

FORM 51-102F1

Management's Discussion and Analysis

The following management's discussion and analysis ("MD&A") as of August 29, 2019 should be read in conjunction with the Company's interim condensed consolidated unaudited financial statements for the nine months ended June 30, 2019 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, 2019 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, RSM Alberta 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 greater Vancouver area as well as business across Canada.

Selected Annual Information

	2018	2017	2016
Revenue	\$3,685,278	\$5,103,132	\$4,064,724
Expenses	\$3,333,108	\$4,900,860	4,240,915
Other Income (Loss)	\$40,531	---	\$(6,377)
Net Income (Loss)	\$21,345	---	---
Income (Loss) per Share	\$290,294	\$202,272	\$(182,568)
Fully Diluted Income (Loss) per Share	\$0.01	\$0.01	\$(0.01)
Total Assets	\$0.01	\$0.01	\$(0.01)
Total Long-term Liabilities	\$1,611,032	\$1,668,645	\$1,132,322

Summary of Quarterly Results (in accordance with IFRS)

	June 30, 2019	March 31, 2019	Dec 31, 2018	Sep 30, 2018	June 30, 2018	March 31, 2018	Dec 31, 2017	Sep 30, 2017
Revenues	\$ 350,671	\$ 585,073	\$ 813,171	\$1,252,613	\$ 680,024	\$ 670,613	\$ 1,082,028	\$ 1,333,402
Expenses	\$ 567,024	\$ 568,664	\$ 918,580	\$1,188,563	\$641,091	\$666,864	\$ 836,590	\$ 1,328,339
Gain (loss) on distribution to owners	\$-	\$-	\$-	\$40,531	\$-	\$-	\$-	\$-
Income taxes	\$-	\$-	\$-	\$21,345	\$-	\$-	\$-	\$-
Net Income (Loss)	\$(216,353)	\$16,409	\$(105,409)	\$2,174	\$38,933	\$3,749	\$245,438	\$5,063
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 2019 with third Quarter of 2018)

Revenues

Revenues can be broken down by commercial construction and millwork revenue.

	June 30, 2019	June 30, 2018	Increase (decrease)
Commercial construction	\$350,652	\$679,963	\$(329,311)
Millwork	\$---	\$---	\$---
Other	\$19	\$61	\$(42)
Total	\$350,671	\$680,024	\$(329,353)

Revenue from commercial construction has decreased by \$329,353 in the current quarter compared to last year as a result of timing of commercial contracts. There were no millwork contracts in the current quarter.

Subcontract and Material Costs

The subcontract and material costs equal to 28% of gross revenue, which is consistent with the prior year of 27%.

Expenses

General and administrative expenses is consistent with the prior year as there have been no significant change in the operating expenses of the Company.

The Company issued 5,100,000 stock options during the nine months ended June 30, 2019 and recorded a share-based compensation expense of \$187,270 for the period ended June 30, 2019.

Liquidity and Solvency

The company has a cash balance of \$157,082 and a negative working capital of \$73,047 as at June 30, 2019. Cash provided in operating activities during the quarter ended June 30, 2019 was \$57,635 compared with the cash used in the amount of \$86,324 in 2018. Cash used in investing activities during the quarter ended June 30, 2019 was \$22,791 while cash used in investing activities was \$30,589 in 2018. Cash used in financing activities was \$13,438 during the quarter ended June 30, 2019 compared with the cash provided in the amount of \$58,372 in 2018.

The Company has sufficient financial resources to continue operation and is expecting increased income to be generated from operations and even better liquidity in the future.

Capital Resources

The Company has commitments of \$403,542 due to the lease agreement for its present location, which expires May 31, 2022.

The Company has available a line of credit of \$100,000 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, 2019.

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, 2019 to key management for employee services are as follows:

Chief Executive Officer: \$112,370

Chief Financial Officer: \$112,370

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 cash, accounts receivable, amounts receivable from related parties, accounts payable, long-term debt and amounts payable to related parties. The Company adopted IFRS 9 Financial Instruments effective October 1, 2018. The adoption of the new standard did not have an effect on measurement, however, the classification of the financial instruments have changed as follows:

	Original classification under IAS 39	New classification under IFRS 9
Financial assets		
Cash	FVTPL	Amortized cost
Accounts receivable	Loans and receivables	Amortized cost
Amounts receivable from related parties	Loans and receivables	Amortized cost
Financial liabilities		
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost
Amounts payable to related parties	Other financial liabilities	Amortized cost
Long-term debt	Other financial liabilities	Amortized cost

Off – Balance Sheet Arrangements

As at June 30, 2019, we have not entered into any off-balance sheet arrangements.

Share Structure

The Company has 25,635,635 common shares outstanding at August 29, 2019.

Future Accounting Pronouncements

IFRS 16 Leases was issued by the IASB in January 2016. The new standard replaces IAS 17 Leases and requires lessees to recognize all leases on the balance sheet. IFRS 16 removes the classification of leases as either operating leases or finance leases (for the lessee—the lease customer), treating all leases as finance leases. Short-term leases (less than 12 months) and leases of low-value assets are exempt from the requirements. Earlier application is permitted for companies that also apply IFRS 15 Revenue from Contracts with Customers. IFRS 16 is effective for the Company's fiscal year beginning October 1, 2019. The Company is currently assessing the impact of this standard on its consolidated financial statements.

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, 2019 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.