



SUPREME PHARMACEUTICALS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

For the six months ended December 31, 2015

Date: February 29, 2016

SUPREME PHARMACEUTICALS INC.

Management Discussion and Analysis

The following Management Discussion and Analysis (“**MD&A**”) should be read in conjunction with Supreme’s interim consolidated financial statements and notes for the six months ended December 31, 2015 (the “**Financial Statements**”). The Financial Statements, together with this MD&A are intended to provide investors with a reasonable basis for assessing the financial performance of Supreme Pharmaceuticals Inc. (the “**Company**” or “**Supreme**”) as well as forward-looking statements relating to future performance. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“**IFRS**”).

This MD&A contains disclosure of material changes occurring up to and including February 29, 2016.

Forward-Looking Statements

Certain statements contained in this document constitute “forward-looking statements”. When used in this document, the words “may”, “would”, “could”, “will”, “intend”, “plan”, “propose”, “anticipate”, “believe”, used by any of the Supreme’s management, are intended to identify forward-looking statements. Such statements reflect Supreme’s “forecast”, “estimate”, “expect” and similar expressions, as they relate to Supreme’s current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause Supreme’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Supreme does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments other than as required by securities legislation.

Overview of Supreme’s Medical Marijuana Business

Supreme is a federally incorporated Canadian medical marijuana company with its common shares publically traded on the Canadian Securities Exchange under the symbol “SL”. Supreme’s primary asset is 8528934 Canada Ltd. (“**Supreme MMJ**”), a wholly owned subsidiary of Supreme. Supreme MMJ is a Canadian corporation that has applied to become a Licensed Producer (as such term is defined in the *Marihuana for Medical Purposes Regulations* (the “**MMPR**”). Supreme MMJ intends to produce and sell medical marijuana from a seven-acre hybrid greenhouse facility (the “Hybrid Greenhouse”) located in Kincardine, Ontario. On December 9, 2015 Supreme MMJ underwent a “pre-license inspection” (the “**Inspection**”) conducted by Health Canada for the purpose of determining if Supreme MMJ will become a Licensed Producer. The Inspection is the culmination of a multi-year application process commenced in 2013.

Once it becomes a Licensed Producer, Supreme’s management believes Supreme MMJ will be well positioned to obtain market share in Canada’s legal medical marijuana marketplace. The Hybrid Greenhouse is the first of its type in the world to combine the quality, standardization and environmental controls associated with “indoor” marijuana production with the efficiencies, size and scale of a greenhouse facility. Management believes the Hybrid Greenhouse will allow Supreme MMJ to produce industry leading medical marijuana: combining the affordability of greenhouse marijuana with the quality of indoor marijuana, a “win-win” for prospective patients.

In the period, Supreme’s primary activities were focused on scheduling, preparing for and completing the Inspection, which occurred on December 9, 2016. Supreme is currently awaiting results of the Inspection but Health Canada does not provide any definitive guidance regarding timing of the results.

Additional information relating to Supreme and other regulatory filings can be found on the SEDAR website at www.sedar.com.

Overall Performance in the Period

Supreme and Supreme MMJ are pleased with the scheduling and completion of the Inspection, which occurred on December 9, 2015. The Inspection marks the final step on Supreme MMJ's journey to become a Licensed Producer (as defined in the *MMPR*). While the results of the Inspection are currently unknown, Supreme believes management performed well on the Inspection. In addition, management has been active to raise additional capital (as described below) and develop its go-to-market strategies. Specifically, in the period Supreme raised \$1,661,587 in additional capital to develop the Supreme MMJ business.

Although Supreme MMJ has not yet received regulatory approval to cultivate medical marijuana, management believes the Company has taken strong steps towards securing such approvals and has made significant progress in developing its business plan.

Licensing Status

The MMPR licensing process includes seven steps: Preliminary Screening, Enhanced Screening, Security Clearance, Review, Ready to Build Letter, Pre-License Inspection and Licensing. Supreme MMJ completed the Pre-License Inspection on December 9, 2015 and is currently awaiting the results of the Inspection. Although there is no guarantee that Supreme MMJ will succeed in becoming a Licensed Producer, management is optimistic regarding the progress made to date and probability of success moving forward.

The Hybrid Greenhouse

Supreme's Hybrid Greenhouse is the first of its type in the world: a hybrid of indoor and greenhouse growing techniques that represents the first disruptive production model in the emerging legal marijuana industry. The Hybrid Greenhouse combines the quality, standardization and environmental controls associated with "indoor" marijuana production, with the efficiencies, size and scale of a greenhouse facility. To achieve this, the existing greenhouse structure was sealed and divided into smaller growing areas: currently 3 growing areas have been completed with an aggregate size of 16,500 sq. ft. These modular, sealed growing areas allow for precise control of environmental factors such as light, temperature, humidity and CO2 concentration. The design also reduces the risk of crop loss by improving plant health through environmental control and also preventing the spread of pests or pathogens from one growing area to the next.

The Hybrid Greenhouse is 342,000 square feet tempered glass and steel structure situated on approximately 16 acres of land in the Bruce Energy Center: a high-energy use industrial park in Kincardine, Ontario. The Bruce Energy Centre provides year-round road access, favourable security conditions and ample access to hydro and water as required. The Hybrid Greenhouse is a Ven-lo style greenhouse, combining premium construction materials with a low top (12') design, ideally suited for modular medical marijuana cultivation. The Hybrid Greenhouse and lands are owned by Supreme MMJ, in trust for Supreme. The Hybrid Greenhouse was purchased in May 2014 for \$4,500,000 of which \$3,500,000 was financed by a two-year vendor take back mortgage at a blended rate of 3.5% per annum. Subsequent to the end of the period, Supreme negotiated an extension of the maturity date to July 31, 2016 from May 21, 2016. All other terms remain unchanged, *mutatis mutandis*. Management is currently working to re-finance the Hybrid Greenhouse and is confident this can be achieved in advance of the new maturity date.

The Hybrid Greenhouse has been designed for phased-based expansion, allowing output to be increased in step with the growth of market demand. The first of four such phases will add an additional ~75,000 sq. ft. of production area. When all four phases are complete, the Hybrid Greenhouse will include over 310,000 sq. ft. of productive space.

Resource properties

At the beginning of the period, the Company had 9 mineral claims totaling approximately 607 hectares in the Law Camp and Copper Mountain areas of British Columbia. On October 10, 2015 the Company abandoned an additional claim in the Copper Mountain area (approximately 25 hectares).

The mineral claims have not produced any revenue and are in the exploration stage. Accordingly, the Company does not anticipate a material impact on operations from the disposition of such claims. The Company wrote down the value of the mineral claims as nominal amounts have been spent on these assets during fiscal 2016 and 2015; they have not produced any revenue and are in the exploration stage.

The Company is seeking to dispose of the remaining resource properties through sale, spin out or similar agreement. However, due to market conditions management has been unable to secure a buyer to date and is not optimistic such a buyer will be found.

Results of Operations

As at December 31, 2015, the Company has working capital deficit of (\$1,944,404) (December 31, 2014: \$94,786).

During the six month period ended December 31, 2015, the Company incurred a net loss and comprehensive loss of \$1,056,990 (December 31, 2014: \$4,212,063). At December 31, 2015, the Company has an accumulated deficit of \$17,466,792 (December 31, 2014: \$14,829,435).

For the six month period ended December 31, 2015, the Company's total share based payments were \$26,875 (December 31, 2014 - \$1,175,414).

For the six month period ended December 31, 2015, the Company's total salaries decreased to \$348,558 (December 31, 2014 - \$557,012).

For the six month period ended December 31, 2015, the Company's total consulting fees increased to \$15,072 (December 31, 2014 - \$0).

The decreased salaries and increase in consulting fees during the period were a result of the Company's focusing on cost-saving efforts while improving the Company's management team, hiring additional staff at the Hybrid Greenhouse and other work related to the Application.

For the six month period ended December 31, 2015, the Company's total professional fees decreased to \$168,823 (December 31, 2014 - \$376,567).

The weighted average number of common shares, basic and diluted, outstanding for the six month period ended December 31, 2015 is 92,951,624 (December 31, 2014; 66,854,415).

Selected Annual Information

	Year Ended June 30, 2015 (Audited) \$	Year Ended June 30, 2014 (Audited) \$	Year Ended June 30, 2013 (Audited) \$
Net Income (loss) before taxes	(5,931,688)	(1,990,646)	(611,763)
Net Income (loss) after taxes	(5,931,688)	(1,990,646)	(611,763)
Basic and diluted income (loss) per share	(0.07)	(0.08)	(0.06)
Total assets	18,434,863	14,715,280	303,538
Total long-term liabilities	809,555	3,513,276	5,900
Dividends declared per share	Nil	Nil	Nil

Selected Financial Information - Summary of Quarterly Results

The following table sets out selected quarterly information for the last 8 completed fiscal quarters of the Company:

	Dec 31 2015	Sept 30 2015	June 30 2015	Mar 31 2015	Dec 31 2014	Sept 30 2014	June 30 2014	Mar 31 2014
Net Sales/ Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income (Loss)	\$(531,764)	\$(525,226)	\$(1,219,861)	\$(499,764)	\$(3,015,069)	\$(1,196,994)	\$(1,643,517)	\$(150,861)
Basic and diluted Earnings (Loss) per share	\$(0.00)	\$(0.00)	\$(0.01)	\$(0.01)	\$(0.06)	\$(0.01)	\$(0.07)	\$(0.00)

Liquidity

Cash from (used in) operating activities during the six month period ended December 31, 2015 is (\$836,037) (December 31, 2014: \$2,768,075)). Cash from (used in) investing activities during the six month period ended December 31, 2015 is (\$312,167) (December 31, 2014: (\$2,997,775)). Cash provided (used in) financing activities is \$2,328,669 (December 31, 2014: \$5,005,135).

Capital Resources

Supreme's current resources are not sufficient to settle its current liabilities, as at the end of the period. Subsequent to the period, Supreme obtained additional financing and Management believes the current resources available should be sufficient to complete the licensing process, barring any unforeseen delays or complications. Management is confident that the mortgage will be successfully refinanced in the 2016 fiscal year as the asset value of the Hybrid Greenhouse exceeds the mortgage liability. With regards to the convertible debentures management believes debenture holders are likely to exercise conversion rights rather than seeking cash repayment.

Due to uncertainties regarding the licensing process, Supreme's ability to operate may be dependent upon its ability to obtain significant additional financing for working capital and capital improvements. Should Supreme be

unable to obtain such financing, its ability to operate may be lost or impaired. The Company is a start up in the medical marijuana space, has limited financial resources and will likely be dependent upon raising additional funds based (a) debt offerings secured against the value of the Facility and/or (b) equity offerings of Supreme's common shares on either a private placement or prospectus basis, pursuant to the policies of the CSE and applicable laws and regulations.

The Company has no assurance that additional funding will be available to its business, in light of factors such as the market demand for its securities, actual and perceived risks regarding the medical marijuana industry, the general state of financial markets and other relevant factors. 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. If an equity offering is used wholly or in part to raise required additional capital, it will result in dilution to existing shareholders based on the size of such an offering. Failure to obtain such additional financing could result in delay or indefinite postponement of the development of its business.

Related Party Transactions

The aggregate value of transactions and outstanding balances relating to key management personnel for the six month period ended December 31, 2015 were as follows:

Related party transactions	2015	2014
Accrued at December 31	\$	\$
Management & consulting fees	39,515	491,216
Share based payments	26,875	1,481,978
	66,390	1,973,194
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Payable at December 31	2015	2014
	\$	\$
Share issuance liability	-	309,150
	-	309,150

Risks and Uncertainties

Overview

Commercial medical marijuana production is a new industry in Canada and relies on obtaining regulatory approvals. As a result, there is a high degree of risk. There is a significant risk that the expenditures made by the Company in developing its medical marijuana business and pursuing the Supreme MMJ Application will not result in profitable operations. Ongoing expenditures will be required to complete the licensing process. Although management has no reason to believe Supreme MMJ will not become a Licensed Producer, there is no guarantee thereof. Upon the event of Supreme MMJ becoming a Licensed Producer, additional expenditures will be required to commence and carry on cultivation in order to pursue potential revenue.

The following sets out the principal risks faced by the Company:

Licensing risk. There is no guarantee that Supreme MMJ will become a Licensed Producer. Health Canada has received many applications and only a small fraction have been approved to date. Furthermore, the timing and success of Supreme MMJ at the various steps in the licensing process is beyond the Company's control and the sole discretion thereof lies with Health Canada. In the event Supreme MMJ becomes a Licensed Producer, the license to cultivate and distribute medical marijuana must be renewed at a maximum of every three years. Supreme and Supreme MMJ must strictly adhere to the regulations and applicable law in order to maintain the license, once granted, and to secure annual renewals.

Any applicant seeking to become a Licensed Producer under the MMPR is subject to stringent Health Canada licensing requirements. The below table provides a general overview of the licensing process as described by Health Canada.

Stage	Overview
Stage 1	<p>Preliminary Screening: When an application is received, it undergoes a preliminary screening for completeness. If an application is not complete, it will be returned. If an application is complete, it will be assigned an application number. The application number means that the application has completed the preliminary screening.</p>
Stage 2	<p>Enhanced Screening: Once an application has been assigned an application number, it will be reviewed to ensure: that the location of the proposed site does not pose a risk to public health, safety and security; that the proposed security measures outlined in the application meet the requirements of the MMPR; and the proposed quality assurance person has the appropriate credentials to meet the good production requirements outlined in Division 4 of the MMPR. It is the responsibility of the applicant to ensure that they are in compliance with all applicable provincial, territorial, and municipal legislation, regulations and bylaws, including zoning restrictions.</p>
Stage 3	<p>Security Clearance: Once the screening of an application is complete, the security clearance forms for key personnel will be sent for processing. The time required to conduct mandatory security checks varies with each application. Security clearances generally take several months at a minimum. Health Canada and the RCMP are not able to provide updates on the status of security checks.</p> <p>Applications will only advance to the review stage once the security clearances for the key personnel are completed. Please note that until such a time as Health Canada receives the results of the security checks, there will be no further communication from Health Canada.</p>
Stage 4	<p>Review: Once all security clearances are obtained, an application will be thoroughly reviewed to validate the information provided. Given the extensive review process, applicants are generally required to communicate with the Office of Controlled Substances multiple times to provide clarifications on the application. Physical security plans will be reviewed and assessed in detail at this stage. Applicants must meet a minimum of a level 7 (pursuant to the physical security directive) to be considered for a licence.</p>
<p>Stage 5 <i>Supreme MMJ's current stage of the licensing process</i></p>	<p>Pre-Licence Inspection: Upon confirmation from the applicant that the site has been fully built and security measures are in place, a pre-licence inspection will be scheduled. If any deficiencies are identified, they will be communicated to the applicant and must be addressed prior to a licence being issued.</p> <p>Supreme MMJ completed its Pre-Licence Inspection on December 9, 2015.</p>
Stage 6	<p>Licensing: Once it has been confirmed through the pre-licence inspection that the applicant meets all the requirements of the MMPR, a licence will be issued.</p> <p>Health Canada has introduced a staged process for the issuance of licences. Applicants will first be issued a licence to produce only. This will enable Health Canada inspectors to confirm that the first batch of dried marihuana produced meets the good production practices and record keeping requirements outlined in the MMPR. It also allows Health Canada to verify the test results of the dried marihuana (e.g. for microbial and chemical contaminants) to ensure that the dried marihuana meets all quality control requirements before it is made available for sale.</p> <p>Once a licensed producer has finished producing the first crop of marijuana, they must demonstrate through an inspection and test results that the planned growing processes will result in the production of a dried product that meets the licensed producer's specified quality control standards and the Good Production Practices set out in Division 4 of the MMPR. Only once Health Canada is satisfied the licensed producer meets the requirements of Division 4 of the MMPR will a licence be amended to allow sale to the public.</p>

Regulatory Risks. The Company's operations are subject to a variety of laws, regulations, guidelines and policies relating to the manufacture, import, export, management, packaging/labelling, advertising, sale, transportation, storage and disposal of medical marijuana, as well as laws and regulations relating to drugs, controlled substances, health and safety, the conduct of operations and the protection of the environment. Any changes to such laws,

regulations, guidelines and policies due to matters beyond the control of the Company may cause adverse effects to its operations.

Market risks. Supreme's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change, both in short term time horizons and longer term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Company and its securities.

Commodity price risks. Marijuana is a developing market, likely subject to volatile and declining prices year over year, as a result of increased competition. Because medical marijuana is a newly commercialized and regulated industry, historical price data is either not available or not predictive of future price levels. Supreme believes there is downward pressure on the average price for medical marijuana and has arranged its proposed business accordingly, however, there can be no assurance that price volatility will be favorable to Supreme. Pricing will depend on general factors including, but not limited to, the number of licenses granted by Health Canada and the supply such licensees are able to generate, the number of patients who gain physician approval to purchase medical marijuana. An adverse change in the marijuana prices, or in investors' beliefs about trends in those prices, could have a material adverse outcome on the Company and its securities.

Financing risks. Entering the *MMPR* regulated medical marijuana marketplace requires substantial outlay of capital. The Company currently generates no operating revenues; therefore, for the foreseeable future, it will be dependent raising capital through a combination of debt and/or equity offerings. There can be no assurance that the capital markets will remain favorable in the future, and/or that the Company will be able to raise the financing needed to continue its business at favorable terms, or at all including but not limited to Supreme's requirement to re-finance the mortgage held against the Hybrid Greenhouse which matures on July 31, 2016. Restrictions on the Company's ability to finance could have a material adverse outcome on the Company and its securities.

Share Price Volatility and Price Fluctuations. In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many corporations have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Such volatility has been particularly evident with regards to the share price of medical marijuana companies which are public issuers in Canada.

Key personnel risks. The Company's efforts are dependent to a large degree on the skills and experience of certain of its key personnel, including the board of directors. The Company does not maintain "key man" insurance policies on these individuals. Should the availability of these persons' skills and experience be in any way reduced or curtailed, this could have a material adverse outcome on the Company and its securities.

Competition. Significant and increasing competition exists for the limited number of licenses to be granted and the limited amount of patients able purchase marijuana for medical purposes. As a result of this competition, the Company may be unable to compete or obtain sufficient customers to continue as a going concern or obtain profitability.

Environmental and Other Regulatory Requirements. The current or future operations of the Company, including development activities and commencement of production within the Hybrid Greenhouse, may require permits from various governmental authorities and such operations are and may be subject to laws and regulations governing disposal, growing, record keeping, disposal, sales and similar. Companies engaged in the medical marijuana business need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required to commence production will be obtained on a timely basis, or at all. Additional permits and studies, which may security and growing systems and record keeping are necessary prior to operation of the facilities. There can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of marijuana facilities on terms which enable operations to be conducted at economically justifiable costs.

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

History of Net Losses; Accumulated Deficit; Lack of Revenue from Operations. The Company has incurred net losses to date. The Company has not yet had any revenue from exploration or marijuana activities. Even if the Supreme MMJ becomes a Licensed Producer and commences growing, the Company may continue to incur losses. There is no certainty that the Company will produce revenue, operate profitably or provide a return on investment in the future.

Uninsurable risks. The Company may become subject to liability for pollution, fire and explosion, against which it cannot insure or against which it may elect not to insure. Such events could result in substantial damage to property and personal injury. The payment of any such liabilities may have a material, adverse effect on the Company's financial position.

Financial Instruments & Other Instruments

The Company's financial instruments consist of cash, reclamation bonds, accounts payable and accrued liabilities and due to related parties, convertible debt and mortgage payable. Cash is classified as fair value through profit or loss and recorded at fair value. Reclamation bonds are classified as held-to-maturity and are measured at amortized cost using the effective interest method. Accounts payable and accrued liabilities, due to related parties and shareholder's loan are classified as other financial liabilities, which are measured at amortized cost. The fair value of cash, reclamation bonds, accounts payable and accrued liabilities, and due to related parties are equal to their carrying value due to their short-term maturity. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The fair value of arms-length financial instruments approximates their carrying value due to the relatively short-term to maturity.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements that would potentially affect current or future operations or the financial condition of the Company.

Investor Relations

The Company has not entered into any investor relations contracts and all investor relation activity is carried out by the directors and officers of the Company.

Critical accounting estimates

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statements of financial position date, could result in a material adjustment to the carry amounts of assets or

liabilities. In the event that actual results differ from the assumptions made, relate to, but are not limited to the following:

- a) The inputs used in accounting for share based payments in the statements of operations and comprehensive loss;
- b) The inputs used in assessing the recoverability of deferred tax assets to the extent that the deductible temporary differences will reverse in the foreseeable future and that the Company will have future taxable income; and
- c) The amounts recorded related to flow-through share commitments are based on management's assessment of eligible expenditures which qualify for renouncement under the applicable income tax legislation and are subject to review by the Canadian Revenue Agency ("CRA").
- d) Bifurcation of the convertible debt.

Significant judgments used in the preparation of these financial statements include, but are not limited to those relating to the assessment of the Company's ability to continue as a going concern and matters related to the acquisition of Supreme MMJ.

New accounting standards and interpretations not yet adopted

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. This listing is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective. The Company does not expect the impact of such changes on the financial statements to be material.

- IFRS 9 'Financial Instruments: Classification and Measurement' – effective for annual periods beginning on or after January 1, 2018, with early adoption permitted, introduces new requirements for the classification and measurement of financial instruments.
- IAS 32 'Offsetting Financial Assets and Liabilities – the IASB amended IAS 32 to clarify certain aspects because of diversity in application of the requirements on offsetting.

Other MD&A Requirements

As specified by National Instrument 51-102, the Company advises readers of this MD&A that important additional information about the Company is available on the SEDAR website – www.sedar.com.

The Company's President & Chief Executive Officer (CEO) and Chief Financial Officer (CFO) are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company.

Outstanding share data

The authorized capital of the Company consists of an unlimited number of common shares without par value, 10,000,000 Class "A" preference shares with a par value of \$10 each and 10,000,000 Class "B" preference shares with a par value of \$50 each. The Company had 103,487,572 common shares issued and outstanding as at February 29, 2016. The following table sets out the number of stock options granted as at February 29, 2016:

	Number of options	Exercise price	Expiry date
	550,000	\$.25	May 5, 2019
	3,350,000	\$.41	October 14, 2019
	250,000	\$.41	October 14, 2016
	400,000	\$.50	July 14, 2016
Total	4,550,000		

The following table sets out the number of share purchase warrants issued and outstanding as at February 29, 2016:

	Number of Warrants	Exercise price	Expiry date
	4,615,744	\$0.50	September 22, 2016
	948,200	\$0.50	October 6, 2016
	1,529,483	\$0.50	November 5, 2016
	3,200,000	\$0.50	July 2, 2017
	1,342,864	\$0.50	November 17, 2016
	399,150	\$0.50	January 23, 2017
	12,619,114	\$0.32	April 23, 2020
	4,130,468	\$0.32	July 27, 2017
Total	28,785,023		