WINSTON
RESOURCES INC.

FOR THE YEAR ENDED JULY 31, 2018

(Prepared by Management November 29, 2018)

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MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) AS OF NOVEMBER 29, 2018 TO ACCOMPANY THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF WINSTON RESOURCES INC. (THE "COMPANY" OR "WINSTON") FOR THE YEAR ENDED JULY 31, 2018.

This MD&A is dated November 29, 2018

The following Management's Discussion and Analysis should be read in conjunction with the audited consolidated financial statements of the Company for the year ended July 31, 2018, which were prepared in accordance with International Financial Reporting Standards ("IFRS") and the notes thereto. All financial amounts are stated in Canadian currency unless stated otherwise.

This MD&A contains certain forward-looking statements based on the best beliefs, and reasonable assumptions of the management of the Company. There are many risks and uncertainties attached to the mineral exploration business. Given these risks and uncertainties, the reader should not place undue reliance on these forward-looking statements. (See "Risks and Uncertainties" in this MD&A for more information).

DESCRIPTION OF THE BUSINESS

Overview

Winston owns a 25% interest in the Pigeon River nickel-copper mining claim located in Ontario.

The Qualified Person for the Pigeon River Technical Report is Alan Aubut and the Technical Report was prepared by Alan Aubut. Mr. Aubut is a "Qualified Person" and "independent" of the Company within the meaning of NI 43-101. While all geological information contained herein is derived from the Technical Report, the authors thereof have not reviewed or approved this MD&A.

As of July 31, 2018, the Company is changing its business from natural resources to cannabis sector.

Letter of Intent with Abattis Bioceuticals Corp.

On December 22, 2017, the Company entered into a non-binding Letter of Intent ("LOI") with Abattis Bioceuticals Corp. ("Abattis") which outlines the general terms and conditions of a proposed transaction that will result in Abattis acquiring all of the issued and outstanding common shares of Winston at the time of closing in exchange for 25 million common shares of Abattis. As a result of the proposed transaction, Winston shareholders will own approximately 10.2 per cent of Abattis' issued and outstanding common shares.

It is anticipated that the LOI will be superseded by a definitive agreement between the Company and Abattis and that such agreement will include representations, warranties and covenants typical for a transaction of similar nature to the proposed transaction as well as customary conditions precedent, including completion of due diligence and receipt of any required consents and approvals, including those of the CSE and shareholders of Winston.

Investment Portfolio Distributed to Winston Shareholders on January 29, 2016

Winston no longer has any shareholding interest in its previous investment portfolio of equity interests in CNRP Mining Inc (CSE: CNRP) ("CNRP"), Zara Resources Inc. (CSE: ZRI) ("Zara"), Hadley Mining Inc. (CSE: HM) ("Hadley") and Leo Resources Inc. (CSE: LEO) ("Leo"). All these interests were distributed to Winston shareholders as a dividend on January 29, 2016.

CNRP was previously a majority owned (84.9%) subsidiary, and is a minerals company focusing its main efforts on developing its Elmtree Gold project in New Brunswick Canada. The NI43-101 Technical report for the Elmtree Gold project is available under Winston's profile on SEDAR at www.sedar.com.

Previously, Winston had a 40.7% interest in Hadley, a 20.68% interest in Zara, and a 16.76% interest in Leo.

CNRP Mining Inc ("CNRP")

Winston no longer owns any interest in CNRP.

CNRP is a Toronto based mineral company focused on developing its 100% owned Elmtree Gold Project in New Brunswick, Canada. CNRP became a public company on April 19, 2013 following a spin off from Winston and its common shares are listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "CND". The Company was listed as on the CSE on April 19, 2013.

CNRP owns 100% of the advanced Elmtree Gold Project in New Brunswick, Canada ("Elmtree"), which it acquired in June 2012 for approximately $7,700,000. During the period ended July 31, 2015 Elmtree was impaired in the CNRP financial statements to a $Nil value to reflect the fact that CNRP has not conducted any exploration work on the property and there is no exploration work planned on the property in the near future due to the lack of cash, however management of CNRP are of the opinion that, should sufficient financial resources be available to CNRP, Elmtree can be developed into a producing gold mine.

The Elmtree Property is located in the Bathurst Mining Camp approximately 25 km northwest of Bathurst, New Brunswick and comprises a total of 83 claims that cover a contiguous area of approximately 1,811 hectares. Elmtree has an indicated resource of 99,000 ounces of gold and an inferred resource of 195,000 ounces of gold.

The Qualified Person for the Elmtree Technical Report is Charley Z. Murahwi, and the Technical Report was prepared by Charley Z. Murahwi, Alan J. San Martin, and Michael Godard of Micon. Messrs. Murahwi, San Martin and Godard are "Qualified Persons" and "independent" of CNRP within the meaning of NI 43-101.

While all geological information contained herein is derived from the Technical Report, the authors thereof have not reviewed nor approved the MD&A. The Technical Report in its entirety can be found under CNRP's SEDAR profile at www.sedar.com**.**

During the year ended July 31, 2017, the Company disposed it subsidiary, CNRP and recorded a gain of $256,228.

Definitive and Assignment Agreement with Green Tree Therapeutics Corp. and Abattis

On May 31, 2017, the Company entered into a definitive agreement to acquire Green Tree Therapeutics Corp. ("GTT") through a reverse take-over. After the completion of this transaction, GTT will become the business of Winston. Pursuant to the agreement, the Company will issue an aggregate of 5,500,000 common shares to the existing shareholders of GTT, on a pro rata basis, at a price of $0.45 per share for total consideration of $2,475,000 plus $125,000 in cash (paid). The Company was required to complete a concurrent private placement. In connection with the same, on March 22, 2017, the Company closed a non-brokered private placement of 11,600,000 units. Completion of the transaction is subject to a number of conditions, including but not limited to satisfactory due diligence and acceptance of the Canadian Securities Exchange. This transaction was not completed.

Effective on January 10, 2018, the Company entered into an assignment and novation agreement (the "Assignment Agreement") among the Company, certain shareholders of GTT and Abattis Bioceuticals Corp. ("Abattis").

On January 29, 2018, the Company's assignee, Abattis, has completed its acquisition of Green Tree.

Pursuant to the terms of an assignment and novation agreement, the Company assigned to Abattis all of its rights and interest under a share exchange agreement dated effective May 31, 2017, between the Company and GTT, pursuant to which the Company was granted the right to acquire GTT. On January 29, 2018, the Company's assignee, Abattis, completed its acquisition of GTT. In consideration of the assignment and upon closing of the acquisition, the Company received 15,000,000 shares from Abattis and recorded a realized gain on sale of agreement of $9,953,215..

On June 7, 2018, the Company distributed a total of 15,000,000 common shares of Abattis to the Company's shareholders of record as of January 23, 2018. Each Winston Shareholder is entitled to receive approximately 0.5968 of one Abattis Share for each common share of Winston held. The fair value of the dividend distribution of $3,000,000 for 15,000,000 shares of Abattis held by the Company is based on the market price of Abattis's shares as at the date of the dividend was declared. The Company recognized $7,500,000 loss on dilution of ownership in the consolidated statement of income and comprehensive income during the year ended July 31, 2018.

Private Placements

On February 2, 2017, the Company closed the non-brokered private placement previously announced on January 30, 2017. The private placement was on a post-consolidated basis for 10,000,000 units at a price of $0.06 per unit to raise total proceeds of $600,000. Each post-consolidated unit will comprise one common share of the issuer and one common share purchase warrant of the issuer. Each warrant will be exercisable into one common share of the Company at an exercise price of $0.06 with a two-year expiry from issuance date.

On March 22, 2017, the Company closed and oversubscribed its previously announced non-brokered private placement on February 2, 2017, and March 22, 2017. The private placement consisted of 11,600,000 units at a price of $0.25 per unit for gross proceeds of $2,900,000. Each unit will comprise one common share of the issuer and one common share purchase warrant of the issuer. Each warrant will be exercisable into a common share of the Company at an exercise price of $0.50 with a two-year expiry.

Warrants Exercise

During the year ended July 31, 2017, the Company issued 50,000 common shares from exercise of warrants at $0.15 per share for gross proceeds of $7,500.

Share Consolidation

On January 31, 2017, the Company consolidated its issued and outstanding share capital on the basis of one post-consolidation share for each three pre-consolidation common shares. The shares began trading on a consolidated basis with a new Cusip number on February 1, 2017.

MINERAL PROPERTIES

The full capitalized cost of the mineral properties is reflected in the financial statements of the Company and of CNRP, Zara, Hadley and Leo. Prior to January 29, 2016, by way of its majority interest in CNRP and of its minority investments in Zara, Hadley and Leo, the Company was deemed to have an interest in the mineral properties owned by those companies.

Details of those mineral properties owned by CNRP, Zara, Hadley and Leo are as follows:

Zara and Hadley-Pigeon River

On January 7, 2013, the Company acquired 100% of 28 Pigeon River claims located in Ontario from Pele Mountain Resources ("Pele") for a purchase price of $700,000. The purchase price was paid by the issuance of 75,000 common shares of the Company at a fair value of $3.00 per share and 475,000 non-voting 5% convertible Series B preferred shares of the Company at a fair value of $1.00 per share. The preference shares annual yield is payable in common shares of the Company at the prevailing market price. The property is also subject to a 2% NSR of which 0.5% is granted to Pele and 1.5% is granted to 2212150 Ontario Inc. (operating as Vanex Exploration). The 75,000 common shares were valued at $225,000 and the non-voting convertible 5% preference shares were valued at $475,000 and were issued during the period ended July 31, 2013. During the year ended July 31, 2014, management made the decision to abandon 20 of the Pigeon River claims. As a result, the Company recognized an impairment of the exploration and evaluation assets of $501,439. During the year ended July 31, 2015, the Company allowed seven out of eight claims to lapse. As a result, the Company recognized a further impairment of $155,339 on the exploration and evaluation assets. On April 10, 2015, Zara sold a 25% interest in its Pigeon River mining claim to Hadley Mining Inc. for the sum of $9,000. As a result of this transaction, a loss in amount of $2,541 was realized.

On January 19, 2016, Zara sold a 25% interest in its Pigeon River mining claim to Winston for the sum of $9,000. As a result of this transaction, a loss in the amount of $2,541 was realized. During the year ended July 31, 2017, the Company wrote off the Pigeon River Property.

FINANCIAL STATEMENTS GOING CONCERN ASSUMPTION

The consolidated financial statements of the Company have been prepared on the basis of accounting principles applicable to a going concern under IFRS. The use of these principles under IFRS assumes that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge its liabilities in the normal course of operations. The Company incurs operating losses, which casts significant doubt about the Company's ability to continue as a going concern.

Management's current strategy is to focus on the completion of the LOI with Abattis and, at the same time, to exercise careful cost control to sustain operations in the short term. Management recognizes the Company's need to expand its cash reserves in the coming year if it intends to adhere to its sales and marketing plans and has evaluated its potential sources of funds. Although Management intends to assess and act on these options throughout the course of the year, there can be no assurance that the steps Management take will be successful.

In the event that cash flow from operations, together with the proceeds from any future financings are insufficient to cover planned expenditures, Management will allocate available resources in such manner as deemed to be in the Company's best interest. This may result in a significant reduction in the scope of existing and planned operations.

As at July 31, 2018, the Company has not generated any revenues from operations and had a deficit of $13,179,595 (2017 - $11,993,653). The Company is actively seeking additional sources of financing. In assessing whether the going concern assumption is appropriate, Management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern that these uncertainties are material and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore to realize its assets and discharge its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements. These adjustments could be material.

RESULTS OF OPERATIONS

On May 31, 2017, the Company entered into a definitive agreement to acquire GTT through a reverse take-over. After the completion of this transaction, GTT will become the business of Winston. Pursuant to the agreement, the Company will issue an aggregate of 5,500,000 common shares to the existing shareholders of GTT, on a pro rata basis, at a price of $0.45 per share for total consideration of $2,475,000 plus $125,000 in cash (paid). The Company was required to complete a concurrent private placement. In connection with the same, on March 22, 2017, the Company closed a non-brokered private placement of 11,600,000 units. Completion of the transaction is subject to a number of conditions, including but not limited to satisfactory due diligence and acceptance of the Canadian Securities Exchange. The transaction cannot close until the required approvals are obtained and the other conditions to the transaction are satisfied.

Effective on January 10, 2018, the Company entered into an assignment and novation agreement (the "Assignment Agreement") among the Company, certain shareholders of GTT and Abattis Bioceuticals Corp. ("Abattis").

On January 29, 2018, the Company's assignee, Abattis, has completed its acquisition of Green Tree.

Pursuant to the terms of an assignment and novation agreement, the Company assigned to Abattis all of its rights and interest under a share exchange agreement dated effective May 31, 2017, between the Company and GTT, pursuant to which the Company was granted the right to acquire GTT. On January 29, 2018, the Company's assignee, Abattis, completed its acquisition of GTT. In consideration of the assignment and upon closing of the acquisition, the Company received 15,000,000 shares from Abattis and recorded a realized gain on sale of agreement of $9,953,215..

On June 7, 2018, the Company distributed a total of 15,000,000 common shares of Abattis to the Company's shareholders of record as of January 23, 2018. Each Winston Shareholder is entitled to receive approximately 0.5968 of one Abattis Share for each common share of Winston held. The fair value of the dividend distribution of $3,000,000 for 15,000,000 shares of Abattis held by the Company is based on the market price of Abattis's shares as at the date of the dividend was declared. The Company recognized $7,500,000 loss on dilution of ownership in the consolidated statement of income and comprehensive income during the year ended July 31, 2018.

For the year ended July 31, 2018, the Company recorded a net income of $1,814,058 (2017 - net loss of $1,040,927) and earnings per share of $0.07 (2017 - loss per share of $0.08). Net income during the current year was mainly attributable to the realized gain on sale of agreement of $9,953,215 (2017 - $Nil) due to the receipt of 15,000,000 shares from Abattis in connection with the Assignment Agreement and due to decrease in operating expenses by $414,887 from $1,053,618 in 2017 to $638,731 in 2018.

The decrease in operating expenses during the year ended July 31, 2018 was largely due to decrease in advertising and promotion expenses to $Nil from $383,487 during the year ended July 31, 2017. The decrease is due to no advertising and promotion expenses incurred during the current fiscal year. Consulting fees decreased to $420,111 from $437,670 during the previous fiscal year due to lower fees paid during the current fiscal year. Travel expenses decreased to $17,392 from $34,471 during the previous fiscal year due to lesser travel expenses incurred during the current fiscal year. Transfer agent, filing and listing fees decreased to $17,548 from $46,799 during the previous fiscal year due to lower regulatory fees charged during the current fiscal year. Management fees decreased to $Nil from $4,000 during the previous fiscal year due to no managerial fees incurred during the current fiscal year. Shareholder information decreased to $2,115 from $4,547 during the previous fiscal year due to lower fees paid by the Company. Bank service charges decreased to $357 from $872 during the previous fiscal year due to lower service fees incurred during the current fiscal year. The decrease in these expenses are partially offset by the increase in office and rent expenses to $89,480 from $59,481 during the previous fiscal year due to new rental terms experienced during the current fiscal year. Professional fees increased to $63,476 from $57,857 during the previous fiscal year due to higher service fees charged by service providers during the current fiscal year.

For the three months ended July 31, 2018, the Company recorded a net loss of $4,359,111 (2017 - $76,020) and loss per share of $0.17 (2017 - $0.00). The increase in net loss during the period was mainly attributable to the loss on dilution of ownership of $7,500,000 (2017 - $Nil) and due to the increase in operating expenses by $85,444 from $86,093 during the period ended July 31, 2017 to $171,537 during the three months ended July 31, 2018.

The increase in operating expenses during the three months ended July 31, 2018 was largely due to increase in consulting fees to $91,263 from $10,080 during the same period in 2017 due to increased business activities of the Company during the current period. Transfer agent, filing and listing fees decreased to $10,054 from $20,050 during the same period in 2017 due to lower regulatory fees charged during the current period. Professional fees increased to $41,356 from $19,822 during the same period in 2017 due to higher service fees charged by service providers during the current period. The increase in these expenses are partially offset by the decrease in advertising and promotion expenses to $Nil from $63,489 during the period ended July 31, 2017. The decrease is due to no advertising and promotion expenses incurred during the current period. Office and rent expenses to $10,105 from $19,406 during the period ended July 31, 2017 due to lower fees incurred during the current period.

For the year ended July 31, 2018, the net cash used in operating activities was $525,191 (2017 - $1,192,003). For the year ended July 31, 2018, cash used in investing activity was $50,877 (2017 - $496,408). For the year ended July 31, 2018, cash used in financing activities was $Nil (2017 - generated $3,134,964).

For the three months ended July 31, 2018, the net cash used in operating activities was $51,489 (2017 - generated $25,479). For the three months ended July 31, 2018, the net cash used in investing activities was $18,843 (2017 - $496,408). For the three months ended July 31, 2018, cash generated by financing activities was $8,169 (2017 - $335,086).

Depending on future events, the rate of expenditures and general and administrative costs could increase or decrease.

Selected Annual Financial Information

For the years ended July 31,	2018	2017	2016
	$	$	$
Net Income (Loss) and Comprehensive Income (Loss)	1,814,058	(1,040,927)	(154,786)
Interest in Exploration and Evaluation Assets	-	-	9,000
Current Assets	931,701	1,923,046	5,250
Total Assets	931,701	2,048,046	14,250
Total Liabilities	153,927	84,330	143,695
Total Shareholder's Equity (Deficiency)	777,774	1,963,716	(129,445)

Selected Quarterly Financial Information

Quarters ended	Jul. 31, 2018	Apr. 30, 2018	Jan. 31, 2018	Oct. 31, 2017
	$	$	$	$
Net Income (Loss)	(4,359,111)	(169,346)	6,517,985	(175,470)
Interest in Exploration and Evaluation Assets	-	-	-	-
Current Assets	931,701	1,064,564	1,191,829	1,716,549
Total Assets	931,701	3,979,344	9,591,829	1,841,549
Total Liabilities	153,927	117,459	85,598	53,303
Total Shareholder's Equity	777,774	3,861,885	9,506,231	1,788,246
Quarters ended	**Jul. 31, 2017**	**Apr. 30, 2017**	**Jan. 31, 2017**	**Oct. 31, 2016**
	$	$	$	$
Net Loss	(76,020)	(553,827)	(404,394)	(6,686)
Interest in Exploration and Evaluation Assets	-	9,000	9,000	9,000
Current Assets	1,923,046	2,121,598	825	6,216
Total Assets	2,048,046	2,130,598	9,825	15,216
Total Liabilities	84,330	37,991	550,350	151,347
Total Shareholder's Equity (Deficiency)	1,963,716	2,092,607	(540,525)	(136,131)

Fiscal 2018

During the fourth quarter of fiscal 2018, the Company recorded a loss of $4,359,111 compared to a loss of $169,346 in the third quarter of fiscal 2018. The change is mainly due to loss in dilution of ownership incurred during the fourth quarter.

During the third quarter of fiscal 2018, the Company recorded a loss of $169,346 compared to an income of $6,517,985 in the second quarter of fiscal 2018. The change is mainly due to a higher consulting fees incurred during the third quarter and realized gain on sale on share exchange agreement between the Company and Abattis during the second quarter.

During the second quarter of fiscal 2018, the Company recorded an income of $6,517,985 compared to a loss of $175,470 in the first quarter of fiscal 2018. The change is mainly due to a realized gain on sale on share exchange agreement between the Company and Abattis during the second quarter.

During the first quarter of fiscal 2018, the Company recorded a loss of $175,470 compared to a loss of $76,020 in the fourth quarter of fiscal 2017. The change is mainly due to higher consulting fees incurred during the first quarter.

Fiscal 2017

During the fourth quarter of fiscal 2017, the Company recorded a loss of $76,020 compared to a loss of $553,827 in the third quarter of fiscal 2017. The change is mainly due to lesser advertising and promotion expenses incurred during the fourth quarter.

During the third quarter of fiscal 2017, the Company recorded a loss of $553,827 compared to $404,394 in the second quarter of fiscal 2017. The change is mainly due to higher advertising and promotion expenses incurred during the third quarter.

During the second quarter of fiscal 2017, the Company recorded a loss of $404,394 compared to a loss of $6,686 in the first quarter of fiscal 2017. The change is mainly due to higher professional fees incurred during the second quarter.

During the first quarter of fiscal 2017, the Company recorded a loss of $6,686 compared to a loss of $675,665 in the fourth quarter of fiscal 2016. The change is mainly due to no more loss in dilution of CNRP incurred during the first quarter.

Liquidity and Solvency

The Company will need access to equity capital to pursue its business plan and there is no guarantee that equity may be available, and if available it may not be on terms that Management finds is in the interest of the Company. Some of the management fees have been accrued by management and as a result do not represent a cash requirement for the Company; however, there is no assurance that management fees will be accrued in the future. The Company would need to raise additional equity capital in order to pursue other investment or business opportunities or to support special projects.

The following table summarizes the Company's cash on hand, working capital and cash flow:

For the years ended July 31,	**2018**	**2017**
	$	**$**
Cash	869,693	1,445,761
Working Capital Equity	777,774	1,838,716
Cash Used in Operating Activities	(525,191)	(1,192,003)
Cash Used in Investing Activities	(50,877)	(496,408)
Cash Provided by Financing Activities	Nil	3,134,088
Net Change in Cash	(576,068)	1,445,677

The Company is dependent on the sale of newly issued shares to finance its operational activities and general and administrative costs. The Company may have to raise additional funds in the future to continue its operations. There can be no assurance, however, that the Company will be successful in its efforts. If such funds are not available or other sources of financing cannot be obtained, then the Company may be forced to curtail its business activities.

Capital Resources

The Company's primary capital assets as at July 31, 2018, are cash and receivables. The Company has no commitments for capital expenditures, and there are no known trends or expected fluctuations in the Company's capital resources.

Common Shares

The authorized capital of the issuer consists of an unlimited number of common shares without par value of which 25,133,840 are outstanding as of November 29, 2018. Holders of the issuer's common shares are entitled to vote at all meetings of shareholders declared by the directors, and subject to the rights of holders of any shares ranking in priority to or on a parity with the common shares, to participate ratably in any distribution of property or assets upon the liquidation, winding up or dissolution of the Issuer.

The following is a summary of the Company's outstanding stock options and warrants data as of November 29, 2018.

Winston Stock Options

Options to purchase common shares in the capital of Winston are granted by Winston's Board of Directors to eligible persons pursuant to Winston's 2016 Stock Option Incentive Plan. During the year ended July 31, 2018, Winston granted no stock options and Nil options are outstanding as at July 31, 2018 and November 29, 2018.

Winston Warrants

At November 29, 2018, the Company's subscribers and broker's warrants outstanding are as follows:

Date of Expiry	Description	Number of Warrants	Weighted Average Exercise Price
February 2, 2019	Subscriber Warrants	10,000,000	$ 0.06
March 22, 2019	Subscriber Warrants	11,600,000	$ 0.50
March 22, 2019	Finder's Warrants	245,440	$ 0.50
		21,845,440	

During the year ended July 31, 2017, the fair value of the warrants has been estimated using the Black- Scholes Option Pricing Model assuming a risk free rate of 0.74% to 0.77%, an expected life of 2 years, an expected volatility of 315.19% to 323.91%, and no expected dividends.

Outlook and Capital Requirements

There is no guarantee that market conditions will be conducive to raising additional equity capital. Depending on future events, the rate of Company expenditures and general and administrative costs could increase or decrease.

Related Party Transactions

Related party transactions were in the normal course of operations and were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

During the year ended July 31, 2018, the Company incurred transfer agent fees of $Nil (2017 - $29,824) to Reliable Stock Transfer Inc., ("Reliable") a company owned by a former officer and director of the Company for the provision of share transfer services.

The following transaction occurred between related parties during the years ended July 31, 2018 and 2017:

		2018		**2017**
Management fees paid to the current CEO and director	$	53,263	$	4,000
Consulting fees paid to a former directors		8,000		72,000
Consulting fees paid to a company controlled by a former director		15,227		-
Share issuance costs paid to a company controlled by a former director		-		100,000
Professional fees paid to a company controlled by a former director		-		18,742
	$	**76,490**	**$**	**194,742**

As at July 31, 2018, $Nil (2017 - $1,000) is payable to the current CEO and director and is included in accounts payable.

During the year ended July 31, 2017, an amount of $21,691 due to related party was forgiven.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet transactions.

Subsequent Events

No subsequent events.

Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company other than those disclosed in this MD&A.

Accounting Policies

The accounting policies and methods employed by the Company determine how it reports its financial condition and results of operations, and may require management to make judgments or rely on assumptions about matters that are inherently uncertain. The Company's results of operations are reported using policies and methods in accordance with IFRS. In preparing consolidated financial statements in accordance with IFRS, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the period. Management reviews its estimates and assumptions on an ongoing basis using the most current information available. Consolidated financial statements have been prepared by management in accordance with IFRS. Outlined below are those policies considered particularly significant:

Significant Estimates and Judgments

The preparation of these consolidated financial statements in accordance with IFRS requires management to make judgements and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses.

Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgements and estimates. Actual outcomes may differ from these estimates.

The most significant estimates relate to impairment assessments of E&E, recoverability of government GST/HST recoverable and the valuation of share-based payments. Other major assumptions is the fair value of related party accounts payable and accounts receivable and the classification of current and non-current. The most significant judgements relate to the use of the going concern assumption in the preparation of the consolidated financial statements, the recognition of deferred income tax assets and liabilities, and the determination of the economic viability of exploration and evaluation assets.

After capitalization, E&E assets are reviewed for indicators of impairment at each reporting period under IFRS 6. Determining if there are any facts and circumstances indicating impairment loss is a subjective process involving judgment and a number of estimates and interpretations in many cases. When an indication of impairment loss exists, the recoverable amount of the cash generating unit ("CGU") must be estimated. Identifying the CGUs requires management judgment. In testing CGUs for impairment, management estimates the recoverable amount of the CGUs. This requires management to make several assumptions as to future events or circumstances.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

The Company records all share-based compensation using the fair value method. The Company uses the Black-Scholes Option Pricing Model to determine the fair value of share-based compensation. The main factor affecting the estimates of the fair value of stock options is the stock price, expected volatility used and the expected duration of the instrument. The Company currently estimates the expected volatility of its common shares based on comparable information derived from the trading history of guideline public companies which are in a similar situation to the Company taking into consideration the expected life of the options.

Prior to January 29, 2016, had minority interests in Leo, Hadley and Zara. The Company had less than 50% voting rights in Leo, Hadley and Zara, and management assessed the involvement of the Company in accordance with IFRS 10 and has concluded that while it has significant influence over those companies it does not have control (actual or de facto control) of those companies. In making its judgment, management considered the Company's voting rights, the relative size and dispersion of the voting rights held by other shareholders and other relevant facts and circumstances.

The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its operations and working capital requirements.

Principles of consolidation

These consolidated financial statements include the accounts of the Company and, through January 29, 2016, its former subsidiaries, 84.9% owned CNRP Mining Inc. ("CNRP"), a Canadian based mineral exploration company, and its 100% owned CNRP Dallas Inc. ("CNRP Dallas"), a Dallas, Texas based management services company. Control is achieved when the Company has the power over the investees; exposure to variable returns from an investee; and the ability to use power to affect the reporting entity's returns.

On consolidation, all intercompany transactions, balances, income and expenses are eliminated in full.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company losses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

During the year ended July 31, 2017, the Company disposed it subsidiary, CNRP and recorded a gain of $256,228 in the current period.

Investments in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies and it is presumed to exist when the Company holds between 20 percent and 50 percent of the voting power of another entity.

Investment in associates is accounted for using the equity method from the date on which the investee becomes an associate.

Prior to January 29, 2016, the Company's investment in common shares of Zara was 20.68%, the Company's investment in the common shares of Leo was 16.76%, and the Company's investment in common shares of Hadley was 40.7%. Accordingly each investee is accounted for using the equity method. Subsequent to January 29, 2016 the Company has no interest in these companies.

Related party transactions and disclosures

Parties are considered to be related if one party has the ability to directly or indirectly control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be Individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions are in the normal course of business and have commercial substance and are measured at the fair value.

Deferred income taxes

Deferred income taxes are provided using the liability method on temporary differences at the date of the consolidated statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

- Deferred income tax liabilities are recognized for all taxable temporary differences, except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- Taxable temporary differences associated with investments in associates and interests in joint ventures, where the timing in the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date of the consolidated statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date of the consolidated statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is expected to be realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the consolidated statement of financial position. Deferred income taxes relating to items recognized directly in equity are recognized in equity and not in the consolidated statement of comprehensive income.

Deferred income tax assets and deferred income tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Impairment of non-financial assets

At each reporting date of the consolidated statement of financial position, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that these assets suffer any impairment in value, except for E&E which is first assessed against the indicators of IFRS 6. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss.
If the recoverable amount of an asset is estimated to be less than its carrying amount, its carrying amount is reduced to its recoverable amount with a corresponding impairment loss recognized in the consolidated statement of comprehensive income in the period of impairment.

If an impairment loss reverses in a subsequent period then the carrying amount of the asset is increased to its revised value to the extent that the increased carrying amount does not exceed its original carrying amount at the initial date of acquisition.

Functional currency

The Company's presentation and functional currency is the Canadian dollar.

Exploration and evaluations assets ("E&E")

E&E assets consist of exploration and mining concessions, options and contracts. Acquisition costs, lease costs and exploration costs are capitalized and deferred until such time as the asset is moved to a mining asset (if meets the economic and feasible stage) or the properties are disposed of either through sale or abandonment.

E&E costs consist of such items as:

- Acquisition of exploration properties;
- Gathering exploration data through topographical and geological studies;
- Exploratory drilling, trenching and sampling;
- Determining the volume and grade of the resource;
- Test work on geology, metallurgy, mining, geotechnical and environmental; and
- Conducting engineering, marketing and financial studies.

E&E shall be assessed for impairment when one or more of the following facts and circumstances indicate that a specific CGU should be tested for impairment:

1. The period for which the entity has the right to explore in the specific area has expired during the financial statement period or will expire in the near future and is not expected to be renewed.
2. Substantive expenditures on further exploration for, and evaluation of, mineral resources in the specific area is neither budgeted nor planned.
3. Exploration for and evaluation of mineral resources in the specific area has not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
4. Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or sale.

The Company estimates the recoverable amount of each CGU, on the basis of areas of interest. Management group mineral claims that are contiguous and specific to an area that encompasses the same prospective minerals, into one area of interest and assigns a name to this mineral property.

Recoverable amount is the higher of fair value less disposal costs and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction'. E&E are also tested for impairment before the assets are transferred to development properties.

Equity-settled transactions

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge for a period represents the movement in cumulative expense recognized as at the beginning and end of that reporting period and the corresponding amount is represented in share based compensation reserve.

When the share-based payment arrangement has been cancelled or the terms have expired the fair value assigned to the share-based payment arrangement is transferred to contributed surplus.

Share capital

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's common shares are classified as equity instruments Incremental costs directly attributable to the issue of new shares are recognized in equity as a reduction from the gross proceeds received from the issued shares.

Financial instruments

Fair value through profit or loss (FVTPL)

Financial assets that are held with the intention of generating profits in the near term are classified as held for trading within FVTPL. In addition, any other financial assets can be designated by the Company upon initial recognition as held for trading. These instruments are subsequently re-measured at fair value with the change in the fair value recognized as gain or loss in the consolidated statement of loss and comprehensive loss during the year.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such by management or not classified in any of the other categories. Available-for-sale financial assets are measured at fair value with changes recognized in other comprehensive income. Upon sale or impairment, the accumulated fair value adjustments recognized in other comprehensive income are recorded in the consolidated statements of loss and comprehensive loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method ("EIR"), less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the consolidated statement of comprehensive loss. The losses arising from impairment are recognized in the consolidated statement of loss and comprehensive loss. The Company has classified GST/HST recoverable and due from related companies as loans and receivable.

Other financial liabilities:

Other financial liabilities are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost. The effective interest rate (or amortized cost method) is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition. Other financial liabilities are de-recognized when the obligations are discharged, cancelled or expired.

Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the consolidated statement of financial position 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).

The Company's cash is considered Level 1 in the hierarchy.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each period end. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include the following:

- Significant financial difficulty of the issuer or counterparty;
- Default or delinquency in interest or principal payments; or
- It has become probable that the borrower will enter bankruptcy or financial reorganization.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

Income (Loss) per share

Income (Loss) per share is calculated based on the weighted average number of common shares issued and outstanding during the period. In the years when the Company reports a net income (loss), the effect of potential issuances of common shares are anti-dilutive, therefore, basic and fully diluted income (loss) per common share is the same. The diluted income (loss) per share reflects the potential dilution of common share equivalents, such as the conversion of outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. The treasury stock method is used for the assumed proceeds upon exercise of the options and warrants.

Future Accounting Policies

At the date of authorization of these Consolidated Financial Statements, the IASB has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting period.

- IFRS 9 *Financial Instruments* ("IFRS 9")
  In November 2013, the IASB issued IFRS 9, *Financial Instruments*, (Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39). IFRS 9 (2009) establishes the measurement and classification of financial assets. Financial assets are measured either at fair value through earnings or at amortized cost if certain conditions are met. IFRS 9 (2010) includes guidance on the classification and measurement of financial liabilities.

  The most recent amendment, IFRS 9 (2013) includes a new general hedge accounting model, which will align hedge accounting more closely with risk management. Additionally, the new standard removes the January 1, 2015 effective date. The new mandatory effective date of this standard is January 1, 2018. The Company is currently evaluating the impact of IFRS 9 on its consolidated financial statements and expects to apply the standard in accordance with its future mandatory effective date.

- IFRS 15 *Revenue from Contracts with Customers* ("IFRS 15")
  On May 28, 2014, the IASB issued IFRS 15 *Revenue from Contracts with Customers*. The new standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. The new standard is effective for fiscal years beginning on or after January 1, 2018 and is available for early adoption. The Company is currently evaluating the impact of IFRS 15 on its consolidated financial statements and expects to apply the standard in accordance with its future mandatory effective date.

  Other recent accounting pronouncements that have no material impact to the Company are not included above.

Financial Risk Management Objectives and Policies

The Company is exposed to various financial risks resulting from both its operations and its investments activities. The Company's management, with the Board of Directors oversight, manages financial risks. Where material, these risks will be reviewed and monitored by the Board of Directors. The Company does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.

Financial risks

The Company's main financial risk exposure and its financial risk management policies are as follows:

Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The credit risk is limited to the carrying value amount carried on the consolidated statement of financial position. The Company's assets most susceptible to credit risk is its cash, which is held at a Canadian chartered bank in a non-interest bearing account and government HST recoverable, which is due from the Canadian government. As such, the risk of loss on these assets is minimal.

Market risk

Market risk is the risk of uncertainty arising primarily from possible commodity market price movements and their impact on the future economic viability of the Company's projects and ability of the Company to raise capital. These market risks are evaluated by monitoring changes in key economic indicators and market information on an on-going basis and adjusting operating and exploration budgets accordingly.

Liquidity risk

Liquidity risk is the risk the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business. Liquidity needs are monitored in various time bands, including 30-day, 180-day and 360-day lookout periods. As at July 31, 2018, the Company had $869,693 in cash. Currently, the Company does have sufficient funds and will require financing to carry out an exploration and acquisition program, fund the property purchase obligations, and meet general and administration expenses for the next twelve months.

Foreign currency risk

The Company is exposed to currency risks on its United States dollar denominated working capital balances due to changes in the US dollar/Canadian dollar exchange rate.

Commodity risk

The value of the Company's exploration and evaluation assets are related to the price of gold and other mineral commodities, and the outlook for this mineral. Adverse changes in the price of gold can also significantly impair the economic viability of the Company's projects, along with the ability to obtain future financing.

The Company has designated its cash and due from related parties at FVTPL. The government GST recoverable, loan receivable and investment are classified as loans and receivables whereby they are initially recognized at fair value and then subsequently carried at amortized cost. Accounts payables are classified as other financial liabilities whereby they are initially recognized at fair value and then measured at amortized cost.

The carrying values, which approximate fair values, of the Company's financial instruments are as follows:

As At		**July 31, 2018**		**July 31, 2017**
Financial Assets				
Fair value through profit and loss				
Cash	$	869,693	$	1,445,761

Loans and receivables				
GST recoverable	$	61,508	$	33,377
Loan receivable	$	500	$	371,408
Investments	$	-	$	125,000
Financial Liabilities				
Other financial liabilities				
Accounts payable	$	153,927	$	40,623

Capital Management

The Company's objective in managing capital is to ensure continuity as a going-concern and to safeguard its ability to continue its acquisition and exploration programs. The Company manages its capital structure and makes adjustment to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares and acquire or sell mining properties to improve its financial performance and flexibility.

The Company defines its capital as its shareholder's equity. As at July 31, 2018, the Company's capital resources amounted to an equity of $777,774 (2017 - $1,963,716).

The Company defines its capital as its shareholder's equity. To effectively manage the Company's capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has appropriate liquidity to meet its operating and growth objectives. As needed, the Company raises funds through private placements or other equity financings. The Company does not utilize long term debt as the Company does not currently generate operating revenues. There is no dividend policy.

Risks and Uncertainties

The Company's principal activity is mineral exploration and evaluation, and investment in securities. Companies in this industry are subject to many and varied kinds of risk, including but not limited to, environmental, metal prices, political and economic. The mineral exploration business is risky and most exploration projects will not become mines. The Company has no significant source of operating cash flow and no revenues from operations. The Company has not yet determined whether any mineral contains mineral reserves are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company. There is no guarantee that the Company will be able to contribute or obtain all necessary resources and funds for the exploration and exploitation of any required permits, and may fail to meet exploration commitments. Mineral exploration involves a high degree of risk and few properties, that are explored, are ultimately developed into producing mines. Exploration of mineral properties by the Company may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company may cease operations. The Company and is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company has limited financial resources.

Conflicts of Interest

Certain directors and officers of the Company may also serve as directors and officers of other companies involved in gold and precious metal or other natural resource exploration and development and consequently the possibility of conflict exists. Any decisions made by such directors or officers involving the Company will be made in accordance with the duties and obligations of directors and officers to deal fairly and in good faith with the Company and such other companies. In addition, such directors declare their interest and refrain from voting on any matters in which such directors may have a conflict of interest.

Management's Responsibility for Consolidated Financial Statements

The information provided in this report is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the consolidated financial statements.

Trends

Trends in the industry can materially affect how well any junior minerals company is performing. The price of precious metals has undergone a recent retracement, although worldwide exploration is being maintained. Company management believes that the retracement is a short-term anomaly and that the general trend will show precious metals prices to be higher over time. However, the Company’s investments are in the mineral exploration sector and the presently depressed market for mining companies and their valuations can adversely affect the Company’s ability to successfully complete transactions.

Outlook

The outlook for precious metals is uncertain and has seen a recent decline on prices. As of July 31, 2018, the Company’s focus is the Abattis LOI.

Cautionary Statement

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding the Company’s expectation of future trends in the mineral exploration sector, its development plans and the Company’s future plans and objectives are forward-looking statements that involve various risks and uncertainties. The material factors and assumptions that management has used to determine such forward-looking statements include, without limitation, (1) estimates of stock-based compensation expense (2) expectations of industry trends (3) expectations of future funding (4) expectation of exploration activities and (5) expectation of successful negotiation with First Nations. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statement important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies the Company is bound. Forward-looking statements are based on the estimates and opinions of management on the date of statements are made, and the Company endeavors to update corporate information and material facts on a timely basis. Forward-looking statements are subject to risks, uncertainties and other actors, including risks associated with corporate finance and mergers and acquisitions activities, investment portfolio risk, and operational and political risks.

Other

Additional information relating to the Company's operations and activities can be found by visiting the Company's website at www.winstonresources.com and its profile on SEDAR at www.sedar.com.