ROYAL WINS CORPORATION

(Formerly 10557510 CANADA CORP.)

Management Discussion and Analysis

of the Financial Condition and Results of Operations

Three months ended March 31, 2021 and 2020

The following management discussion and analysis ("MD&A") of Royal Wins Corporation (formerly 10557510 Canada Corp.) (the "Company" or "RWC") provides a review of corporate developments, results of operations and financial position for the three months ended March 31, 2021 and 2020. This discussion is prepared as of June 28, 2021 and should be read in conjunction with the Company's unaudited interim financial statements for the three months ended March 31, 2021 and 2020 and the audited annual financial statements for the years ended December 31, 2020 and 2019. The results reported in this MD&A have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are presented in Canadian dollars, which is the Company's functional currency. Additional information regarding RWC is available on the Company's SEDAR profile at www.sedar.com.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity

NOTICE OF REFILING OF MANAGEMENT DISCUSSION AND ANALYSIS

(Dated June 28, 2021)

The accompanying management discussion and analysis ("MD&A") of the Company has been prepared by, and is the responsibility of, management. This amended MD&A replaces and supercedes the initial MD&A previously filed on May 28, 2021, and has been changed to reflect certain adjustments arising subsequent to initial filing, as follows:

1) To amend financial information to align with the amended unaudited interim financial statements for the three month period ended March 31, 2021, which were refiled on June 28, 2021

2) The subsequent event disclosure has been updated to reflect extended terms with respect to subscription receipts held in trust as of March 31, 2021, and the subsequent return to subscribers of subscription receipts totalling $524,500

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FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

COMPANY OVERVIEW

Royal Wins Corporation (formerly 10557510 Canada Corp.) was incorporated on December 27, 2017 under the Canada Business Corporations Act with its head office located at 401 Bay Street, Suite #2704, Toronto, Ontario, Canada, M5H 2Y4. The Company, as a reporting issuer in the provinces of British Columbia, Alberta and Manitoba, is subject to the rules and regulations of the relative provincial securities commissions, but its shares do not trade on any stock exchange. As at March 31, 2021, the Company had no current active business operations and its principal business is the identification and evaluation of assets or businesses for the purpose of completing a Qualifying Transaction *(see "RWPL Transaction" section below)* such that the Company's shares can be approved for listing and trading on a recognized Canadian stock exchange.

PLAN OF ARRANGEMENT

Under the terms of a Plan of Arrangement approved by the Ontario Superior Court of Justice on March 26, 2018, the Company acquired substantially all the rights and interests in a Letter of Intent ("LOI") between Telferscot Resources Inc. ("Telferscot") and Canada Crypto Exchange Corp. ("CCEC"). As consideration for acquisition of this LOI, RWC issued 4,999,992 common shares to Telferscot, which were then be distributed to the current shareholders of Telferscot pro-rata based on their relative shareholdings of Telferscot. The LOI has been assigned a nominal value of $1.

On February 24, 2021, the common shares of the Company were split on a basis of 2 new common shares for each issued and outstanding old common share.

Telferscot had signed an LOI to acquire CCEC, parent company of CCX, a Canadian-based crypto currency exchange platform. CCEC has developed its exchange platform in partnership with ACX Tech Pty. Ltd of Perth, Australia and Blockchain Global Ltd. of Melbourne, Australia. The LOI with CCEC provides for a 180-day exclusive period of cooperation between Telferscot and CCEC to negotiate terms of the acquisition, launch the CCX platform in Canada and secure the necessary funding for development and marketing of the CCEC business plan. On July 2, 2020, the Company informed CCEC that it no longer wanted to proceed with the project and has since rescinded the LOI. The Company signed a new LOI with Royal Wins Pty Ltd ("RWPL"), an Australian mobile gaming & wagering technology company (*see "RWPL Transaction" section below*).

GOING CONCERN

The accompanying unaudited interim financial statements have been prepared using International Financial Reporting Standards applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern. It would, in this situation, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements.

As at March 31, 2021, the Company has no source of operating cash flow and had an accumulated deficit of $576,878 (December 31, 2020 - $387,868). Net comprehensive loss for the three months ended March 31, 2021 was $189,010 (2020 - $8,244). The Company also had working capital of $1,422,862 as at March 31, 2021 (December 31, 2020 - $914,903). These conditions raise material uncertainties which may cast significant doubt as to whether the Company will be able to continue as a going concern.

These financial statements have been prepared on a going concern basis, which presumes realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The Company's ability to continue as a going concern, namely its ability to generate sufficient cash resources to meet its obligations for at least twelve months from the end of the reporting period, is dependent upon its ability to arrange future financing, which is largely dependent upon prevailing capital market conditions and continued support of its shareholder base and completion of a Qualifying Transaction (*see "RWPL Transaction" below*). These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business. Such adjustments could be material.

FINANCING

On June 30, 2020, the Company executed shares for debt settlement in the amount of $39,748 owed to related parties. 3,974,772 shares were issued at a price of $0.01 per share (*see "Related Parties" section below*).

On October 30, 2020, the Company closed the first tranche of a private placement of units at the purchase price of $0.075 for each unit purchased. Each unit consists of one common share and one half common share purchase warrant. Each full warrant entitles the holder to purchase 1 common share at a price of $0.10 up to twelve months from closing. The total proceeds of the first tranche amounted to $280,000, which consisted of 3,733,328 common shares and 1,866,664 warrants. On December 11, 2020, the Company closed the second tranche of the private placement for total proceeds of $745,000. In total, the proceeds of the first and second tranches amounted to $1,025,000, resulting in the issuance of a total of 13,666,668 common shares and 6,833,334 warrants.

On February 24, 2021, the common shares of the Company were split on a basis of 2 new common shares for each issued and outstanding old common share. All common shares, per common share amounts, stock options and warrants in these interim filings have been retroactively restated to reflect this share split.

On March 5, 2021, the Company completed a private placement of units of the Company at a price of $0.30 per unit for aggregate gross proceeds of $4,555,200, which was closed in two tranches. Each unit consists of one common share and one half common share purchase warrant. Each warrant is exercisable to acquire one additional common share at an exercise price of $0.40 for a period of 24 months following the closing dates of the respective private placements, provided that if the 20-day volume-weighted average price of the common shares on the Company's primary stock exchange is greater than $0.60 per common share, the Company can deliver a notice and accelerate the expiry date of the warrants to the date that is 30 days after the date on which such notice of acceleration is provided.

The first tranche closed on February 26, 2021 with the issuance of 2,212,332 units for aggregate gross proceeds of $663,699. The first tranche of the offering was completed as an equity offering. The second tranche closed on March 5, 2021 with the issuance of 12,971,665 units for aggregate gross proceeds of $3,891,500. The second tranche was completed as Subscription Receipts, the proceeds of which will be held in escrow in a trust account pending (i) completion of the acquisition of not less than 90% of the issued and outstanding ordinary shares of RWPL (*see "RWPL Transaction" and "Subsequent events" sections below)* and (ii) receipt of approvals to list for trading on the Canadian Securities Exchange ("CSE"), subject to an outside release date of the escrowed funds of May 31, 2021. Finder's fees totalling $318,864 and 1,062,880 broker warrants have been, or will be, paid in relation to the offering. Each broker warrant will allow the broker to purchase one common share of the Company at $0.40 for a period of 24 months from the dates of the closing

Options

On December 15, 2020, the Company issued 4,000,000 stock options to directors and officers of the Company. The options carry an exercise price of $0.075 per share for a period of up to 60 months from the issuance date. The options all vested completely upon issuance. The fair value of the options was estimated on the date of grant using the Black-Scholes model at $191,456.

Additionally, on December 15, 2020, the Company issued 5,500,000 stock options to consultants of the Company. The options carry an exercise price of $0.075 per share for a period of up to 24 months from the issuance date. The options are subject to a vesting period of 12 months where of 25% of the options will vest on March 15, 2021, 25% on June 15, 2021, 25% 0n September 15, 2021 and 25% on December 15, 2021. The fair value of the options was estimated on the date of grant using the Black-Scholes model at $179,215.

COVID-19

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as 'COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposing quarantine period and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown currently, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future period.

In March 2020, the Company provided a notice to Grove Corporate Services Ltd. informing them that the Company will not be able to continue to pay for the management and accounting fees during the COVID-19 pandemic. Subsequently, Grove agreed to waive all management and accounting fees as of March 1, 2020 for a period of eight months.

RWPL TRANSACTION

Royal Wins Pty Ltd.

On July 2, 2020, the Company signed a letter of intent with RWPL. The letter of intent ("RW LOI") sets the terms for a proposed acquisition by the Company of RWPL and subsequent listing on the CSE.

RWPL is a digital games studio that develops real money skill and chance social games on the web, desktop and mobile devices. The company was founded in 2014 as an advanced deep-technology research and development company (3D technologies, artificial intelligence, NLP and smart data). The company is based in Sydney, Australia and Guangzhou, China and focuses on online and mobile wagering markets.

Pursuant to the terms of the RW LOI, the Company shall acquire 100% of the outstanding ordinary and preference shares (including all classes of such shares which may be validly issued and outstanding as at the date of the RW LOI) of RWPL through an all stock purchase transaction by the Company by which RWPL will become a wholly-owned subsidiary of the Company.

On February 19, 2021, the Company and RWPL entered into a Takeover Implementation Deed in support of the offer the Company has made to buy all of the RWPL shares by way of an off-market takeover bid. The offer consideration is 1 post-split share of the Company for every 1 RWPL share held.

On March 1, 2021, the Company announced that it has executed the Takeover Implementation Deed and formally lodged an offer to acquire all issued and outstanding shares of RWPL. The Company filed its Bidder's Statement detailing the terms of the offer with the Australian Securities and Investments Commission ("ASIC") and subsequently mailed the required documentation to all shareholders of RWPL on February 26, 2021. Through this acquisition, RWPL (the first fully licensed, pure skill, real money gaming platform in the world) will provide the Company with instant, operational wagering capabilities in over 140 countries around the world.

The acquisition of RWPL was completed on April 1, 2021 on the issuance of 71,042,650 common shares of the Company to shareholders of RWPL who had tendered their ordinary shares to the offer. This represented 94.07% of the total issued and outstanding shares of RWPL and as such, the Company will commence the process of compulsory acquisition in Australia which, on completion, will result in RWPL being a wholly owned subsidiary of RWC. This transaction valued RWPL at approximately $22.6 million (AUD $23 million).

As part of the acquisition, the Company has agreed to increase the Company's Board of Directors from four to five members. Further, two of the Company's current directors have agreed to step down to allow RWPL to nominate a total of three directors to join the remaining two current directors of the Board. At the meeting of the Company's shareholders held on January 12, 2021, the Company received the necessary approvals to change the Company's name (effected on March 25, 2021) and to split the common shares of the Company on a basis of 2 new common shares for each issued and outstanding old common share. This split of shares was completed and announced on February 26, 2021 following a record date of February 24, 2021.

On April 8, 2021, the Company announced that it has filed a preliminary non-offering prospectus with the Ontario Securities Commission ("OSC"). The prospectus is being filed in accordance with the provisions of the Canadian National Instrument 41-101 – General Prospectus Requirements to qualify the distribution of the Company's common shares in Canada. No new securities are being offered with the filing of the prospectus. Upon the issuance of a receipt for the filing of the prospectus, RWPL intends to apply to list its common shares on the Canadian Securities Exchange (the "CSE"). Final acceptance of the prospectus and the listing will be subject to review and approval of the OSC and the CSE, respectively

QUARTERLY PERFORMANCE

The following table highlights certain key quarterly financial highlights. Commentary on the selected highlights is included under "Results of Operations" and "Liquidity and Capital Resources".

Description	Mar 31, 2021 / 2021 Q1	Dec 31, 2020 / 2020 Q4	Sep 30, 2020 / 2020 Q3	Jun 30, 2020 / 2020 Q2	Mar 31, 2020 / 2020 Q1	Dec 31, 2019 / 2019 Q4	Sep 30, 2019 / 2019 Q3	Jun 30, 2019 / 2019 Q2
	$	$	$	$	$	$	$	$
Balance sheet								
Cash	707,234	592,267	51,822	1,647	1,648	1,687	1,688	1,686
Working capital (deficiency)	1,422,862	914,903	(39,492)	(60,500)	(98,082)	(89,838)	(79,261)	(68,653)
Shareholders' equity (deficiency)	1,392,863	884,904	(79,491)	(60,499)	(98,081)	(89,837)	(79,260)	(68,652)
Income statement								
Total operating expenses	189,010	278,628	18,992	2,166	8,244	11,126	10,409	12,619
Net loss	189,010	(268,628)	(18,992)	(2,166)	(8,244)	(10,577)	(10,608)	(12,761)

RESULTS OF OPERATIONS

Three months ended March 31, 2021 and 2020

The Company has so far not generated any operating revenues and therefore losses have been incurred throughout the three months ended March 31, 2021 and 2020. The Company recorded a net loss of $189,010 during the three months ended March 31, 2021 compared to a net loss of $8,244 during the three months ended March 31, 2020.

Expenses included management fees of $21,750 (2020 - $5,500), professional fees of $66,426 (2020 - $1,539), regulatory expenses of $7,654 (2020 - $960), rent of $3,000 (2020 - $Nil) and share based compensation of $84,686 (2020 - $Nil). The higher expenses of professional and regulatory fees are due the current transaction with RWPL. (*see "Related Party Transactions" section below*).

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2021, the Company had a cash balance of $707,234 (December 31, 2020 - $592, 267) and had working capital of $1,422,862 (December 31, 2020 – $914,903).

During September 2020, the Company received a loan of $40,000 as part of the Canada Emergency Business Account ("CEBA") extended by the Canadian government. The loan is interest free until December 31, 2022, and $10,000 (or 25%) of the $40,000 loan is eligible for complete forgiveness if $30,000 is fully repaid on or before December 31, 2022. During fiscal 2020, the Company recognized other income in operations of $10,000 associated with this loan. If the loan is not repaid by December 31, 2022, it will be converted to a 3-year term loan bearing an intertest of 5% per annum.

As per the terms of the RW LOI, the Company agreed to provide RWPL with monthly financing until the completion of a public listing. As at March 31, 2021, total advances amounted to $685,000 (December 31, 2020 - $275,000). The loan is unsecured, non-interest bearing and will be eliminated on completion of the acquisition of RWPL.

CAPITALIZATION

The Company has the following securities issued and outstanding at each reporting date as follows (all numbers are post the stock split of 1:2):

Description	March 31, 2021	December 31, 2020	December 31, 2019
Common shares issued and outstanding	24,853,762	22,641,430	4,999,992
Stock options	11,500,000	11,500,000	2,000,000
Warrants	8,088,712	6,833,333	-

The Company entered into numerous equity transactions over the reporting periods (*see "Financing" section above*).

In addition, the acquisition of RWPL, completed after period-end on April 1, 2021, resulted in the issuance of a further 71,042,650 common shares of the Company (*see "RWPL Transaction" above*).

RELATED PARTY TRANSACTIONS

As of November 2020, the Company was billed a monthly fee of $7,250 (plus applicable HST) by a company controlled by a director for management and administrative services, including the corporate secretary, the services of the CFO and regular administrative functions. The Company was also billed $1,000 per month towards office rent. During the three months ended March 31, 2020, the Company incurred total fees of $21,750 and $3,000 for rent (2020 –$5,500 and $Nil respectively). In March 2020, the related party agreed to waive all management and accounting fees during the COVID-19 pandemic as of March 1, 2020 for a period of eight months.

The Company was also billed a monthly fee of $5,000 (plus applicable HST) for the first two months by a company controlled by a director for financial advisory services. During the three months ended March 31, 2021, the total fees amounted to $10,000 (2020 - $Nil). Additionally, the Company was billed $45,551 by a company controlled by a director towards financing costs associated with the two private placements in February and March in 2021.

On December 15, 2020, the Company granted 1,000,000 stock options to a company controlled by a director of the Company, 100,000 to an officer of the Company and 100,000 to a director of the Company. These options are exercisable at $0.075 each for a period of up to 5 years from the date of issuance. The total fair value of the options was estimated to be $57,437.

On June 30, 2020, the Company issued Bolingbroke Investments Inc. ("BII"), a company controlled by a director, 2,911,652 shares at a price of $0.01 for a total amount of $29,117 towards full settlement of a loan amount. Furthermore, the Company issued Grove Corporate Services Ltd. 1,063,120 shares at a price of $0.01 for a total amount of $10,631 as partial settlement of their accrued management fees.

As at March 31, 2021, there were no accounts payable or accrued liabilities in respect of management fees, advisory fees and reimbursable regulatory expenses due to related parties (December 31, 2020 - $Nil).

SUBSEQUENT EVENTS

The acquisition of RWPL, completed after period-end on April 1, 2021, resulted in the issuance of a further 71,042,650 common shares of the Company. On April 8, 2021, the Company announced that it has filed the preliminary non-offering prospectus with the OSC (*see "RWPL Transaction" section above*).

On April 13, 2021, the Company announced that it has filed a preliminary non-offering prospectus with the Ontario Securities Commission ("OSC"). The prospectus is being filed in accordance with theprovisions of the Canadian National Instrument 41-101 – General Prospectus Requirements to qualifythe distribution of the Company's common shares in Canada. No new securities are being offered withthe filing of the prospectus. Upon the issuance of a receipt for the filing of the prospectus, RWPL intendsto apply to list its common shares on the Canadian Securities Exchange (the "CSE"). Final acceptance of the prospectus and the listing will be subject to review and approval of the OSC and the CSE, respectively.

As of the date of issuance of this Management and Discussion Analysis:

(i) The Company is still working with the OSC for final acceptance of the prospectus
(ii) Any listing is still subject to review and approval of the OSC and the CSE, respectively
(iii) Management is seeking agreement from subscribers of Subscription Receipts to extend the retention of the proceeds of said Subscription Receipts in escrow beyond the original outside release date of May 31, 2021 (*see discussion under "Financing" section above*) and is optimistic of getting required support from subscribers. Failure to retain such agreement from any holder would require refund of the subscription amount to such holder.

    Of the original $3,891,500 subscribed for, certain investors requested refund of their subscriptions totalling $524,500. Holders of the remaining $3,367,000 agreed to extend the outside release date from May 31, 2021 to July 15, 2021.

COMMITMENTS AND CONTRACTUAL OBLIGATIONS

The Company signed a consulting contract on July 1, 2018 with a company controlled by a director and officer to provide capital market advice including financing management and to assist in the process of successful public listing. The duration of this contract is guaranteed for an initial term of 6 months and will continue on a monthly basis thereafter until such time as this contract is terminated. Following the initial 6 months term, of which services are provided at no cost to the Company, a monthly consulting fee in the amount of $5,000 will apply. The Company will also pay a finders' fee of up to 5% of funds raised. The consultant will be entitled to receive stock options on common shares of the Company subject to the approval of the Board of Directors.

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

As at the date of authorization of these unaudited interim condensed consolidated financial statements, the IASB has issued the following new or revised standards which are not yet effective:

(a) IFRS 16, "Leases"

This standard has been amended to provide lessees with an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. This amendment is effective for annual periods beginning on or after June 1, 2020. At this time, the Company has not received rent concessions related to COVID-19 and therefore, this amendment is not expected to have a significant impact on the unaudited interim condensed consolidated financial statements.

APITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and ensure sufficient liquidity in order to complete a Qualifying Transaction so that it can provide adequate returns for shareholders. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital as total shareholders' equity.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have an effect on the results of operations or financial condition of the Company, except as disclosed in the financial statements.

RISKS AND UNCERTAINTIES

Proposed Business

The Company was only recently incorporated, has not commenced commercial operations and has no assets other than cash and amounts receivable. It has no history of earnings and will not generate earnings or pay dividends until at least after the completion of the Qualifying Transaction.

No Market or History of Operations

The Company was incorporated on December 27, 2017, has not commenced commercial operations and has no assets other than cash and accounts receivable. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future. The Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify a suitable Qualifying Transaction. Even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete a transaction.

Directors' and Officers' Involvement in Other Projects

The directors and officers of the Company will only devote a small portion of their time to the business and affairs of the Company until the Qualifying Transaction is completed and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time.

Reliance on Management

The Company is relying solely on the past business success of its directors and officers to identify and complete a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of its management team. The loss of any member of the management team could have a material adverse effect upon the business and prospects of the Company. In such event, the Company will seek satisfactory replacements but there can be no guarantee that appropriate personnel may be found.

Requirement for Additional Financing

The Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify and complete a suitable Qualifying Transaction. Further, even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to complete a transaction. The Qualifying Transaction may be financed in whole, or in part, by the issuance of additional securities by the Company and this may result in further dilution to investors, which dilution may be significant and which may also result in a change of control of the Company.

Foreign Qualifying Transaction

In the event that the management of the Company resides outside of Canada or the Company identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts.

Potential Dilution

The issue of common shares of the Company upon the exercise of the options will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional option and warrants or additional common shares from time to time in the future. If it does so, the ownership interest of the Company's then current shareholders could also be diluted.

Volatile Financial Markets

The volatility occurring in the financial markets is a significant risk for the Company. As a result of the market volatility, investors are moving away from assets they perceive as risky to those they perceive as less so. Issuers like the Company are considered risk assets and as mentioned above are highly speculative. The volatility in the markets and investor sentiment may make it difficult for the Company to access the capital markets in order to raise the capital it will need to fund its current level of expenditures and identify, evaluate and close a Qualifying Transaction.