

FORM 51-102F1

Management's Discussion and Analysis

The following management's discussion and analysis ("MD&A") as of August 24, 2017, should be read in conjunction with the Company's interim condensed consolidated unaudited financial statements for the nine months ended June 30, 2017 and accompanying notes thereto. All dollar amounts are expressed in Canadian funds unless otherwise stated.

International Financial Reporting Standards ("IFRS")

The interim condensed consolidated financial statements for the nine months ended June 30, 2017 are prepared in accordance with International Financial Reporting Standard 34 as issued by the International Accounting Standards Board. Accordingly, certain financial information and disclosures normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed. The disclosure in the interim condensed consolidated financial statements are incremental to the disclosure included in the annual consolidated financial statements. The Company's external auditors, Collins Barrow Edmonton LLP, have not performed a review of the interim condensed consolidated financial statements.

Except as otherwise noted, the financial information contained in this MD&A and in the interim condensed consolidated financial statements has been prepared in accordance with IFRS.

Overall Performance

The company was incorporated under the Alberta Business Corporations Act on October 12, 1999 and is in the business of commercial and residential construction and millwork. The Company continues having strong revenue in the commercial and residential construction business. The Company is still actively seeking more opportunity to provide construction services in the greater Vancouver area as well as business across Canada.

Selected Annual Information

	2016	2015	2014
Revenue	4,064,724	4,679,144	2,470,326
Expenses	4,240,915	4,693,464	2,767,244
Other Income (Loss)	(6,377)	(9,184)	-
Net Income (Loss)	(182,568)	(23,504)	(296,918)
Income (Loss) per Share	(0.01)	(0.00)	(0.01)
Fully Diluted Income (Loss) per Share	(0.01)	(0.00)	(0.01)
Total Assets	1,132,322	1,295,864	693,039
Total Long-term Liabilities	18,639	25,074	-

Summary of Quarterly Results (in accordance with IFRS)

	Jun 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sep 30, 2016	Jun. 30, 2016	Mar. 31, 2016	Dec. 31, 2015	Sep 30, 2015
Revenues	\$1,140,050	\$1,358,798	\$ 1,270,882	\$ 965,295	\$1,096,523	\$961,511	\$ 1,041,395	\$ 1,370,685
Expenses	\$ 979,904	\$ 1,346,621	\$ 1,245,996	\$ 958,996	\$ 1,105,168	\$ 991,810	\$ 1,191,318	\$ 1,295,556
Gain (loss) on distribution to owners	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$ (8,344)
Net Income (Loss)	\$ 160,146	\$ 12,177	\$ 24,886	\$ 6,299	\$ (8,645)	\$ (30,299)	\$ (149,923)	\$ 66,785
Basic and diluted EPS	\$0.01	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$ (0.01)	\$0.00

Quarterly Results (Comparison of third Quarter of 2017 with third Quarter of 2016)

Sales

Sales have increased by \$44K in the current period because there were more contracts in terms of number and value secured during the current quarter.

Subcontract and Material Costs

The subcontract and material costs equal to 49% of gross revenue, which has decreased compared to the previous year of 63%. This is due to the decreased costs of materials, supplies and subcontracts compared to the previous year.

Expenses

Salaries and benefits expenses have decreased by \$13K due to decreased employees in the current period.

Liquidity

The company has a bank indebtedness balance of \$28,053 and a working capital deficiency of \$397,813 as at June 30, 2017. Cash generated from operating activities during the nine months ended June 30, 2017 was \$98,074 compared to \$119,357 used in 2016. Cash used in investing

activities during the nine months ended June 30, 2017 was \$268,882 compared to \$6,489 used in 2016. Cash used in financing activities was \$31,175 during the nine months ended June 30, 2017 compared to \$133,608 generated in 2016.

The Company has sufficient financial resources to continue operation and is expecting a stronger income generated from operations and even better liquidity position in the upcoming quarters.

Capital Resources

The Company has commitments of \$538,573 due to the lease agreement for its present location, which expires May 31, 2022.

The Company has available a line of credit of \$35,000 bearing interest at prime plus 3.5%, secured by a general security agreement and is due on demand. No amount has been drawn on the line of credit as at June 30, 2017.

Transactions with Related Parties

Amounts receivable from related parties consist of advances to companies under common control. Amounts are unsecured, bear no interest and have no specific terms of repayment.

Amounts payable to related parties consist of advances from directors of the Company and companies controlled by directors of the Company. Amounts are unsecured, bear no interest and are payable on demand.

Key management includes senior executives of the Company. The compensation expense paid during the nine month ended June 30, 2017 to key management for employee services are as follows:

Chief Executive Officer: \$143,730
Chief Financial Officer: \$109,080

Risk Factors

The corporation is exposed to a variety of business and other risks and uncertainties including the following:

- Volatility in the market price of our common shares.
- Our ability to raise sufficient funds to carry on our operations.
- The demand for our services.
- Our ability to achieve profitable operations.

Financial Instruments and Other Instruments

Financial instruments of the company consist of accounts receivable, amounts receivable from related parties, bank indebtedness, accounts payable, long-term debt and amounts payable to related parties. Bank indebtedness is classified as a financial liability measured at fair value. Gains and losses related to periodical revaluation are recorded in net income. Accounts receivable and amounts receivable from related parties are classified as loans and receivable. Accounts payable, long-term debt and amounts payable to related parties are classified as other financial liabilities. Financial instruments classified as loans and receivable and other financial liabilities are initially measured at fair value with subsequent periodical revaluations recorded at amortized costs using the effective interest rate method.

Off – Balance Sheet Arrangements

As at June 30, 2017, we have not entered into any off-balance sheet arrangements.

Share Structure

The Company has 25,635,635 common shares outstanding at August 24, 2017.

Future Accounting Pronouncements

Effective October 1, 2018, the Company will be required to adopt IFRS 9 - Financial Instruments, as the first phase of the IASB's project to replace IAS 39 - Financial Instruments: Recognition and Measurement. The new standard replaces the current multiple classification and measurement models for financial assets and liabilities with a single model that has only two classification categories: amortized cost and fair value. A detailed review will be completed in the future in order to determine if this standard will have significant impacts.

IFRS 15 Revenue from Contracts with Customers was issued by the IASB in May 2014. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the company expects to be entitled in exchange for those goods or services. The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements. Earlier application is permitted. IFRS 15 supersedes the following standards: IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers, and SIC-31 Revenue—Barter Transactions Involving Advertising Services. IFRS 15 is effective for the Company's yearend beginning on October 1, 2018.

Critical Accounting Policies and Estimates

The preparation of the Company's interim condensed consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect amounts reported in the interim condensed consolidated financial statements and accompanying notes.

There is a full discussion and description of the Company's estimates and judgments used in preparing the interim condensed consolidated financial statements for the nine months ended June 30, 2017 in Note 2 to the interim condensed consolidated financial statements.

Forward Looking Information

This management discussion and analysis may contain forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressly stated or implied by such forward-looking statements. These statements are not historical acts and are subject to risks and uncertainties which could cause actual results and the timing of certain events to differ materially from those set forth in or implied herein including, without limitation, risks associated with the company's proposed activities.