflect an accurate price for the class B shares if they were to be sold on an open or public market, now or in the future. Purchasers should not regard the purchase price of the class B shares as an indication of any future market price of the class B shares or an indicator of the value of the Company's shares as a whole.

Availability and Terms of Additional Financing and Dilution to Shareholders' Interest
There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further business activities, which may result in a material adverse effect on the Company's profitability, results of operation and financial condition. The Company will require new capital to grow its business and there are no assurances that capital will be available when needed, if at all. If such additional capital is raised through the issuance of additional equity, it will result in dilution to shareholders.

Payment of Dividends

Payment of dividends on the class B shares will be within the discretion of the Board and will depend upon the Company's future earnings, its cash flows, its acquisition capital requirements and financial condition, and other relevant factors discussed in this Offering memorandum. There can be no assurance that the Company will pay dividends or will be in a position to issue dividends due to the occurrence of one or more of the risks described herein.

9.2 Issuer Risk

Health Canada Licences

The Company is an applicant under the *Cannabis Act*, or any successor legislation which the government might introduce, for a License to produce and sell cannabis, and is not yet in receipt of such License. The Company makes no representations and warranties regarding the certainty of obtaining such License, or the timing of such licence approvals.

If the Company successfully obtains the required licences and approvals they shall be subject to ongoing compliance and reporting requirements. Failure to comply with the requirements of the licences or any failure to maintain the licences would have a material adverse impact on the business, financial condition and operating results of the Corporation.

Broad Discretion Over the Use of Net Proceeds from the Offering

While the Company intends to allocate the net proceeds received from the Offering as described herein under the heading, "**Use of Proceeds**", there may be events, which could cause the Company to re-allocate the use of proceeds from the Offering. The Company has broad discretion on how the use of proceeds are allocated and you may not agree with how the Company allocates or spends those proceeds.

Renfrew County Location

Purchase of 130-acre property currently expected to close November 2019, with an anticipated licence date of February 2020. Development will begin in October and the anticipated date of the license application and evidence package submission is anticipated in December 2019.

Lanark County Location

50-acre property leased with an option to buy in Beckwith township for the development of novel genetics and R&D. The anticipated licensing date is in 2021.

Partner Farms

The anticipated business of the Company and portions of its financial projections are dependent upon partner farms successfully obtaining their licences and producing cannabis pursuant to the applicable agreements and plans. Delays or failures experienced by partner farms may negatively affect their ability to deliver cannabis or profits to the Company as projected, and may have a subsequent effect on the Company's business plans and performance.

Attracting and Retaining Qualified Management and Personnel

The Company is dependent upon the continued availability and commitment of its key management, whose contributions to immediate and future operations of the Company are of significant importance. The loss of any such members could negatively affect business operations. From time to time, the Company may need to identify and retain additional skilled management and personnel to efficiently operate its business. The number of persons skilled in the cannabis sector is limited and as new companies will enter this business, competition for such persons may intensify. Recruiting and retaining qualified personnel is critical to the Company's success and there can be no assurance of such recruitment and retention. If the Company is not successful in attracting and training qualified personnel, the Company's ability to execute its business model and growth strategy could be affected, which could have a material adverse impact on its profitability, results of operations and financial condition.

Founder Importance

Mark Spear's involvement in the Company is of significant importance. His expertise with outdoor cultivation, the *Cannabis Act*, the highly-regulated commercial industry, and his wide range of industry contacts are crucial to the success of the Company and its business at this stage. Mark has voluntarily signed a 3-year share lockup agreement prohibiting the sale or transfer of any of his shares for the duration of the agreement, and has expressed his commitment to the long-term success of the Company and its shareholders. However, Mark's departure from the Company, or his death or long-term disability could have an adverse impact on the Company's ability to accomplish its goals and operate its business activities.

Existing Shareholder Ownership

The Company's founder and management team own a substantial number of the outstanding class B shares. As such, these existing shareholders are in a position to exercise significant influence over matters requiring shareholder approval, including the election of directors and the determination of significant corporate actions. As well, these shareholders could delay or prevent a change in control of the Company that could otherwise be beneficial to the Company's shareholders.

Limited History of Operations and No Assurance of Success or Profits

The Company's business has only recently commenced, and the Company has no history of operations. While many members of management have expertise and comparable operating experience, the Company itself has no history of operations and there can be no assurance that the Company's business will be successful or profitable or that the Company will be able to successfully execute its business model and growth strategy. If the Company cannot execute its business model and growth strategy, it may result in a material adverse effect on the Company's profitability, results of operation and financial condition. Since the Company is an early stage company, there will be limited financial, operational and other information available to evaluate the Company's prospects.

Financial Forecast Estimates

Financial forecasts and other forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on the Company and its managements' current beliefs, expectations, and assumptions regarding the future of its business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of the Company's control. The actual results and financial condition may differ materially from those indicated in forecasts or forward-looking statements. Therefore, investors should not rely on any of these financial forecasts or forward-looking statements.

Legal Proceedings

In the normal course of business, the Company may become party to legal action. There can be no assurance that the Company will be successful in defending these claims and legal actions or that any claim or legal action that is decided adverse to the Company will not materially and adversely affect the Company's profitability, results of operations and financial condition.

Limitation of Insurance

The Company maintains insurance policies, covering usual and customary risks associated with its business, with credit-worthy insurance carriers. A cannabis company is generally exposed to the risks inherent in industrial and manufacturing activities, such as breakdowns, manufacturing defects, natural disasters, theft, terrorist attacks and sabotage. The Company relies on its own insurance policies to cover losses as a result of force majeure, natural disasters, terrorist attacks or sabotage, among other things.

While the Company performs a review of its own insurance policies, a significant uninsured loss or a loss that significantly exceeds the limits of the Company's insurance policies or the failure to renew such insurance policies on similar or favourable terms could have a material adverse effect on the Company's operations and ability to continue as a going concern.

Income Taxes

The Company's activities will generally be taxable in the jurisdictions in which it operates. Changes to taxation laws in Canada or Ontario could materially affect the business. No assurance can be given that new taxation rules will not be enacted or that existing rules will not be applied in a manner that could materially affect in the Company's profits and it may result in a material adverse effect on the Company's profitability, results of operations and financial condition.

Global Grow Deal

Portions of this Offering Memorandum make reference to, or rely upon, a Prospective Arrangement which is being negotiated with Global Grow Inc. (see Section 2.7 for more information).

If the Prospective Arrangement is approved by all of the parties and put into effect, it will result in Global Grow Inc. holding a super-majority (<66%) of the voting shares of the new company, which will give them significant control over key matters such as the election of directors, and the future development of the new company's business and operations. They will additionally be guaranteed a right to nominate a director on the new board of directors. Key decisions related to the budgeting, operations, and corporate activities of the new company shall require the approval of the majority of the board directors, which shall also require the approval of the Global Grow Inc. nominee and the nominee of Mark Spear. Given the prospective resultant voting position, director nominee rights, and other terms of the Prospective Arrangement, Global Grow Inc. will be in a position to exercise significant control over the new company, and may choose to change the business, objectives, and plans of the new company significantly from what is set out in this Offering Memorandum.

Under the Prospective Arrangement Global Grow Inc. will commit to deliver the balance of the $2.5 million financing that the Company requires in 3 tranches, but while the first tranche will be required as a condition of closing the subsequent tranches may be delayed or never delivered.

All of the foregoing terms of the Prospective Arrangement are subject to change depending on the negotiation of the parties.

There is no guarantee that the Prospective Arrangement will be approved, that the parties will agree upon and execute the definitive agreements to give effect to the Prospective Arrangement, or that any additional financing or amounts will ultimately be made available to the Company under this prospective deal.

9.3 Industry Risk

Cannabis Regulations and Laws

The Company's current and intended operations are subject to various laws, regulations and guidelines relating to the manufacture, management, transportation, storage and disposal of cannabis, as well as being subject to laws and regulations relating to health and safety, the conduct of operations, and the protection of the environment. The Company's application to obtain and maintain a Licence to legally produce and sell cannabis and cannabis products is dependent on the current legal and regulatory framework provided under *The Cannabis Act* as it is administered by Health Canada. The Canadian government may repeal or amend the *Cannabis Act,* or other applicable laws and regulations, at any time and in a manner that could adversely affect the business operations of the Company or entirely prevent it from carrying on its intended business activities. Additionally, Health Canada may implement new regulations, or amend pre-existing regulations, in a manner that could substantially and detrimentally impact the Company's intended business operations or could otherwise refuse to grant the Company the required approvals under the currently existing regulations thereby halting the Company's currently intended business activities entirely.

Cannabis Industry Reputation

The parties with which the Company does business may perceive that they are exposed to reputational risk as a result of the Company's cannabis business activities. This may mean that certain banking institutions and third-party organizations may be hesitant or unwilling to work with the Company or provide it with their services.

Competition

Since the introduction of a legal recreational market for cannabis in 2017 there has been a steady stream of new companies opening with the intent to apply for a license to produce and sell cannabis products. As of the date of this Offering Memorandum there are 199 entries listed on Health Canada's "Licensed cultivators, processors and sellers of cannabis under the Cannabis Act" web page, and there are reportedly several hundred more applicants in the process of applying with Health Canada for various licenses. As such the Company can expects to face competition from both pre-existing and new market entrants as it develops its business operations. The Company may not have sufficient resources to maintain research and development, marketing, sales and client support efforts on a competitive basis which could materially and adversely affect the business, financial condition and results of operations of the Company.

Natural Disasters and Other Catastrophic Events

The farm and operations could be exposed to potential interruption and damage (partial or full loss) resulting from events such as environmental disasters (e.g. floods, high winds, fires, and earthquakes), severe weather conditions and equipment failures. There can be no assurance that in the event of an earthquake, hurricane, tornado, tsunami, typhoon, terrorist attack, act of war, or other natural, manmade or technical catastrophe, all or some parts of the cannabis facilities will remain in tact or be able to continue operations. The occurrence of a significant event which disrupts the ability of the farm to operate for an extended period, or causes a crop failure, could have a material adverse effect on the Company's profitability, results of operation, and financial condition.

Permitting Risk

The Company's farm and processing facilities will require various property rights, permits and licenses in order to conduct current and future operations, and delays or a failure to obtain such property rights, permits and licenses, or a failure to comply with the terms if any of such property rights, permits and licenses could result in interruption or closure of operations of the Company's cannabis production or processing facilities. Such interruptions or closures could have a material adverse effect on the Company's profitability, results of operation and financial condition.

Negative Public or Community Response

Negative public or community response to the Company's operations could adversely affect the ability of the owners and operators to operate the farm and processing facilities. This type of negative response could lead to legal, public relations, and other challenges that impede the ability of the Company to achieve commercial operations and generate revenues at the anticipated levels. An increase in opposition to the Company could have a material adverse effect on the Company's profitability, results of operation and financial condition.

Effect of General Economic and Political Conditions

The Company's business is subject to the impact of changes in global economic conditions including, but not limited to, recessionary or inflationary trends, market conditions, consumer credit availability, interest rates, consumers' disposable income and spending levels, job security and unemployment, and overall consumer confidence. These economic conditions may be further affected by political events throughout the world that cause disruptions in the financial markets, either directly or indirectly. Adverse economic and political developments could have a material adverse effect on the Company's profitability, results of operation and financial condition.

Delays and Cost Overruns in the Design and Construction of Required Facilities

Delays and cost overruns may occur in completing the construction of the production, storage, and processing facilities. A number of factors which could cause such delays or cost overruns include, without limitation, permitting delays, construction pricing escalation, changing engineering and design requirements, the performance of contractors, labour disruptions, adverse weather conditions and the availability of financing. Even when complete, facilities may not operate as planned due to design or manufacturing flaws, which may not all be covered by warranty. Mechanical breakdown that is not covered by business interruption insurance could occur in equipment after the period of warranty has expired, resulting in loss of production, processing, or viable crop.

Item 10: Reporting Obligations

10.1 Ongoing Reporting Obligations.

The Company is not a “reporting issuer” in any jurisdiction in Canada. This means it is not required to file documents with securities regulators or provide you with financial or other information under Canadian securities laws. It is not required to send you any documents on an annual or ongoing basis.

As a corporation formed under the *Canada Business Corporations Act*, the Company is required to provide all shareholders with audited financial statements annually.

As a shareholder of class B shares, a party will have a right to receive notice of and participate in the annual general meeting of our class B shareholders.

Where required pursuant to applicable laws, the Company may file with the securities regulatory authorities or deliver to the securities regulatory authorities, audited annual financial statements of the Company, as well as a notice that accompanies the financial statements describing how the proceeds raised under the Offering have been used and such other information for a non-reporting issuer that distributes securities using the offering memorandum exemption required by applicable securities laws.

10.2 Public Information.

Information about the Company, amendments to the Articles, directors, officers, annual corporate filings and other corporate information can be obtained from the Federal corporate registry online at https://www.ic.gc.ca/app/scr/cc/CorporationsCanada/fdrlCrpSrch.html

Item 11: Resale Restrictions

11.1 General Statement.

These securities will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the securities unless you comply with an exemption from the prospectus and registration requirements under securities legislation.

11.2 Restricted Period.

Except in Manitoba and subject to the resale restrictions described in Items 10.1, unless permitted under securities legislation, you cannot trade the securities before the date that is four months and a day after the date the Company becomes a reporting issuer in any province or territory of Canada. The certificates representing the securities will bear a legend to this effect. In the event the Company becomes a reporting issuer in certain provinces of Canada by filing a prospectus, you will be able to trade your securities four months and one day after the date your securities were issued.

11.3 Manitoba Resale Restrictions.

Unless permitted under securities legislation, you must not trade the securities without the prior written consent of the regulator in Manitoba unless:

1) the Company has filed a prospectus with the regulator in Manitoba with respect to the securities you have purchased and the regulator in Manitoba has issued a receipt for that prospectus; or
2) you have held the securities for at least 12 months.

The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

Item 12: Purchasers' Rights

Securities legislation in certain provinces of Canada require purchasers to be provided with a remedy for rescission or damages, or both, in addition to any other right they may have at law, where an offering memorandum and/or any amendment to it contains a misrepresentation. These remedies must be exercised by the purchaser within the time limits prescribed by applicable securities legislation. Purchasers should refer to the applicable provisions of securities legislation for the complete text of these rights or consult with a legal adviser.

The rights of action hereby granted by the Company are in addition to and without derogation from any right or remedy available at law to the purchaser and are intended to correspond to the provisions of the relevant securities legislation and are subject to the defenses contained therein.

If you purchase class B shares you will have certain rights, some of which are described below. These rights may not be available to you if you purchase the class B shares pursuant to a prospectus exemption other than the offering memorandum exemption in Section 2.9 of NI 45-106. For complete information about your rights, you should consult a lawyer.

Two Day Cancellation Right

You can cancel your agreement to purchase these class B shares. To do so, you must send a notice to us by midnight on the second (2nd) business day after you sign the agreement to buy the class B shares.

Purchasers' Rights of Action in the Event of a Misrepresentation

Securities legislation in certain of the provinces of Canada provides purchasers with a statutory right of action for damages or rescission in cases where an offering memorandum or any amendment thereto contains an untrue statement of a material fact or omits to state a material fact that is required to be stated or is necessary to make any statement contained therein not misleading in light of the circumstances in which it was made (a "**misrepresentation**"). These rights, or notice with respect thereto, must be exercised or delivered, as the case may be, by purchasers within the time limits prescribed and are subject to the defenses and limitations contained under the applicable securities legislation. Purchasers of class B shares resident in provinces of Canada that do not provide for such statutory rights will be granted a contractual right similar to the statutory right of action and rescission described below for purchasers resident in Ontario and such right will form part of the subscription agreement to be entered into between each such purchaser and the Company in connection with this Offering.

Cautionary Note

The following summaries are subject to the express provisions of the securities legislation applicable in each of the provinces and territories of Canada and the regulations, rules and policy statements thereunder. Purchasers should refer to the securities legislation applicable in their province or territory along with the regulations, rules and policy statements thereunder for the complete text of these provisions or should consult with their legal advisor. The contractual and statutory rights of action described in this Offering Memorandum are in addition to and without derogation from any other right or remedy that a purchaser may have at law.

Statutory Rights

British Columbia, Alberta, Manitoba, or Newfoundland and Labrador: If you are a resident of British Columbia, Alberta, Manitoba or Newfoundland and Labrador, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

1) the Company to cancel your agreement to buy these class B shares; or

2) for damages against the Company, every person who was a director of the Company at the date of this Offering Memorandum and every other person who signed this Offering Memorandum.

Prince Edward Island, the Northwest Territories, New Brunswick, Nunavut and Yukon*:* If you are a resident of Prince Edward Island, the Northwest Territories, Nunavut or Yukon, and there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

1) the Company to cancel your agreement to buy these class B shares; or
2) for damages against the Company, the selling security holder on whose behalf the distribution is made, every person who was a director of the Company at the date of this Offering Memorandum and every other person who signed this Offering Memorandum.

Saskatchewan*:* If you are a resident of Saskatchewan and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

1) the Company to cancel your agreement to buy these class B shares; or
2) for damages against the Company, every promoter of the Company, every person who was a director of the
Company at the date of this Offering Memorandum and every other person who signed this Offering Memorandum, every person whose consent has been filed in respect of the Offering Memorandum, but only with respect to reports, opinions or statements made by them. and every person or company that sells these class B shares on behalf of the Company.

Nova Scotia*:* If you are a resident of Nova Scotia and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

1) the seller to cancel your agreement to buy these class B shares; or
2) for damages against the Company, every person who was a director of the Company at the date of this Offering Memorandum and every other person who signed this Offering Memorandum.

Ontario*:* If you are a resident of Ontario and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to:

1) sue for damages against the Company and a selling security holder on whose behalf the distribution is made; or
2) sue the Company or the selling security holder on whose behalf the distribution is made to cancel your agreement to buy these class B shares.
3)

These statutory rights are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the Company, persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the class B shares. In an action for damages, the amount recoverable shall not exceed the price at which the securities were offered, and the defendant will not be liable for all or any portion of such damages that the defendant proves does not represent the depreciation in value of the securities as a result of the misrepresentation.

In Ontario, these rights are not available for a purchaser that is: (a) a Canadian financial institution, meaning either: (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; or (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a province or territory of Canada to carry on business in Canada or a province or territory of Canada; (b) a Schedule III bank, meaning an authorized foreign bank named in Schedule III of the *Bank Act* (Canada); (c) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or (d) a subsidiary of any person referred to in clauses (a), (b) or (c), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.

Limitation Periods

If you intend to rely on the rights described above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the class B shares.

In British Columbia, Alberta, Prince Edward Island, Newfoundland and Labrador, Ontario, the Northwest Territories, Nunavut and Yukon, you must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the date you purchased the class B shares.

In Saskatchewan and New Brunswick, you must commence your action for damages within the earlier of one year after you first had knowledge of the facts giving rise to the cause of action and six years after the date you purchased the class B shares.

In Manitoba, you must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and two years after the date you purchased the class B shares.

In Nova Scotia, you must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the date you purchased the securities. Furthermore, no action shall be commenced to enforce the right of action discussed above unless an action is commenced to enforce that right not later than 120 days after the date on which payment was made for the securities or after the date on which the initial payment for the securities was made where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment.

Item 13: Financial Statements

Accompanying this Offering Memorandum are the following financial statements:

1) Audited Financial Statements for the year ended March 31, 2019.
2) Unaudited Interim Financial Statements for the 4 months ended July 31, 2019.

Burnstown Farms Cannabis Company Ltd.
Financial Statements
March 31, 2019

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For the year ended March 31, 2019

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Independent Auditor's Report

To the Shareholders of Burnstown Farms Cannabis Company Ltd.:

Opinion

We have audited the financial statements of Burnstown Farms Cannabis Company Ltd. (the "Company"), which comprise the statement of financial position as at March 31, 2019 and March 31, 2018, and the statements of loss and other comprehensive loss, changes in equity and cash flows for the year ended March 31, 2019 and period from incorporation on December 5, 2017 to March 31, 2018, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2019 and March 31, 2018, and its financial performance and its cash flows for the year and period then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 3 to the financial statements, which indicates that the Company incurred a net loss of $284,839 during the year ended March 31, 2019 and, as of that date, the Company had a deficit of $296,839. These events or conditions, along with other matters, as set forth in Note 3 to the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Shawn Mincoff.

MNP LLP

Ottawa, Ontario — Chartered Professional Accountants

July 12, 2019 — Licensed Public Accountants

Burnstown Farms Cannabis Company Ltd.
Statement of Financial Position
As at March 31

	2019	*2018*
Assets		
Current		
Cash and cash equivalents	**47,708**	-
Sales taxes recoverable	**18,803**	1,560
Subscriptions receivable *(Note 8)*	**38,760**	260
	105,271	1,820
Non-current		
Property and equipment *(Note 5)*	**147,256**	-
Lease deposit *(Note 7)*	**20,000**	-
	272,527	1,820
Liabilities		
Current		
Accounts payable and accrued liabilities	**59,328**	13,560
Equity		
Share capital *(Note 8)*	**372,260**	260
Contributed surplus *(Note 8)*	**137,778**	-
Deficit	**(296,839)**	(12,000)
	213,199	(11,740)
	272,527	1,820

Approved on behalf of the Board

Mark Spear
Director
Mark Spear
July 16, 2019

Director
Brent Parker
July 30, 2019

Burnstown Farms Cannabis Company Ltd.
Statement of Loss and Other Comprehensive Loss
For the year ended March 31, 2019

	2019	*2018 (117 days)*
Expenses		
Share based compensation *(Note 8)*	**137,778**	-
Professional fees	**106,496**	12,000
Office	**15,589**	-
Subcontractor	**8,000**	-
Travel	**5,147**	-
Insurance	**3,926**	-
Advertising and promotion	**3,844**	-
Fuel	**2,146**	-
Meals and entertainment	**1,733**	-
Interest and bank charges	**180**	-
Net loss and other comprehensive loss	**(284,839)**	(12,000)
Loss per share		
Basic and diluted	**0.01**	-
Weighted average number of common shares outstanding		
Basic and diluted	**27,672,740**	26,000,000

The accompanying notes are an integral part of these financial statements

	Number of shares	*Common Shares*	*Deficit*	*Contributed surplus*	*Total equity*
Balance December 5, 2017	-	-	-	-	-
Net loss and comprehensive loss	-	-	(12,000)	-	(12,000)
Issuance of common shares *(Note 8)*	26,000,000	260	-	-	260
Balance March 31, 2018	26,000,000	260	(12,000)	-	(11,740)
Net loss and comprehensive loss	-	-	(284,839)	-	(284,839)
Issuance of common shares *(Note 8)*	2,937,500	377,500	-	-	377,500
Share issuance costs *(Note 8)*	-	(5,500)	-	-	(5,500)
Share based compensation *(Note 8)*	-	-	-	137,778	137,778
Balance March 31, 2019	28,937,500	372,260	(296,839)	137,778	213,199

Burnstown Farms Cannabis Company Ltd.
Statement of Cash Flows
For the year ended March 31, 2019

	2019	2018
Cash and cash equivalents provided by (used for) the following activities		
Operating activities		
Net loss	**(284,839)**	(12,000)
Share based compensation	**137,778**	-
Changes in working capital accounts		
Sales taxes recoverable	**(17,243)**	(1,560)
Lease deposit	**(20,000)**	-
Accounts payable and accrued liabilities	**6,824**	13,560
Cash used for operating activities	**(177,480)**	-
Financing activities		
Issuance of common shares	**339,000**	-
Share issuance costs	**(5,500)**	-
Cash provided by financing activities	**333,500**	-
Investing activities		
Leasehold improvements	**(108,312)**	-
Increase in cash	**47,708**	-
Cash and cash equivalents, beginning of year	**-**	-
Cash and cash equivalents, end of year	**47,708**	-
Cash and cash equivalents is composed of:		
Cash in bank	**42,734**	-
Cash held in trust	**4,974**	-
	47,708	-

The accompanying notes are an integral part of these financial statements

1. Description of business and nature of operations

Burnstown Farms Cannabis Company Ltd. (the "Company") was incorporated under the *Canada Business Corporations Act* on December 5, 2017. The Company's focus is on producing sustainable, low cost, high quality terpene rich cannabis products. The Company intends to add an agritourism aspect to its operations long-term.

The Company operates from its primary office in Ashton, Ontario, Canada. Its registered office is 417 Amberwood Road, Ashton, Ontario, K0A 1B0.

The financial statements of the Company for March 31, 2019 and March 31, 2018 were authorized for issue in accordance with a resolution of the directors dated July 12, 2019.

2. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations adopted by the International Accounting Standards Board ("IASB"). The accounting policies applied in these financial statements are presented in Note 4.

3. Basis of preparation

Going concern

These financial statements have been prepared in accordance with International Financial Reporting Standards and on a going concern basis. This assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business. At March 31, 2019, the Company had a deficit of $296,839 and for the year then ended March 31, 2019 the Company incurred a net loss and other comprehensive loss of $284,839 and had negative cash flows from operations of $177,480. Further, the Company is economically dependent on a non-related party for the use of their land, refer to Note 12 - Economic dependence.

These conditions indicate the existence of material uncertainties that cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on the ability to generate positive cash flow from operations and the ability to execute its business plan, including funding operating losses as well as securing additional sources of financing or funds through the issuance of shares of the Company or through debt financing. During the year, the Company entered into an agreement with a non-related party, an online investment platform, to aid in securing additional funds through a private placement. Subsequent to year-end, the Company issued common shares of the Company, refer to Note 13 - Subsequent events. If the going concern assumption was not appropriate for these financial statements, significant adjustments to the carrying value of assets and liabilities, reported expenses and statement of financial position classifications would result. These adjustments could be material.

Basis of measurement

The financial statements have been prepared on a historical cost basis.

Historical cost is the fair value of the consideration given up in exchange for goods and services based upon the fair value at the time of the transaction of the consideration provided.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether the price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability that market participants would take into consideration when pricing the asset or liability at the measurement date.

Fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1— valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 — valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 — valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

3. Basis of preparation *(Continued from previous page)*

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. As at March 31, 2019 and March 31, 2018 the Company did not have any financial instruments carried at fair value and that require classification within the fair value hierarchy.

Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

Use of estimates and judgments

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. These estimates and assumptions have been made using careful judgment; however, uncertainties could result in outcomes that would require a material adjustment to the carrying amount of the asset or liability affected in the future.

Significant management judgment

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements:

i. Recognition of deferred income tax assets

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

ii. Going concern risk assessment

The assessment of the Company's ability to continue as a going concern and raising additional debt or equity financing or attaining commercial operations and generating sufficient revenues to achieve and sustain profitability for the ensuing year, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

iii. Impairment

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

In assessing impairment, Management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. The Company's property and equipment represents the maximum exposure of long lived assets that are subject to impairment review.

3. Basis of preparation *(Continued from previous page)*

Estimation uncertainty

The following are estimates that have the most significant effect on the recognition and measurement of assets, liabilities, income and expense. Actual results could be materially different.

i. Share based compensation

The estimation of share based compensation requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own share price, share price at the date of issuance of the grant, the forfeiture rate, the probable life of share options granted and the time of exercise of those share options. The model used by the Company is the Black-Scholes valuation model.

4. Summary of significant accounting policies

Cash and cash equivalents

Cash and cash equivalents consists of cash held in a bank account and cash held in a trust account by the Company's legal counsel.

Share-based payments

The Company applies a fair value based method of accounting to all share-based payments. Employee and director stock options are measured at their fair value of each tranche on the grant date and recognized at their respective vesting period. Options issued to non-employees are measured based on the fair value of the services received at the date of receiving those services. If the fair value of the goods or services cannot be estimated reliably, the options are measured by determining the fair value of the options granted using the Black-Scholes option pricing model. The cost of stock options is presented as share-based payment expense, when applicable with corresponding credit to the contributed surplus. On the exercise of stock options, share capital is credited for consideration received and for fair value amounts previously credited to contributed surplus. The Company uses the Black-Scholes option pricing model to estimate the fair value of share-based payment.

Loss per share

Basic loss per share is computed by dividing the loss for the period by the weighted-average number of shares outstanding during the period. Diluted earnings per share is calculated giving effect to potential dilution that would occur if stock options, warrants or other dilutive instruments were exercised. The dilutive impact is determined by assuming that any proceeds upon exercise for which market price exceeds exercise price, would be used to purchase shares at the average market price for the period. The number of additional shares included in the calculation is based on the treasury stock method for options and warrants. Diluted loss per share does not include the effect of potentially issuable common shares if their effect is anti-dilutive.

Income taxes

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

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

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

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

4. Summary of significant accounting policies *(Continued from previous page)*

Property and equipment

Capital expenditure on the leasehold improvement is recorded at cost less accumulated amortization and impairment losses. No amortization is taken until the asset is available for its intended use.

Impairment of long-lived assets

At each statement of financial position date, the Company assesses whether there is any indication that any long-lived assets are impaired. An impairment is recognized if the recoverable amount, determined as the higher of an asset's fair value less cost to sell and the discounted future cash flows generated from use and eventual disposal of an asset, is less than its carrying value. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Financial Instruments

Financial instruments are classified in accordance with IFRS 9 Financial Instruments as described below.

Classification

On initial recognition, the Company determines the classification of financial instruments based on the following categories:

1. Measured at amortized cost
2. Measured at fair value through profit or loss (FVTPL)
3. Measured at fair value through other comprehensive income (loss) (FVOCI)

The classification under IFRS 9 is based on the business model under which a financial asset is managed and on its contractual cash flow characteristics. Assets held for the collection of contractual cash flows and for which those cash flows correspond solely to principal repayments and interest payments are measured at amortized cost. Contracts with embedded derivatives where the host is a financial instrument in the scope of the standard will be assessed as a whole for classification.

A financial asset is measured at amortized cost if both of the following criteria are met:

1. Held within a business model whose objective is to hold assets to collect contractual cash flows; and
2. Contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments held for trading are classified as FVTPL. For all other equity investments that are not held for trading, the Company may irrevocably elect, on initial recognition, to present subsequent changes in the investment's fair value in other comprehensive income (loss). This election is made on an investment-by-investment basis.

Financial liabilities are measured at amortized cost unless they must be measured at FVTPL (such as derivatives), or if the Company has chosen to evaluate them at FVTPL.

Management has assessed the classification and measurement of financial instruments under IFRS 9 as follows:

Classification

Financial Instrument	**IFRS 9 Classification**
Cash and cash equivalents	Amortized cost
Subscriptions receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

4. Summary of significant accounting policies *(Continued from previous page)*

Measurement

Initial recognition – A financial asset or financial liability is initially recorded at its fair value, which is typically the transaction price, plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. In the event that fair value is determined to be different from the transaction price, and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or is based on a valuation technique that uses only data from observable markets, then the difference between fair value and transaction price is recognized as a gain or loss at the time of initial recognition.

Amortized cost – The amount at which a financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit losses. The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability to the net carrying amount on initial recognition.

Fair value through profit or loss – Changes in fair value after initial recognition, whether realized or not, are recognized through the statements of net loss and comprehensive loss. Income arising in the form of interest, dividends, or similar, is recognized through the statements of net loss and comprehensive loss when the right to receive payment is established, the economic benefits will flow to the Company, and the amount can be measured reliably.

Fair value through other comprehensive income (loss) – Changes in fair value after initial recognition, whether realized or not, are recognized through other comprehensive income (loss). Income arising in the form of interest, dividends, or similar, is recognized through the statements of net loss and comprehensive loss when the right to receive payment is established, the economic benefits will flow to the Company, and the amount can be measured reliably.

Impairment

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. The Company has applied the simplified approach to recognize lifetime expected credit losses.

Derecognition

Financial assets - The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset have expired or when contractual rights to the cash flows have been transferred. Gains and losses from derocognition are recognized in net loss.

Financial liabilities - The Company derecognizes a financial liability when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the derecognized financial liability and the consideration paid or payable, including non-cash assets is transferred or liabilities assumed, is recognized in net loss.

Future changes in accounting policies

The Company has not yet applied the following new standards, interpretations and amendments to standards that have been issued as at March 31, 2019 but are not yet effective. Unless otherwise stated, the Company does not plan to early adopt any of these new or amended standards and interpretations.

i. IFRS 16 Leases

IFRS 16 will replace IAS 17 'Leases' and three related Interpretations. It completes the IASB's long-running project to overhaul lease accounting. Leases will be recorded in the statement of financial position in the form of a right-of-use asset and a lease liability. There are two important optional exemptions which provide relief by IFRS 16 for assets of low value and short-term leases of less than 12 months.

IFRS 16 is effective from periods beginning on or after January 1, 2019. Early adoption is permitted; however, the Company has decided not to early adopt.

4. Summary of significant accounting policies *(Continued from previous page)*

Under IFRS 16, a single recognition and measurement model will apply for lessees which will require recognition of assets and liabilities for most leases. The Company is in the final stages of analyzing identified contracts, developing business and accounting processes, making applicable changes to the Company's internal controls and calculating the impact that the adoption of this standard will have on its financial statements. The Company has elected to use the modified retrospective approach upon adoption and elected to apply the optional exemptions for short-term and low-value leases. The actual full impact of adoption will depend on the Company's incremental borrowing rate, lease liabilities, and practical expedients applied. However, the Company anticipates that the most significant impact of adopting IFRS 16 will be the recognition of the right-of-use asset and corresponding lease liability on its lease of the land. Upon adoption of IFRS 16, the Company will recognize right-of-use asset and lease liability for all leases identified except for optional exemptions taken. The lease liability will be measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate as at April 1, 2019. The right-of-use assets will be measured at the amount equal to the lease liability on April 1, 2019 with no impact on retained earnings.

ii. IFRIC 23 Income taxes

In June 2017, the IASB released IFRIC 23, Uncertainty over income tax treatments. IFRIC 23 clarifies the application of recognition and measurement requirements in IAS 12, Income Taxes, when there is uncertainty over income tax treatments. It specifically addresses whether an entity considers each tax treatment independently or collectively, the assumptions an entity makes about the examination of tax treatments by taxation authorities, how an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates and how an entity considers changes in facts and circumstances.

IFRIC 23 will be effective for the Company’s fiscal year beginning on April 1, 2019. The Company had decided not to early adopt. The Company cannot at this time reasonably estimate the impact of the adoption of this standard on its financial statements.

5. Property and equipment

	2019
Net book value, as at March 31, 2018	**-**
Leasehold improvements	**147,256**
Net book value, as at March 31, 2019	**147,256**

There were no property and equipment additions during the 117 day period ended March 31, 2018.

Property and equipment consists of leasehold improvement costs for land under lease from a non-related party. Depreciation has not been taken on these costs as the land is not yet in a position for its intended use. For further information on the lease obligation, refer to Note 7 - Commitments.

On February 11, 2019 an interim control bylaw was put in place by the Council of the Corporation of the Township of Beckwith, temporarily restricting the use of all lands in the municipality for any cannabis-related lands use until the 6 month period ended August 11, 2019 in order that Council may complete a review of its land use planning policies for cannabis-related uses. The outcome of the review is not certain and management intends to continue development, pending Council approval. Due to the uncertainty the Company, subsequent to year end, entered into an agreement for the purchase of an additional plot of land, refer to Note 13 - Subsequent events.

6. Related party transactions

As at March 31, 2019 there was $38,760 (2018 - $260) due from shareholders of the Company for share issuances during the year.

6. Related party transactions *(Continued from previous page)*

Key management compensation of the Company

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the Company's operations, directly or indirectly. The key management personnel of the Company are the members of the executive management team and Board of Directors, and they control 89% of the outstanding shares of the Company as at March 31, 2019 (March 31, 2018 – 100%). During the year, the Company issued Nil (2018 - 520,000) options to members of the Board of Directors with an estimated grant date fair value of $Nil (2018 - $Nil).

Related party transactions and balances

All expenses and year end balances with related parties are at exchange amounts established and agreed to by the related parties. All transactions with related parties are in the normal course of operations and have been carried out on the same terms as those accorded to unrelated parties. In addition to key management personnel the Company had transactions with and/or balances outstanding with the following related parties:

- During the year Burnstown Farms Cannabis Company Ltd. had purchases of $1,314 (2018 - $Nil) from a company owned by a Director of the Company. There is no outstanding balance as at March 31, 2019 (2018 - $Nil).
- During the year Burnstown Farms Cannabis Company Ltd. incurred consulting expenses of $28,250 (2018 - $Nil) from a company owned by a Director of the Company. There is no outstanding balance as at March 31, 2019 (2018 - $Nil).

7. Commitments

The Company has entered into a lease agreement with a non-related party (the "Landlord") for premises intended to be developed and used in the cultivation of agricultural products. The term of the lease runs from November 11, 2018 to November 10, 2029 with monthly rental payments of $1. In addition to the monthly rental payments, annual royalty payments based on the gross revenue of agricultural products grown on the premises including any derivative products such as cannabis oil, and any revenue from agritourism is payable as follows:

First $10 million in revenue: 2.2% of revenue
Next $10 million in revenue: 1.8% of revenue
Next $10 million in revenue: 1.5% of revenue
Next $10 million in revenue: 1.3% of revenue
All revenue in excess of $40 million: 1.2% of revenue

The royalty amounts are due within 30 days of the Company's year-end. There are no amounts payable as at March 31, 2019 or March 31, 2018. During the year, the Company advanced a deposit of $20,000 (2018 - $Nil) to the Landlord which is to be applied against the first royalty payment due.

During the year, the Company entered into an agreement with a company (the "Vendor") owned by a director of the Company, for the Vendor to provide consulting services in respect to submitting its application for a license under the Cannabis Act. As part of consideration for the agreed upon services, the Company has committed to issue stock grants (or cash) upon issuance of a license to cultivate in the amount $100,000.

During the year, the Company entered into an agreement with a non-related Company (the "Vendor") to aid in a private placement offering of the Company. The Company is committed to compensate the Vendor 6% of the gross proceeds raised from any subscribers under the offering.

8. Share capital

a) Authorized

The Company is authorized to issue an unlimited number of common shares, of which 28,937,500 are issued and outstanding as at March 31, 2019 (2018 - 26,000,000).

b) Issued and outstanding

During fiscal 2019, the Company issued 2,937,500 common shares for proceeds of $377,500. Share issuance costs related to equity financing amounted to $5,500.

During the 117 day period ending March 31, 2018 the Company issued 26,000,000 common shares for proceeds of $260.

As at March 31, 2019 there were $38,760 (2018 - $260) in subscriptions receivable for amounts owed from the share subscribers and was ultimately collected subsequent to year-end.

c) Stock options

The directors of the Company have approved a stock option plan (the "Plan") for the directors, officers, employees and consultants of the Company. The outstanding options generally vest as follows; one-third a year after the grant date with the remaining two-thirds vesting monthly over a 24 month period however, each option issuance is subject to agreed upon terms. The directors establish exercise prices and expiry dates, which are up to 4 years from the date of vesting. The maximum number of common shares reserved for issuance for options that may be granted under the Plan is 7,000,000 common shares as at March 31, 2019.

The Black-Scholes option valuation model used by the Company is based on subjective input assumptions with regards to the expected average volatility. Any changes to these assumptions can cause a significant variation in the estimate of the fair value of the options. The estimated forfeiture rate applied was 25% (2018 - 0%). Expected annualized volatility is based on the share price volatility of five comparable publicly traded companies from within the same industry. The total grant date fair value of options granted during the year amounted to $372,566 (2018 - $Nil) based on the application of the Black Scholes option pricing model with the following weighted average inputs:

	March 31, 2019	March 31, 2018
Risk-free interest rate	**1.48%**	1.48%
Expected annualized volatility	**85%**	85%
Expected life (in years)	**4 - 5**	4 - 5
Expected dividend yield	**0.00%**	0.00%
Weighted average fair value of each option	**$0.08**	$0.00001

8. Share capital *(Continued from previous page)*

The following table summarizes stock option activity during the year ended March 31, 2019 and during the 117 day period ended March 31, 2018

	March 31, 2019		March 31, 2018	
	Options issued	**Weighted average exercise price**	Options issued	Weighted average exercise price
Opening balance	**1,040,000**	**$0.00001**	-	-
Granted	**5,760,000**	**$0.12**	1,040,000	$0.00001
Expired	**-**	**-**	-	-
Forfeited	**(1,315,000)**	**$0.12**	-	-
Closing balance	**5,485,000**	**$0.097**	1,040,000	$0.00001

The total share based compensation recognized for the year was $137,778 (2018 - $Nil).

The following tables summarizes information concerning the stock options outstanding as at March 31, 2019.

Exercise price ($)	**Number outstanding**	**Weighted average exercise price ($)**	**Number exercisable**	**Weighted average remaining life (years)**
0.00001	**1,040,000**	**0.00001**	**404,488**	**2.97**
0.12	**4,445,000**	**0.12**	**32,502**	**4.42**
	5,485,000		**436,990**	**3.70**

The following tables summarizes information concerning the stock options outstanding as at March 31, 2018.

Exercise price ($)	Number outstanding	Weighted average exercise price ($)	Number exercisable	Weighted average remaining life (years)
0.00001	1,040,000	0.00001	57,774	3.84

As a result of the net losses in continuing operations in each of the reporting periods, the potential effect of the exercise of stock options is anti-dilutive; therefore 5,485,000 potentially dilutive shares at March 31, 2019 (2018 - 1,040,000) have not been included in the calculation of diluted loss per common share for the year ended March 31, 2019 or March 31, 2018.

9. Financial instruments

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

Credit risk

Credit risk is the risk of financial loss to the Company because a counterparty to a financial instrument fails to discharge its contractual obligations. The Company's financial assets exposed to credit risk are primarily composed of cash and cash equivalents and subscriptions receivable. Maximum exposure is equal to the carrying value of these assets. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its bank. The financial assets of the Company are neither past due nor impaired as at March 31, 2019.

9. Financial instruments *(Continued from previous page)*

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company does not believe it is exposed to significant interest rate risk.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The Company's approach in managing liquidity is to ensure, to the extent possible, that it will have sufficient liquidity to meet its liabilities when due by continuously monitoring actual and forecasted cash flows and the Company may consider securing additional funds through equity financing. All of the Company's financial liabilities are normally paid within 30 days and are subject to normal trade terms.

10. Capital management

The Company considers the items included in the statement of changes in equity, net of cash as its capital. The Company's objective for managing capital is to maintain sufficient capital to identify, evaluate and complete a purchase of assets and execute the business plan.

The Company sets the amount of capital in proportion to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are:

a) to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and,
b) to maintain investor, creditor and market confidence in order to sustain the future development of the business.

The Company is not subject to any externally or internally imposed capital requirements at year end.

11. Income tax

The reconciliation of the combined federal and provincial statutory income tax rate to the effective tax rate is as follows:

	2019	*2018*
	$	*$*
Expected tax rate	***26.5%***	*26.5%*
Expected tax benefit from loss	**(75,482)**	(3,180)
Permanent differences	**36,740**	-
Change in benefits not recognized	**38,742**	3,180
Income tax recovery	**-**	-

11. Income tax *(Continued from previous page)*

Deferred taxes are provided as a result of temporary differences that arise due to the differences between income tax values and the carrying amount of assets and liabilities. As at March 31, the Company had the following temporary differences:

	2019	*2018*
Intangible assets	**2,584**	-
Share issuance costs	**4,400**	-
Non-capital losses carried forward	**151,211**	12,000
Total deferred tax asset	**158,195**	12,000
Unrecognized deferred tax asset	**(158,195)**	(12,000)
Deferred tax asset	**-**	-

There is no objective evidence that the benefit from the Company's deferred tax assets will be realized an, as a result, the Company has not recognized any deferred tax asset at March 31, 2019 or March 31, 2018. Should the Company demonstrate future profitability, these assets may be fully or partially recognized.

As at March 31, 2019, the Company had the following non-capital losses, which expire as follows:

2038	$12,000
2039	$139,211
	$151,211

12. Economic dependence

The Company is dependent on the land leased for use in cultivating agricultural products, refer to Note 7 - Commitments. The Company has mitigated the risk of the Landlord selling the land by terms of the lease having the right of first refusal of the land and any adjacent premises of land owned by family of the Landlord. Further, the Company has the right to purchase the leased premises after the third year of the lease based on a defined cost per acre per the rental agreement. Subsequent to year-end, the Company entered into an agreement for the purchase of an alternate plot of land reducing the dependence on the Landlord, refer to Note 13 - Subsequent events.

13. Subsequent events

On April 1, 2019, the Company entered into an agreement with a non-related party to develop the Company's brand identity and website. The contract is for a one time fee of $16,950 which is net of an equity agreement of $15,000 in common shares. These shares were issued on July 9, 2019.

On April 9, 2019, the Company issued 200,000 common shares to a subscriber in exchange for $24,000.

On April 23, 2019, the Company entered into an agreement to lease farm equipment. Payments are $968 monthly commencing on June 1, 2019 for a term of 84 months with an APR of 6.22%.

On June 15th, 2019, the Company entered into an Advisory Board Agreement with a non-related party for which 240,000 options were granted and expire 4 years from the date of vesting.

On June 24, 2019, the Company entered into an agreement for the purchase of a plot of land in Renfrew, Ontario in exchange for $300,000. The closing date is no later than August 30th, 2019.

On July 3, 2019, the Company entered into a non-binding supply agreement with a non-related party to supply their cannabis needs as follows:

- 1,000 KG in 2020
- 3,000 KG in 2021 and ongoing

13. Subsequent events *(Continued from previous page)*

On July 9, 2019, the Company issued 208,334 common shares to a related party subscriber for $25,000.

Burnstown Farms Cannabis Company Ltd. O/A Wildfire Collective
Unaudited Financial Statements
For the Four Months Ended July 31, 2019

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Unaudited Financial Statements

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Burnstown Farms Cannabis Company Ltd.
Unaudited Statement of Financial Position
As at July 31

	2019	*2018*
Assets		
Current		
Cash and cash equivalents	**23,829**	-
Sales taxes recoverable	**27,449**	4,645
Subscriptions receivable *(Note 8)*	-	260
Prepaid Expenses and Deposits	**35,000**	-
	86,278	4,905
Non-current		
Property and equipment *(Note 5)*	**155,655**	-
Lease deposit *(Note 7)*	**20,000**	-
	261,933	4,905
Liabilities		
Current		
Accounts payable and accrued liabilities	**84,527**	40,496
Equity		
Share capital *(Note 8)*	**396,310**	260
Contributed surplus *(Note 8)*	**187,485**	-
Deficit	**(406,389)**	(35,851)
	177,406	(35,591)
	261,933	4,905

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Burnstown Farms Cannabis Company Ltd.
Unaudited Statement of Loss and Other Comprehensive Loss
For the four months ended July 30

	2019	2018
Expenses		
Share based compensation *(Note 8)*	**49,707**	-
Professional fees	**17,435**	20,944
Wages	**13,865**	-
Office	**7,503**	145
Advertising and promotion	**9,996**	1,919
Production supplies	**4,820**	-
Travel	**3,281**	617
Insurance	**1,576**	-
Meals and entertainment	**1,316**	206
Interest and bank charges	**51**	20
Net loss and other comprehensive loss	**(109,550)**	(23,851)
Loss per share – basic and diluted	**0.004**	0.001
Weighted average number of common shares outstanding – basic and diluted	**29,362,500**	26,070,312

	Number of shares	*Common Shares*	*Deficit*	*Contributed surplus*	*Total equity*
Balance March 31, 2018	**26,000,000**	**260**	**(12,000)**	**-**	**(11,740)**
Net loss and comprehensive loss	**-**	**-**	**(23,851)**	**-**	**(23,851)**
Issuance of common shares *(Note 8)*	**-**	**-**	**-**	**-**	**-**
Share based compensation *(Note 8)*	**-**	**-**	**-**	**-**	**-**
Balance July 31, 2018	**26,000,000**	**260**	**(35,851)**	**-**	**(35,591)**

	Number of shares	*Common Shares*	*Deficit*	*Contributed surplus*	*Total equity*
Balance March 31, 2019	**28,937,500**	**372,260**	**(296,839)**	**137,778**	**213,199**
Net loss and comprehensive loss	**-**	**-**	**(109,550)**	**-**	**(109,550)**
Issuance of common shares *(Note 8)*	**741,667**	**24,050**	**-**	**-**	**24,050**
Share based compensation *(Note 8)*	**-**	**-**	**-**	**49,707**	**49,707**
Balance July 31, 2019	**29,679,167**	**396,310**	**(406,389)**	**187,485**	**177,406**

Burnstown Farms Cannabis Company Ltd.
Unaudited Statement of Cash Flows
For the four months ended July 31

	2019	*2018*
Cash and cash equivalents provided by (used for) the following activities		
Operating activities		
Net loss	**(109,550)**	(23,851)
Share based compensation	**49,707**	-
Changes in working capital accounts		
Sales taxes recoverable	**(8,646)**	(3,085)
Due from Shareholder	**38,760**	-
Prepaid Expenses and Deposits	**(35,000)**	-
Accounts payable and accrued liabilities	**25,199**	26,936
Cash used for operating activities	**(39,530)**	23,851
Financing activities		
Issuance of common shares	**24,050**	-
Investing activities		
Leasehold improvements	**(8,399)**	-
Decrease in cash	**(23,879)**	-
Cash and cash equivalents, beginning of period	**47,708**	-
Cash and cash equivalents, end of period	**23,829**	-
Cash and cash equivalents is composed of:		
Cash in bank	**19,898**	-
Cash held in trust	**3,931**	-
	23,829	-

1. Description of business and nature of operations

Burnstown Farms Cannabis Company Ltd. (the "Company"), operating as Wildfire Collective, was incorporated under the *Canada Business Corporations Act* on December 5, 2017. The Company's focus is on producing sustainable, low cost, high quality terpene rich cannabis products. The Company intends to add an agritourism aspect to its operations long-term.

The Company operates from its primary office in Ashton, Ontario, Canada. Its registered office is 417 Amberwood Road, Ashton, Ontario, K0A 1B0.

2. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations adopted by the International Accounting Standards Board ("IASB"). The accounting policies applied in these financial statements are presented in Note 4.

3. Basis of preparation

Going concern

These financial statements have been prepared in accordance with International Financial Reporting Standards and on a going concern basis. This assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business. At July 31, 2019, the Company had a deficit of $406,389 and for the four months ended July 31, 2019 the Company incurred a net loss and other comprehensive loss of $109,550 and had negative cash flows from operations of $39,530. Further, the Company is economically dependent on a non-related party for the use of their land, refer to Note 12 - Economic dependence.

These conditions indicate the existence of material uncertainties that cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on the ability to generate positive cash flow from operations and the ability to execute its business plan, including funding operating losses as well as securing additional sources of financing or funds through the issuance of shares of the Company or through debt financing. During the year ended March 31, 2019, the Company entered into an agreement with a non-related party, an online investment platform, to aid in securing additional funds through a private placement. Subsequent to July 31, 2019, the Company entered into a binding letter of intent with a capital fund to secure additional funds through a private placement (see Note 13 Subsequent Events). If the going concern assumption was not appropriate for these financial statements, significant adjustments to the carrying value of assets and liabilities, reported expenses and statement of financial position classifications would result. These adjustments could be material.

Basis of measurement

The financial statements have been prepared on a historical cost basis.

Historical cost is the fair value of the consideration given up in exchange for goods and services based upon the fair value at the time of the transaction of the consideration provided.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether the price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability that market participants would take into consideration when pricing the asset or liability at the measurement date.

Fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1— valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 — valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 — valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

3. **Basis of preparation** *(Continued from previous page)*

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. As at July 31, 2019 and July 31, 2018 the Company did not have any financial instruments carried at fair value and that require classification within the fair value hierarchy.

Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

Use of estimates and judgments

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. These estimates and assumptions have been made using careful judgment; however, uncertainties could result in outcomes that would require a material adjustment to the carrying amount of the asset or liability affected in the future.

Significant management judgment

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements:

i. Recognition of deferred income tax assets

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

ii. Going concern risk assessment

The assessment of the Company's ability to continue as a going concern and raising additional debt or equity financing or attaining commercial operations and generating sufficient revenues to achieve and sustain profitability for the ensuing year, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

iii. Impairment

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

In assessing impairment, Management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. The Company's property and equipment represents the maximum exposure of long-lived assets that are subject to impairment review.

3. **Basis of preparation** *(Continued from previous page)*

Estimation uncertainty

The following are estimates that have the most significant effect on the recognition and measurement of assets, liabilities, income and expense. Actual results could be materially different.

i. Share based compensation

The estimation of share-based compensation requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own share price, share price at the date of issuance of the grant, the forfeiture rate, the probable life of share options granted and the time of exercise of those share options. The model used by the Company is the Black-Scholes valuation model.

4. Summary of significant accounting policies

Cash and cash equivalents

Cash and cash equivalents consists of cash held in a bank account and cash held in a trust account by the Company's legal counsel.

Share-based payments

The Company applies a fair value-based method of accounting to all share-based payments. Employee and director stock options are measured at their fair value of each tranche on the grant date and recognized at their respective vesting period. Options issued to non-employees are measured based on the fair value of the services received at the date of receiving those services. If the fair value of the goods or services cannot be estimated reliably, the options are measured by determining the fair value of the options granted using the Black-Scholes option pricing model. The cost of stock options is presented as share-based payment expense, when applicable with corresponding credit to the contributed surplus. On the exercise of stock options, share capital is credited for consideration received and for fair value amounts previously credited to contributed surplus. The Company uses the Black-Scholes option pricing model to estimate the fair value of share-based payment.

Loss per share

Basic loss per share is computed by dividing the loss for the period by the weighted-average number of shares outstanding during the period. Diluted earnings per share is calculated giving effect to potential dilution that would occur if stock options, warrants or other dilutive instruments were exercised. The dilutive impact is determined by assuming that any proceeds upon exercise for which market price exceeds exercise price, would be used to purchase shares at the average market price for the period. The number of additional shares included in the calculation is based on the treasury stock method for options and warrants. Diluted loss per share does not include the effect of potentially issuable common shares if their effect is anti-dilutive.

Income taxes

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

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

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

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

4. Summary of significant accounting policies *(Continued from previous page)*

Property and equipment

Capital expenditure on the leasehold improvement is recorded at cost less accumulated amortization and impairment losses. No amortization is taken until the asset is available for its intended use.

Impairment of long-lived assets

At each statement of financial position date, the Company assesses whether there is any indication that any long-lived assets are impaired. An impairment is recognized if the recoverable amount, determined as the higher of an asset's fair value less cost to sell and the discounted future cash flows generated from use and eventual disposal of an asset, is less than its carrying value. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Financial Instruments

Financial instruments are classified in accordance with IFRS 9 Financial Instruments as described below.

Classification

On initial recognition, the Company determines the classification of financial instruments based on the following categories:

1. Measured at amortized cost
2. Measured at fair value through profit or loss (FVTPL)
3. Measured at fair value through other comprehensive income (loss) (FVOCI)

The classification under IFRS 9 is based on the business model under which a financial asset is managed and on its contractual cash flow characteristics. Assets held for the collection of contractual cash flows and for which those cash flows correspond solely to principal repayments and interest payments are measured at amortized cost. Contracts with embedded derivatives where the host is a financial instrument in the scope of the standard will be assessed as a whole for classification.

A financial asset is measured at amortized cost if both of the following criteria are met:

1. Held within a business model whose objective is to hold assets to collect contractual cash flows; and
2. Contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments held for trading are classified as FVTPL. For all other equity investments that are not held for trading, the Company may irrevocably elect, on initial recognition, to present subsequent changes in the investment's fair value in other comprehensive income (loss). This election is made on an investment-by-investment basis.

Financial liabilities are measured at amortized cost unless they must be measured at FVTPL (such as derivatives), or if the Company has chosen to evaluate them at FVTPL.

Management has assessed the classification and measurement of financial instruments under IFRS 9 as follows:

Classification

Financial Instrument	**IFRS 9 Classification**
Cash and cash equivalents	Amortized cost
Subscriptions receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

4. **Summary of significant accounting policies** *(Continued from previous page)*

Measurement

Initial recognition – A financial asset or financial liability is initially recorded at its fair value, which is typically the transaction price, plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. In the event that fair value is determined to be different from the transaction price, and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or is based on a valuation technique that uses only data from observable markets, then the difference between fair value and transaction price is recognized as a gain or loss at the time of initial recognition.

Amortized cost – The amount at which a financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit losses. The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability to the net carrying amount on initial recognition.

Fair value through profit or loss – Changes in fair value after initial recognition, whether realized or not, are recognized through the statements of net loss and comprehensive loss. Income arising in the form of interest, dividends, or similar, is recognized through the statements of net loss and comprehensive loss when the right to receive payment is established, the economic benefits will flow to the Company, and the amount can be measured reliably.

Fair value through other comprehensive income (loss) – Changes in fair value after initial recognition, whether realized or not, are recognized through other comprehensive income (loss). Income arising in the form of interest, dividends, or similar, is recognized through the statements of net loss and comprehensive loss when the right to receive payment is established, the economic benefits will flow to the Company, and the amount can be measured reliably.

Impairment

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. The Company has applied the simplified approach to recognize lifetime expected credit losses.

Derecognition

Financial assets - The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset have expired or when contractual rights to the cash flows have been transferred. Gains and losses from derecognition are recognized in net loss.

Financial liabilities - The Company derecognizes a financial liability when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the derecognized financial liability and the consideration paid or payable, including non-cash assets is transferred or liabilities assumed, is recognized in net loss.

Future changes in accounting policies

The Company has not yet applied the new standards, interpretations and amendments to standards that have been issued as at July 31, 2019 but are not yet effective. Unless otherwise stated, the Company does not plan to early adopt any of the new or amended standards and interpretations.

4. Summary of significant accounting policies *(Continued from previous page)*

Under IFRS 16, a single recognition and measurement model will apply for lessees which will require recognition of assets and liabilities for most leases. The Company is in the final stages of analyzing identified contracts, developing business and accounting processes, making applicable changes to the Company's internal controls and calculating the impact that the adoption of this standard will have on its financial statements. The Company has elected to use the modified retrospective approach upon adoption and elected to apply the optional exemptions for short-term and low-value leases. The actual full impact of adoption will depend on the Company's incremental borrowing rate, lease liabilities, and practical expedients applied. However, the Company anticipates that the most significant impact of adopting IFRS 16 will be the recognition of the right-of-use asset and corresponding lease liability on its lease of the land. Upon adoption of IFRS 16, the Company will recognize right-of-use asset and lease liability for all leases identified except for optional exemptions taken.

i. IFRIC 23 Income taxes

In June 2017, the IASB released IFRIC 23, Uncertainty over income tax treatments. IFRIC 23 clarifies the application of recognition and measurement requirements in IAS 12, Income Taxes, when there is uncertainty over income tax treatments. It specifically addresses whether an entity considers each tax treatment independently or collectively, the assumptions an entity makes about the examination of tax treatments by taxation authorities, how an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates and how an entity considers changes in facts and circumstances.

IFRIC 23 will be effective for the Company’s fiscal year beginning on April 1, 2019. The Company had decided not to early adopt. The Company cannot at this time reasonably estimate the impact of the adoption of this standard on its financial statements.

5. Property and equipment

	2019
Net book value, as at March 31, 2019	**147,256**
Leasehold improvements	**8,399**
Net book value, as at July 31, 2019	**155,655**

There were no property and equipment additions during the four months ended July 31, 2018.

Property and equipment consists of leasehold improvement costs for land under lease from a non-related party. Depreciation has not been taken on these costs as the land is not yet in a position for its intended use. For further information on the lease obligation, refer to Note 7 - Commitments.

On February 11, 2019 an interim control bylaw was put in place by the Council of the Corporation of the Township of Beckwith, temporarily restricting the use of all lands in the municipality for any cannabis-related lands use until the 6 month period ended August 11, 2019 in order that Council may complete a review of its land use planning policies for cannabis-related uses. See Note 13 – Subsequent Events

6. Related party transactions

As at July 31, 2019 there was $nil (2018 - $260) due from shareholders of the Company for share issuances during a prior year.

6. Related party transactions *(Continued from previous page)*

Key management compensation of the Company

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the Company's operations, directly or indirectly. The key management personnel of the Company are the members of the executive management team and Board of Directors, and they control 89% of the outstanding shares of the Company as at July 31, 2019 (2018 – 96%). During the four months ended July 31, 2019, the Company issued Nil (2018 - Nil) options to members of the Board of Directors with an estimated grant date fair value of $Nil (2018 - $Nil).

Related party transactions and balances

All expenses and year end balances with related parties are at exchange amounts established and agreed to by the related parties. All transactions with related parties are in the normal course of operations and have been carried out on the same terms as those accorded to unrelated parties. In addition to key management personnel the Company had transactions with and/or balances outstanding with the following related parties:

- During the period Burnstown Farms Cannabis Company Ltd. had purchases of $5,356 (2018 - $Nil) from a company owned by a Director of the Company and this amount is an outstanding balance as at July 31, 2019 (2018 - $Nil).

7. Commitments

During the four months ended July 31, 2019 the Company entered into a non-binding supply agreement with a non-related party to supply their cannabis needs as follows:

- 1,000 KG in 2020
- 3,000 KG in 2021 and ongoing

The Company has entered into a lease agreement with a non-related party (the "Landlord") for premises intended to be developed and used in the cultivation of agricultural products. The term of the lease runs from November 11, 2018 to November 10, 2029 with monthly rental payments of $1. In addition to the monthly rental payments, annual royalty payments based on the gross revenue of agricultural products grown on the premises including any derivative products such as cannabis oil, and any revenue from agritourism is payable as follows:

First $10 million in revenue: 2.2% of revenue
Next $10 million in revenue: 1.8% of revenue
Next $10 million in revenue: 1.5% of revenue
Next $10 million in revenue: 1.3% of revenue
All revenue in excess of $40 million: 1.2% of revenue

The royalty amounts are due within 30 days of the Company's year-end. There are no amounts payable as at July 31, 2019 or July 31, 2018. During the year ended March 31, 2019, the Company advanced a deposit of $20,000 (2018 - $Nil) to the Landlord which is to be applied against the first royalty payment due.

During the year ended March 31, 2019, the Company entered into an agreement with a company (the "Vendor") owned by a director of the Company, for the Vendor to provide consulting services in respect to submitting its application for a license under the Cannabis Act. As part of consideration for the agreed upon services, the Company has committed to issue stock grants (or cash) upon issuance of a license to cultivate in the amount $100,000.

During the year ended March 31, 2019, the Company entered into an agreement with a non-related Company (the "Vendor") to aid in a private placement offering of the Company. The Company is committed to compensate the Vendor 6% of the gross proceeds raised from any subscribers under the offering.

8. Share capital

a) Authorized

The Company is authorized to issue an unlimited number of common shares, of which 29,679,167 are issued and outstanding as at July 31, 2019 (2018 – 27,145,833).

b) Issued and outstanding

During the four month period ending July 31, 2019 the Company issued 200,000 common shares for proceeds of $24,050 and 541,667 common shares for services provided to the Company.

During fiscal 2019, the Company issued 2,937,500 common shares for proceeds of $377,500. Share issuance costs related to equity financing amounted to $5,500.

During the 117 day period ending March 31, 2018 the Company issued 26,000,000 common shares for proceeds of $260.

As at July 31, 2019 there were $nil (2018 - $260) in subscriptions receivable for amounts owed from the share subscribers.

c) Stock options

The directors of the Company have approved a stock option plan (the "Plan") for the directors, officers, employees and consultants of the Company. The outstanding options generally vest as follows; one-third a year after the grant date with the remaining two-thirds vesting monthly over a 24-month period however, each option issuance is subject to agreed upon terms. The directors establish exercise prices and expiry dates, which are up to 4 years from the date of vesting. The maximum number of common shares reserved for issuance for options that may be granted under the Plan is 7,000,000 common shares as at July 31, 2019.

The Black-Scholes option valuation model used by the Company is based on subjective input assumptions with regards to the expected average volatility. Any changes to these assumptions can cause a significant variation in the estimate of the fair value of the options. The estimated forfeiture rate applied was 25% (2018 - 0%). Expected annualized volatility is based on the share price volatility of five comparable publicly traded companies from within the same industry. During the four months ended July 31, 2019, the Company issued no stock options (2018 – Nil) and the share-based compensation was based on the application of the Black Scholes option pricing model with the following weighted average inputs:

	July 31, 2019	July 31, 2018
Risk-free interest rate	**1.48%**	1.48%
Expected annualized volatility	**85%**	85%
Expected life (in years)	**4 - 5**	4 - 5
Expected dividend yield	**0.00%**	0.00%
Weighted average fair value of each option	**$0.08**	$0.00001

8. **Share capital** *(Continued from previous page)*

The following table summarizes stock option activity during the four months ended July 31, 2019 and July 31, 2018

	July 31, 2019		July 31, 2018	
	Options issued	**Weighted average exercise price**	Options issued	Weighted average exercise price
Opening balance	**5,575,000**	**$0.092**	-	-
Granted	**340,000**	**$0.12**	5,515,000	$0.92
Cancelled	**140,000**	**$0.12**	-	-
Expired	**-**	**-**	-	-
Forfeited	**-**	**-**	-	-
Closing balance	**5,775,000**	**$0.093**	5,515,000	$0.092

The total share-based compensation recognized for the period was $49,707 (2018 - $Nil).

The following tables summarizes information concerning the stock options outstanding as at July 31, 2019.

Exercise price ($)	**Number outstanding**	**Weighted average exercise price ($)**	**Number exercisable**	**Weighted average remaining life (years)**
0.00001	**1,300,000**	**0.00001**	**592,286**	**2.64**
0.12	**4,475,000**	**0.12**	**1,074,306**	**4.09**
	5,775,000		**1,666,592**	**3.37**

The following tables summarizes information concerning the stock options outstanding as at July 31, 2018.

Exercise price ($)	**Number outstanding**	**Weighted average exercise price ($)**	**Number exercisable**	**Weighted average remaining life (years)**
0.00001	**1,300,000**	**0.00001**	**173,352**	**3.64**
0.12	**4,215,000**	**0.12**	**-**	**5.09**
	5,515,000		**173,352**	**3.64**

As a result of the net losses in continuing operations in each of the reporting periods, the potential effect of the exercise of stock options is anti-dilutive; therefore 5,775,000 potentially dilutive shares at July 31, 2019 (2018 – 5,515,000) have not been included in the calculation of diluted loss per common share for the period ended July 31, 2019 or July 31, 2018.

9. Financial instruments

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

Credit risk

Credit risk is the risk of financial loss to the Company because a counterparty to a financial instrument fails to discharge its contractual obligations. The Company's financial assets exposed to credit risk are primarily composed of cash and cash equivalents and subscriptions receivable. Maximum exposure is equal to the carrying value of these assets. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its bank. The financial assets of the Company are neither past due nor impaired as at July 31, 2019.

9. Financial instruments *(Continued from previous page)*

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company does not believe it is exposed to significant interest rate risk.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The Company's approach in managing liquidity is to ensure, to the extent possible, that it will have sufficient liquidity to meet its liabilities when due by continuously monitoring actual and forecasted cash flows and the Company may consider securing additional funds through equity financing. All of the Company's financial liabilities are normally paid within 30 days and are subject to normal trade terms.

10. Capital management

The Company considers the items included in the statement of changes in equity, net of cash as its capital. The Company's objective for managing capital is to maintain sufficient capital to identify, evaluate and complete a purchase of assets and execute the business plan.

The Company sets the amount of capital in proportion to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are:

a) to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and,
b) to maintain investor, creditor and market confidence in order to sustain the future development of the business.

The Company is not subject to any externally or internally imposed capital requirements at year end.

11. Income tax

The reconciliation of the combined federal and provincial statutory income tax rate to the effective tax rate is as follows***:***

	2019	*2018*
	$	*$*
Expected tax rate	***26.5%***	*26.5%*
Expected tax benefit from loss	**(31,350)**	-
Permanent differences	**2,226**	-
Change in benefits not recognized	**29,124**	-
Income tax recovery	**-**	-

11. **Income tax** *(Continued from previous page)*

Deferred taxes are provided as a result of temporary differences that arise due to the differences between income tax values and the carrying amount of assets and liabilities.

There is no objective evidence that the benefit from the Company's deferred tax assets will be realized an, as a result, the Company has not recognized any deferred tax asset at July 31, 2019 or July 31, 2018. Should the Company demonstrate future profitability, these assets may be fully or partially recognized.

12. Economic dependence

The Company is dependent on the land leased for use in cultivating agricultural products, refer to Note 7 - Commitments. The Company has mitigated the risk of the Landlord selling the land by terms of the lease having the right of first refusal of the land and any adjacent premises of land owned by family of the Landlord. Further, the Company has the right to purchase the leased premises after the third year of the lease based on a defined cost per acre per the rental agreement. Subsequent to year-end, the Company entered into an agreement for the purchase of an alternate plot of land reducing the dependence on the Landlord.

13. Subsequent events

The interim control bylaw that was put in place on February 11, 2019 by the Council of the Corporation of the Township of Beckwith which temporarily restricted the use of all lands in the municipality for any cannabis-related lands use was lifted on August 6, 2019.

On September 25, 2019 the Company entered into a binding letter of intent with a capital fund for a private placement of up to $2.5 million in exchange for 17,222,222 common shares of the Company. The contemplated transaction would involve a share-for-share exchange for Class B shares in a newly formed entity, in which the capital fund would also hold an additional 5,000,000 Class A shares. Each Class A Share will entitle the holder to 10 votes per share and each Class B Share will entitle the holder to 1 vote per share. Each Class A and Class B share will have equal liquidation, dissolution and economic rights.

Item 14: Date and Certificate

Dated September 27, 2019

This offering memorandum does not contain a misrepresentation.

Mark Spear
President & Director

Wynand Stassen
Accountant to the Company

On behalf of the board of directors of Burnstown Farms Cannabis Company Ltd., O/A Wildfire Collective:

Georges Routhier
Director

Brent Parker
Director