



WestBond Enterprises Corporation

Management Discussion and Analysis

dated June 20, 2019, to accompany the consolidated financial statements for the year ended March 31, 2019

Caution Regarding Forward Looking Statements – *This discussion includes statements about our expectations for the future. We believe that our expectations are reasonable; however, actual outcomes may differ materially from our expectations due to changes in operating performance, availability of and prices for raw materials, availability of trained labour, foreign currency exchange rate fluctuations, unexpected competition, and other technical, market and economic factors.*

Description of Our Business

We, WestBond Enterprises Corporation (“WestBond” or the “Company”), are a paper manufacturer and converter that supplies disposable paper products to many market segments. We initially grew to become one of Canada’s leading manufacturers of medical disposables and later expanded our product offering to take advantage of high-volume opportunities in personal hygiene products for away from home markets. We sell mainly to major medical and industrial distributors in Canada and the United States and we also sell to larger end-users on a direct basis.

Our product lines include clinical products such as examination table paper, sheets, pillowcases and gowns. The personal hygiene product line consists of hand towels and bathroom tissue in jumbo roll format as well as conventional formats. Our third major product line is patient wipes and underlays for long-term care facilities (nursing homes). We are expanding into a fourth product line, table top products, which include high quality air laid napkins.

Our goal for the personal hygiene line is to increase sales by supplying a comprehensive paper product line directly to medium sized janitorial contractors providing public washroom maintenance services to small and medium sized distributors who sell to the janitorial market. Our most significant competitors in the personal hygiene product line use wholesale master distributors who sell to smaller distributors that sell to smaller contractors. By selling direct to the smaller distributors, we eliminate the “middle-man” and are able to offer more competitive pricing. Also, unlike our most significant competitors, we will configure our products to customers’ specifications. Our current focus for expansion in this market is Canada and western USA. We will also pursue opportunities to supply these products directly to smaller hotel, motel and restaurant chains.

Our goal for the clinical and long-term care lines is to increase sales by continuing to provide quality products at competitive prices. Our focus for the clinical line is Canada. Long-term care products are sold in Canada and the USA and its territories.

We sell a full range of air laid napkins (table top) to major food service distributors in Canada and the United States. Sales of these high-quality air laid products are expanding quickly.

Our plant equipment enables us to provide a comprehensive range of products for each of our product lines and allows us to utilize a wide variety of paper supplies, enabling us to take advantage of good raw material pricing opportunities. We also have equipment that will allow us to produce facial tissue and other air laid products.

We started production on our binder bonded air laid paper making machine in August 2015. The machine can produce air laid paper at a significantly lower cost than current purchase prices. We use 25% - 30% of the production capacity of the machine for our own finished products and are selling production from surplus capacity to other paper converters.

Personal Hygiene Products – WestBond started this product line during 2002. Our decision to expand into personal disposables such as hand towels and bathroom tissue was based on demands by existing medical distributors who wanted to increase their purchasing ability with us. We evaluated this potential and determined that the medical industry had a high demand for these types of products. In addition, we

soon learned that small to medium size distributors who sell to the janitorial market were not being serviced well by other paper converters.

The personal hygiene paper products include roll and folded hand towels, jumbo roll bathroom tissue, conventional high sheet-count bathroom tissue and a specialty line of roll towels and bathroom tissue. This specialty line provides us with high margin products that few converters are able to produce. We manufacture our products in 1 and 2 ply formats. Recently, we introduced a premium line of air laid roll towels to the market. We sell these products to Canadian and US distributors and janitorial contractors in large order quantities.

Clinical Products – Historically, this product line represented the Company’s core business. Basically, all paper products that are used by clinics, physicians, chiropractors and physiotherapists form this product category. The equipment that was originally installed to manufacture these paper products is very flexible, reliable and high speed. This allows us to develop new products that could be in demand in the future.

Products in this group are sheets, examination table paper, pillowcases, gowns, and drapes. The equipment is able to convert roll format as well as sheet format products in many case pack and roll length configurations.

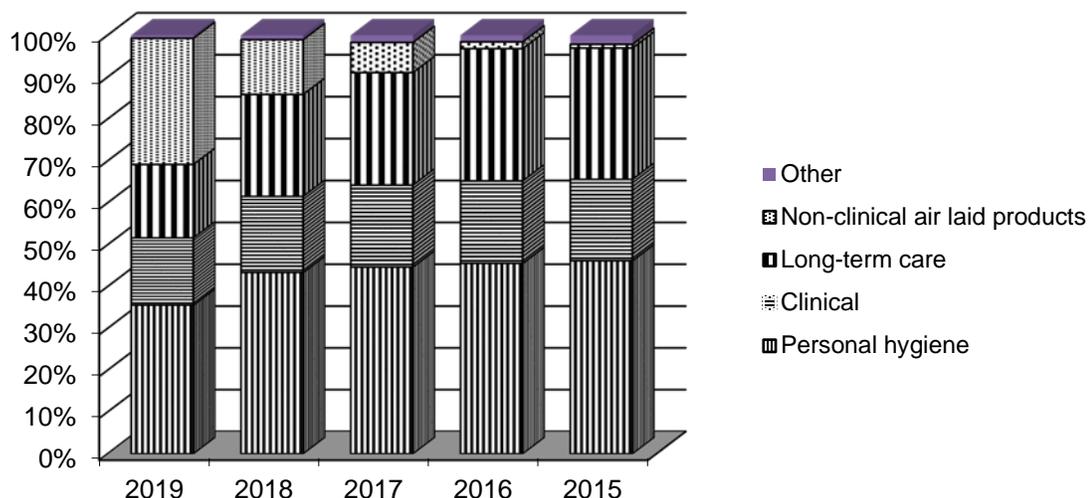
Long-Term Care Products – The products that comprise this category were originally part of the Clinical Product Line. Sales in this area have increased to the point that we now dedicate four entire production lines to these items. The products include patient wipes and underlays. All products are made with high quality air laid paper which results in soft absorbent wipes which are used as disposable wash cloths and perineal wipes.

Products are available in 1/4 fold, 1/8 fold, and roll formats, in a variety of widths and perforation lengths. The long-term care market is growing and we continue to develop new products for major Canadian and US distributors.

Table Top Products – This is a new product line for us and includes high quality air laid napkins. These napkins replace costly linen napkins and also out-perform conventional paper napkins, reducing operating costs of many restaurants. These products are sold through major food service distributors. The addition of our own air laid paper making machine is allowing us to grow this business substantially.

These four product groups represent WestBond’s ability to adapt to market demands and develop product lines to satisfy these markets.

The following chart shows the portion of total sales that each of the product categories contributed during the years ended March 31, 2015 through 2019. Table top product sales are included with “Non-clinical air laid products” in the chart.

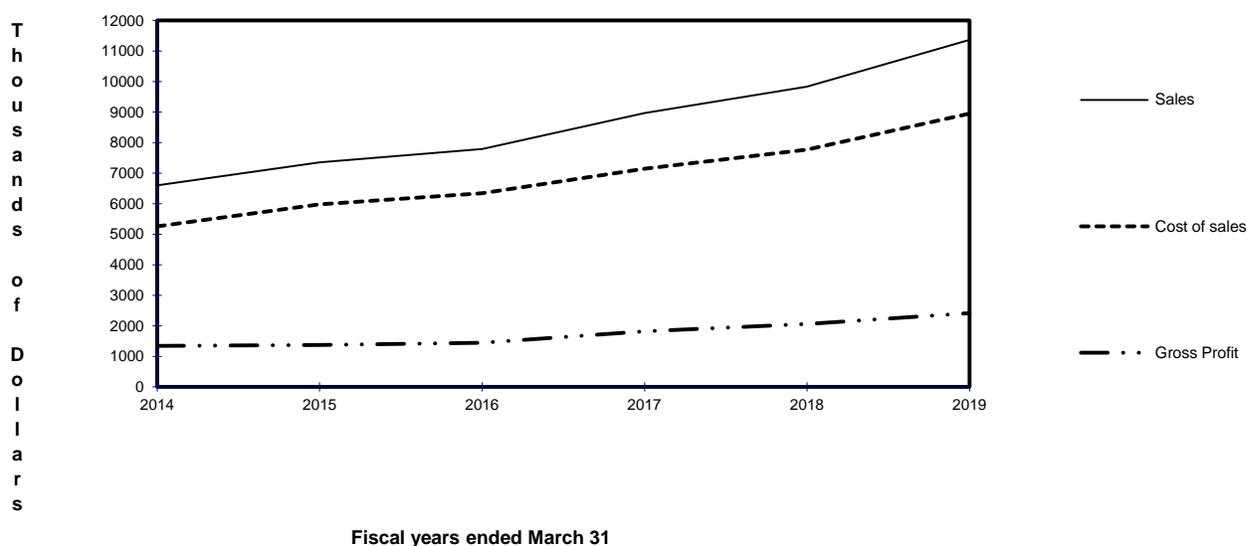


Discussion of Operations and Financial Condition

You should refer to our consolidated financial statements for the year ended March 31, 2019 while you read this discussion. Those financial statements provide significant, material information that is not meant to be, nor is it included in this discussion. This discussion is meant to provide information not included in the financial statements and an explanation of some of the financial statement information.

We realized a profit of \$421,264 during the year ended March 31, 2019, compared to \$298,088 for the year ended March 31, 2018, an increase of 41%, and \$161,080 for the year ended March 31, 2017. Our gross profit margin realized during 2019 was 21.2% compared to 20.9% for 2018 and 20.3% for 2017. Our gross profit margins improved due to the air laid paper machine going into production, which reduced raw materials costs by more than the added overhead and depreciation attributable to the machine. Sales volume growth is the result of the introduction of table top and other non-clinical air laid products, and weakened competition from US and Chinese products. The higher value of the US dollar makes their product more expensive in Canada, which has improved our sales. Additionally, our sales into the US market, which are priced in US dollars, result in higher Canadian dollar margins.

Sales, Cost of Sales and Gross Profit



Selected Annual Information (Unaudited)

We have summarized selected financial information from the Company's consolidated financial statements, which are prepared in Canadian dollars and in accordance with International Financial Reporting Standards (IFRS).

Operating Results	Years ended March 31,					
	2019		2018		2017	
	\$	% of sales	\$	% of sales	\$	% of sales
Sales	11,363,162	100.0	9,829,025	100.0	8,969,371	100.0
Cost of sales	8,949,336	78.8	7,772,815	79.1	7,148,766	79.7
Gross profit	2,413,826	21.2	2,056,210	20.9	1,820,605	20.3
Selling and distribution expenses	896,493	7.9	827,880	8.4	733,538	8.2
General and administrative expenses	763,499	6.7	657,658	6.7	652,908	7.3
Other expenses	165,566	1.4	120,968	1.3	212,926	2.3
Profit before tax	588,268	5.2	449,704	4.5	221,233	2.5
Income tax expense	167,004	1.5	151,616	1.5	60,153	0.7
Profit and comprehensive income	421,264	3.7	298,088	3.0	161,080	1.8
Earnings per share, basic	0.013		0.009		0.005	
Earnings per share, fully diluted	0.012		0.009		0.005	
Cash dividends declared per common share	0.0075		nil		nil	

Financial Position	March 31,		
	2019 \$	2018 \$	2017 \$
Non-Current Assets	7,845,894	8,191,705	8,758,310
Current Assets	3,089,489	2,568,204	2,242,687
Total assets	10,935,383	10,759,909	11,000,997
Non-Current Liabilities	3,602,145	4,093,930	4,609,569
Current liabilities	1,982,962	1,496,737	1,520,274
Shareholders' equity	5,351,137	5,169,242	4,871,154

Sales

Sales were \$11,363,162 for the year ended March 31, 2019, a 15.6% increase over the year ended March 31, 2018. The table below summarizes the sales of the Company for the last five fiscal years.

	2019 \$	2018 \$	2017 \$	2016 \$	2015 \$
Personal hygiene products	4,046,919	4,266,950	4,010,549	3,550,791	3,396,874
Clinical products	1,823,461	1,784,060	1,752,542	1,531,332	1,425,965
Long-term care products	1,992,870	2,392,582	2,408,946	2,458,934	2,303,404
Non-clinical air laid products	3,419,296	1,283,943	644,409	125,460	65,298
Other products	80,616	101,490	152,925	121,532	157,875
Total sales	11,363,162	9,829,025	8,969,371	7,788,049	7,349,416
Change over previous year	15.6%	9.6%	15.2%	6.0%	11.4%

Sales increased in the non-clinical air laid products and remained relatively flat in clinical and other products. Long-term care products decreased due to the loss of a significant customer, but are otherwise improving.

The clinical and long-term care markets continue to be strong due to the aging population. Approximately 44% of our sales in 2019 were priced in US dollars, compared with 35% for in 2018 and 2017 and 33% in 2016, mainly in the personal hygiene, long-term care and non-clinical air laid products, which makes us susceptible to fluctuations in the Canadian dollar value of the US dollar. The increase in 2019 is because the majority of our non-clinical air laid sales are to US customers.

Cost of Sales

The following table shows the components of cost of sales over the last five years.

	2019		2018		2017		2016		2015	
	\$	% sales								
Materials	5,870,295	51.7	4,941,399	50.3	4,320,428	48.2	3,988,802	51.2	4,182,552	56.9
Production labour	975,466	8.6	868,011	8.8	832,463	9.3	769,251	9.9	588,880	8.0
Factory overhead										
labour	468,567	4.1	433,100	4.4	445,605	5.0	351,201	4.5	281,780	3.8
Variable overhead	436,285	3.8	322,600	3.3	332,179	3.7	267,470	3.4	210,670	2.8
Fixed overhead	522,804	4.6	514,913	5.2	503,010	5.6	494,160	6.3	385,463	5.2
Depreciation	675,919	6.0	692,792	7.1	715,081	7.9	472,784	6.1	332,194	4.5
Total cost of sales	8,949,336	78.8	7,772,815	79.1	7,148,766	79.7	6,343,668	81.4	5,981,539	81.4

Our cost of sales structure has changed since we started production on our air laid paper machine in the 2016 fiscal year. Materials costs are lower and labour, overhead and depreciation are higher. The net effect is a higher gross margin as production from the machine increases.

Materials are the most significant component of cost of sales. Bulk paper and pulp are our main materials cost. All of our products have a high materials component and a low labour component.

Unfavourable paper yields, the amount of product that a certain weight of paper produces, increased materials costs by a factor of 2.4% of sales in 2019 and 2.7% in 2018, 2.5% in 2017 and 1.6% in 2016. During most of the 2019 fiscal year and part of the 2018 fiscal year we had difficulty purchasing paper in optimum grades, which meant we had to substitute heavier grades than standard, resulting in higher paper usage, and sizes, which caused higher than standard wastage.

Paper prices have increased in all fiscal years since 2006 except in our 2017 fiscal year when they were relatively stable. Paper prices can be volatile, additionally, our paper and pulp purchases are denominated in US dollars, which can fluctuate significantly. Our prices to our customers have been set to allow for paper cost increases of up to 10%.

Production labour in cost of sales averaged 8.6% of sales during 2019 compared to 8.8% during 2018, 9.3% during 2017, 9.9% during 2016 and 8.0% in 2015. The decrease since 2016 is from improved operating efficiencies. The increase in 2016 is due to higher wage rates and to additional employees hired to operate the air laid paper machine. The labour market near our factory has been tight during the last few years and it has taken extra time to find and train new machine operators. If we are unable to hire sufficient machine operators, it will be difficult to produce additional products for sale.

Factory overhead labour decreased as a percentage of sales during 2019 and 2018 due to increased sales volumes after increasing in 2017 and 2016 to support the new air laid paper machine. Variable overhead normally fluctuates slightly from one period to the next. Variable overhead incurred in 2019, 2017 and 2016 is higher than previous years due to increased electricity and gas to operate the air laid paper machine. Variable overhead incurred in 2018 was lower than 2017 from lower maintenance costs.

Fixed overhead in 2019 includes \$10,863 in higher insurance premiums offset by \$2,972 in lower rent. Fixed overhead in 2018 includes \$10,418 in higher rent and \$1,485 in higher insurance premiums over the expense in 2017. Fixed overhead in 2017 includes \$12,456 in higher insurance premiums to cover the air laid paper machine, over the expense in 2016 and a \$3,607 refund of overbilled lease operating expenses. Fixed overhead in 2016 includes \$99,692 in higher rent and \$9,005 in higher insurance premiums to cover the air laid paper machine, over the expense in 2015. Increases in depreciation expense are the result of bringing new equipment into use. The slight decreases in 2019 and 2018 are due to revised estimates of the useful lives of some of the equipment.

Fixed overhead and depreciation will change significantly in the next fiscal year due to the adoption of *IFRS 16, Leases*. We will be required to capitalize our premises lease and separate the minimum payments into principal and interest, increasing depreciation expense and reducing rent expense. We estimate depreciation will increase by \$278,000 and rent will decrease by \$308,000.

Selling Expenses

Selling expenses, as a percentage of sales, are lower in 2019 than in 2018 because a large portion of the increase in sales is from air laid parent rolls, which is shipped in trailer lots, at a lower cost relative to sales, and on which we pay no commission.

General and Administrative Expenses

General and administrative expenses increased in 2019 over 2018 due to the recognition of an impairment loss on trade receivables and increased professional fees and salaries from higher fees and rates of pay.

We only deal with customers that we consider creditworthy and believe that we are not subject to significant risk due to bad debts. Nevertheless, during the year ended March 31, 2019, one of our customers entered into creditor protection proceedings while it attempts to refinance its operations, making the collection of \$70,578 in receivables doubtful, for which we have made a full impairment allowance. Recent general economic conditions may cause some of our other customers to be less creditworthy. We regularly monitor our receivables aging and discuss overdue accounts with senior-level customer personnel to encourage more prompt payment and to evaluate future creditworthiness. At March 31, 2019, trade and other receivables include \$29,698 that is more than 30 days past due, not including the receivables written off, and against which we have made no allowance for impairment. We believe that we will eventually receive full payment of these amounts.

During the year ended March 31, 2019, professional fees include \$11,328 paid to DuMoulin Black LLP, a law firm in which J. Douglas Seppala, one of our directors, is a partner. The payments represent fees for legal services provided to the Company at rates normally charged to arm's length parties. During the year ended March 31, 2019, the Company incurred total compensation, comprising short-term employee benefits (including wages, salaries, bonuses, stock options, taxes and perquisites), of \$399,389 to key management personnel, comprising the chief executive and chief financial officers and the directors of the Company. \$367,644 of the compensation is included in general and administrative salaries and employee benefits, \$27,027 is included in administration and office and \$4,718 is included in other selling and distribution expenses.

Other Income and Expenses

We are exposed to fluctuations in the US/Cdn dollar exchange rates as portions of our cash, trade and other receivables and trade and other payables are denominated in US dollars. While the amounts of exposure change on a daily basis, we generally have more US dollar liabilities than US dollar financial assets. Over the past year, our exposure ranged from US\$100,424 net assets to US\$326,370 net liabilities and averaged US\$97,312 net liabilities (calculated on a monthly basis) and at March 31, 2019 net assets were US\$103,340. Each change of 1% (e.g., a change from US\$1.00 = Cdn\$1.34 to Cdn\$1.35) in the value of the US dollar in relation to the Cdn dollar results in a gain or loss (before income tax), with a corresponding effect on cash flows, of Cdn\$1,033 on an exposure of US\$103,340. During the year ended March 31, 2019 we realized foreign exchange losses of \$8,737 compared to gains of \$4,059 in 2018. The US dollar financial assets generally result from sales to US customers. The US dollar financial liabilities generally result from purchases of raw materials from US and international suppliers.

We lost some sales opportunities when one of our production machines broke down for a period during the year ended March 31, 2018. Business interruption insurance covered the estimated \$69,363 in gross profit lost due to the break-down.

Interest on our revolving bank loan and term bank loan fluctuates with the prime rate of interest. We entered into an interest rate swap during the year ended March 31, 2018 that effectively fixes the rate of interest on the term bank loan at 3.88% until November 22, 2022, which eliminates cash flow risk from the term loan interest. Changes in the fair value of the interest rate swap caused us to reflect an unrealized loss of \$19,985 during the year ended March 31, 2019 and \$14,495 during the year ended March 31,

2018. Fair value losses or gains will remain unrealized as long as the swap contract is held to maturity, at which point its fair value will be zero.

Liquidity and Capital Resources

Our operating cash flows were \$1,462,054 during the year ended March 31, 2019, an average of \$121,838 per month, compared to \$115,513 per month during 2018, before accounting for fluctuations in non-cash working capital. At March 31, 2019, we had cash of \$474,030 and working capital of \$1,107,388 compared to cash of \$402,293 and working capital of \$1,071,467 at March 31, 2018. The increase is due to improved operating cash flows, offset by dividends, equipment purchases, and term loan interest and principal payments.

We declared and paid a quarterly dividend of \$0.0025 per share starting in September 2018.

We plan to re-invest our surplus cash flow in new equipment to continue to expand the Company's product lines and improve efficiency, to re-pay term bank loans and to pay dividends.

We have a revolving bank loan facility of \$1,500,000. The loan outstanding at any time may not be greater than the total of 75% of Canadian accounts receivable, 50% of US accounts receivable and 50% of inventory, less accounts payable having priority over the bank, such as to governments and employees. Accounts receivable older than 90 days and inventory in excess of \$1,500,000 are not included in the calculation. Substantially all of our assets are pledged as collateral. No loans were outstanding under this facility at March 31, 2019, however irrevocable letters of credit totaling US\$69,200 were outstanding at March 31, 2019 against the loan facility.

We use the revolving bank loan facility primarily to finance operating working capital. Inventory and accounts receivable levels normally fluctuate by as much as \$400,000 and accounts payable by an additional \$400,000. We purchase our paper supplies in relatively large quantities and often have large shipments to customers on credit, which are the main reasons for these fluctuations.

We also have a term loan which was used for the purchase of our binder bonded air laid paper making machine. Repayment of the loan is in monthly instalments of \$59,524 commencing September 22, 2016 with a final payment of the \$2,142,848 balance of principal on August 22, 2020. We intend to get annual one-year extensions of the final payment date at least one year before the final payment date so that no more than \$714,288 (twelve monthly payments of \$59,524) of the term loan is current at any time. A specific charge against the equipment purchased with the loan proceeds and a fixed and floating charge on substantially all of our assets are pledged as collateral.

We have covenanted with the bank to maintain our consolidated ratio of current assets to current liabilities at 1.20:1 or higher, our consolidated ratio of debt (including deferred tax liability) to shareholders' equity at 2.00 or lower and our consolidated ratio of net income before extraordinary and other non-recurring items plus interest, income tax, depreciation and amortization (EBITDA) to interest expense plus the current portion of long term debt and capital leases at 1.25:1 or higher. We are in compliance with all of these covenants at March 31, 2019 and do not anticipate difficulty maintaining this compliance during the forthcoming year, even after adopting the new *IFRS 16, Leases* accounting policy. If we are not compliant with these covenants, and are unable to obtain a waiver from the bank, the loan will become payable on demand.

We intend to spend around \$300,000 for production equipment additions and improvements during the next year, which we will finance from operating cash flows.

New Accounting Policies

The International Accounting Standards Board adopted *IFRS 15, Revenue from Contracts with Customers*, in May 2014 effective for financial years beginning on or after January 1, 2018, which establishes the requirements for recognizing revenue that apply to all contracts with customers, except for contracts that are within the scope of the Standards on leases, insurance contracts, and financial instruments. We adopted this standard on April 1, 2018 retrospectively to the prior year presented. The adoption of this standard did not have any significant impact on our consolidated financial statements, other than the disclosure of additional information.

IFRS 9, Financial Instruments, addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010 and is effective for periods beginning on or after January 1, 2018. It replaces the parts of IAS 39 that relate to the

classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. We adopted this standard on April 1, 2018 retrospectively to the prior year presented. The adoption of this standard did not have a material impact on our consolidated financial statements or to the measurement categories or carrying amounts of its financial instruments.

The International Accounting Standards Board adopted *IFRS 16, Leases* in January 2016, effective for financial years beginning on or after January 1, 2019. The new standard requires a lessee to recognize a "right-of-use" asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. The lessee recognizes depreciation of the right-of-use asset and interest on the lease liability and also classifies cash repayments of the lease liability into a principal portion and an interest portion. Assets and liabilities are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease.

We will adopt this standard as of our opening balance sheet for the year ending March 31, 2020 on a retrospective basis without restatement of prior periods. As a result we will recognize a right-to-use asset and a lease liability for our lease of premises and make the adjustments described at the end of note 3 to the consolidated financial statements.

The adoption provisions of IFRS 16 also permit retroactive adoption at the commencement date of the lease with restatement of prior periods. We chose the retrospective approach as it is simpler.

As permitted by IFRS 16, we will elect not to apply the standard to short-term leases and leases for which the underlying asset is of low value as the effect would be immaterial.

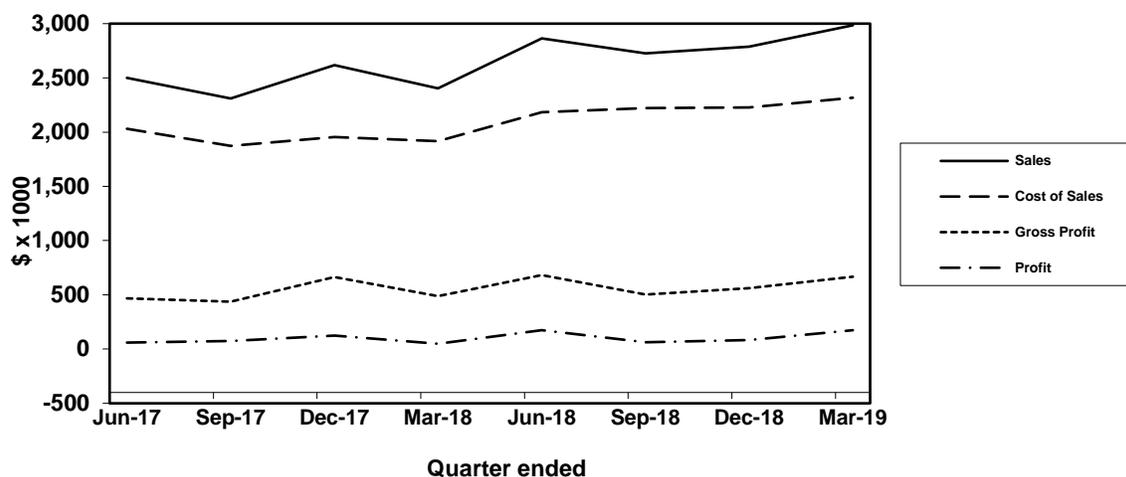
Summary of Quarterly Results (Unaudited)

The following table summarises the results of operations for the past eight quarters. We have extracted the data from our consolidated financial statements, which are prepared in Canadian dollars and in accordance with International Financial Reporting Standards.

Cdn\$ x 1,000	Quarters ended							
	Mar 31 2019	Dec 31 2018	Sep 30 2018	Jun 30 2018	Mar 31 2018	Dec 31 2017	Sep 30 2017	Jun 30 2017
Sales	2,985	2,788	2,726	2,865	2,403	2,617	2,310	2,499
Cost of sales	2,317	2,228	2,223	2,183	1,916	1,954	1,873	2,030
Gross profit	668	560	503	682	487	663	437	469
Selling and distribution expenses	220	224	207	245	200	232	207	188
General and administrative expenses	253	168	170	172	174	174	146	164
Operating profit	195	168	126	265	113	257	84	117
Other expenses (income)	43	55	39	30	51	50	(17)	38
Profit before tax	152	113	87	235	62	207	101	79
Income tax expense	48	31	26	62	21	82	27	21
Profit	104	82	61	173	41	125	74	58
Earnings per share, basic and diluted - Cdn\$	0.003	0.002	0.002	0.005	0.001	0.004	0.002	0.002
Dividends paid per share - Cdn\$	0.0025	0.0025	0.0025	0.0000	0.000	0.0000	0.0000	0.0000
Sales - % change over previous quarter	7.1	2.3	-4.9	19.2	-8.2	13.3	-7.6	17.7

Costs, expenses and profit - % of Sales

Cost of sales	77.6	81.5	76.2	79.7	74.7	81.1	81.2	82.3
Selling and distribution expenses	7.4	7.6	8.5	8.3	8.9	9.0	7.6	8.1
General and administrative expenses	8.5	6.3	6.0	7.2	6.7	6.3	6.6	7.3
Other expenses (income)	1.4	1.4	1.1	2.2	1.9	-0.8	1.5	2.2
Income tax expense	1.6	1.0	2.2	0.9	3.1	1.2	0.8	0.1
Profit	3.5	2.2	6.0	1.7	4.7	3.2	2.3	0.0



The fluctuations in sales are, for the most part, due to changes in volume. Sales are also affected by the value of the US dollar as approximately 44% of our sales are priced in US dollars. Sales were 7.1% higher in the quarter ended March 31, 2019 than in the previous quarter, ended December 31, 2018, and 24.2% higher than in the quarter ended March 31, 2018.

Slight variations in cost of sales, as a percentage of sales, occur on a regular basis. These are caused by fluctuations in the product mix, production efficiencies and prices for raw materials. The decrease in cost of sales, as a percentage of sales, during the quarter ended March 31, 2019 over March 31, 2018 is due to overhead expenses increasing at a lower rate than sales volumes.

Share Capital

The Company has only one class of share capital, common shares without par value. The Company also has a stock option plan.

	<u>June 20, 2019</u>
Authorized common shares without par value	Unlimited
Issued common shares	33,815,800
Shares issuable on exercise of outstanding stock options	1,700,000
Shares available for future stock option grants	1,681,580

The stock option plan permits the directors of the Company to grant incentive options to the employees, directors, officers and consultants of the Company.

Other Information

Additional information relating to the Company is available on SEDAR at www.sedar.com and on the Company's web-site at www.westbond.ca.