

Bougainville Ventures Inc.

*Formerly Teaghlach Asset Acquisition Corp.
440-890 W.Pender St., Vancouver, BC,*

MANAGEMENT'S DISCUSSION & ANALYSIS
For the three months period ended October 31, 2017 and 2016
As at December 29, 2017

INTRODUCTION

General

The Company was incorporated under the Business Corporations Act (British Columbia) (the “BCBCA”) as “Teaghlach Asset Acquisition Corp.” on April 29, 2014 as a fully-owned subsidiary of 0941092BC Ltd. (“BC092”). The Company and BC0941092 entered into the Arrangement Agreement on June 25, 2014 to conduct a corporate restructuring by way of a statutory plan of arrangement (the “Plan of Arrangement”). The Company received the final approval of the Supreme Court of British Columbia on August 27, 2014, the effective date of filing with the B.C. Corporate Registry was March 3, 2015 and the shares were issued under the Arrangement on August 14, 2017. On January 22, 2016 the Company changed its name to Bougainville Ventures Inc.

On April 3, 2017 the Company entered into the agreement with Marijuana Company of America Inc (“MCOA”) to form a joint venture that includes the organization of a limited liability company to engage in the development and promotion of the products in the high yield crop industry in Washington State USA. As of October 31, 2017 the formal joint venture was not formed.

On July 1, 2017 the Company has entered into a purchase agreement of real estate consisting of a lot in Okanagan County, Washington, USA for \$1,330,143. The lot consists of 4.33 acres parcel of land and 2,000 square foot warehouse processing facility.

The address of the Company’s corporate office and place of business is 440 -890 W Pender Street, Vancouver, British Columbia, Canada.

The Company’s financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

As at October 31, 2017 the Company had not yet achieved profitable operations, had recurring losses, a deficit of \$215,385 (2016 - \$62,553), a working capital deficiency of \$150,285 (2016 - \$62,453), and expects to incur further losses in the development of its business, indicating the existence of a material uncertainty all of which casts substantial doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

Basis of Discussion & Analysis

This management’s discussion and analysis (“MD&A”) is dated as of December 29, 2017 and should be read in conjunction with the unaudited condensed interim financial statements of the Company together with the related notes for the three months ended October 31, 2017, and 2016, and the audited financial statements of the Company together with the related notes for the year ended July 31, 2017.

Our discussion in this MD&A is based on the Financial Statements for the three months ended October 31, 2016, and 2015 prepared in accordance with International Financial Reporting Standards (“IFRS”). Unless expressly stated otherwise, all financial information is presented in Canadian dollars. The financial statements and MD&A have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB), and as such do not include all of the information required for full annual financial statements.

All statements other than statements of historical fact in this MD&A are forward-looking statements. These statements represent the Company’s intentions, plans, expectations and beliefs as of the date hereof, and are subject to risks, uncertainties and other factors of which many are beyond the control of the Company. These factors could cause actual results to differ materially from such forward-looking statements. Readers should not place undue reliance on these forward-looking statements. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

THE COMPANY AND BUSINESS

Bougainville is an investment company focused on investing in land, infrastructure and equipment leasing companies (the “Investment Target Companies”). The Investment Target Companies provide high value premium luxury crop and licensed marijuana tenant-growers with leased land and state-of-the-art equipment such as computer controlled greenhouses and processing facilities. Bougainville invests in Investment Target Companies that intend to become the primary equipment and greenhouse supplies for their tenant-grower partners. Bougainville is currently proceeding with its investment in its first Investment Target Company, which intends to offer additional fully built out turnkey solutions to licensed I-502 tenant-growers and luxury crop growers who will lease the Investment Target Company’s facilities for production and processing.

Bougainville’s first Investment Target Company, Green Venture Capital Corp., is a private British Columbia registered corporation (“Green Venture”). Green Venture is currently constructing a 10,000 square foot temporary greenhouse in Oroville, Washington. Green Venture’s first tenant-grower partner is a I-502 licensed marijuana grower in Washington. The I-502 license Bougainville is not a licensed marijuana grower, processor or retailer. Bougainville’s interaction is limited to providing capital to Green Venture and other Investment Target Companies to assist them in providing real estate, infrastructure and equipment to I-502 licensed marijuana growers or for other high value premium cash crops.

Bougainville’s core business strategy is to invest in Investment Target Companies, such as Green Venture, that are in the business of leasing infrastructure and equipment to tenant-growers on land that was traditionally used to grow marginally profitable feed crops. Tenant-growers that are licensed marijuana producers and are unable to obtain conventional financing and loans as a result. Green Venture is able to lease equipment to tenant-growers required for the production of marijuana and to fulfil the requirement for equipment leasing that was previously unmet by the market.

Bougainville’s business model is easily scalable by the Company identifying and investing in additional Investment Target Companies as well as by Green Venture’s expansion of its operations.

The Company’s is currently focused in investing in Investment Target Companies operating in Oroville, WA. Oroville is located in the northern region of the Okanogan Valley of Washington State. See “Description of the Business.”

SELECTED QUARTERLY FINANCIAL INFORMATION

	For the Three-Month Period Ended October 31, 2017	For the Three-Month Period Ended October 31, 2016
	\$	\$
Revenue	-	-
Net income (loss)	(98,010)	-
Income (loss) per common share	(0.00)	-
Total assets	1,626,369	-
Total long-term financial liabilities	-	-
Dividends declared	-	-

RESULTS OF OPERATIONS

For the three months period ended October 31, 2017 and 2016 the Company has not generated revenues

Administration and Office fees \$409 (2016-\$Nil); Accounting Fees \$ Nil (2016-\$ Nil); Foreign exchange \$8,627 (2016-NIL); Management fees \$9,000 (2016-\$ Nil); Legal fees \$9,409 (2016-\$ Nil); Consulting fees \$65,846 (2016-NIL); Regulatory Filings \$1,159 (2016- \$Nil) and Transfer Agent Fees \$3,560(2016-\$ Nil).

LIQUIDITY AND CAPITAL RESOURCES

The Company has not generated any revenue from operations and to date has relied solely upon related loans to continue its business.

As of October 31, 2017, the Company’s total assets of \$1,626,369 were comprised of \$11,573 of Cash , \$225,628 in Loans receivables, \$565 Taxes recoverable, \$58,460 Work in Process and \$1,330,143 Real Estate lot. The Company’s total liabilities were \$446,511 comprised of accounts payable and accrued liabilities \$16,535, Loans \$483,488 and Due to a related parties \$53,330.

The Equity deficit increased to \$215,385 as of October 31, 2017 from \$117,375 on July 31, 2017 due to the incurred expenses.

CHANGES IN CASH POSITIONS

**For the Three-Month Period Ended
October 31, 2017 October 31, 2016**

	\$	\$
Cash (used in) /provided by:		
Net cash used in operating activities	(163,071)	-
Net cash used in investing activities	-	-
Net cash provided by financing activities	(59,200)	-
Change in cash	(222,271)	-
Cash , beginning	233,844	-
Cash, end	11,573	-

Cash Flows from Investing Activities

Company has not generated positive cash flows from operating activities for the three months period ended October 31, 2017 and 2016. For the period ended October 31, 2017, net cash flows used in operating activities was \$163,071 compared to \$Nil as at October 31, 2016.

Cash Flows from Investing Activities

For the three months period ended October 31, 2017 and 2016, the Company neither used nor generated cash flows from investing activities.

Cash Flows from Financing Activities

For the three months period ended October 31, 2017, net cash used in financing activities was \$59,200 compared to \$Nil as at October 31, 2016.

SUMMARY OF QUARTERLY RESULTS

A summary of financial results for the most recently completed quarters as follows:

Three Months Ended	Revenue (\$)	Net Income (Net Loss) (\$)	Gain (Loss) per Share (\$)
31 Oct 2017	-	(98,010)	(0.00)
31 July 2017	-	(39,093)	(2,792.56)
30 Apr 2017	-	(15,729)	(1,123.5)
31 Jan 2017	-	-	-
31 Oct 2016	-	-	-
31 July 2016	-	(748)	(53.43)
30 Apr 2016	-	(8,000)	(571.43)
31 Jan 2016	-	(20,167)	(1,440.5)
31 Oct 2015	-	(18,325)	(1,308.93)
31 July 2015	-	(14,692)	(1,049.43)
30 Apr 2015	-	(270)	(19.29)
31 Jan 2015	-	-	-
31 Oct 2014	-	-	-
31 July 2014*	-	(351)	(25.07)

* The Company was incorporated on April 29, 2014. Period is from date of incorporation April 29, 2014 to July 31, 2014

Since April 29, 2014, date of Incorporation to July 31, 2017 the Company has not generated revenues.

FINANCIAL INSTRUMENTS

The Company's financial instrument consist of cash, taxes recoverable, accounts payable, and due to the related parties the fair values of which are considered to approximate their carrying values due to their short-term maturities.

The Company's risk exposures and the possible impact of these expenses on the Company's financial instruments are summarized below:

Strategic and operational risks

Strategic and operational risks are risks that arise if the Company fails to carry out business operations and/or to raise sufficient equity and/or debt financing in financing development. These strategic opportunities or threats arise from a range of factors that might include changing economic and political circumstances and regulatory approvals and competitor actions. The risk is mitigated by consideration of other potential development opportunities and challenges which management may undertake.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. The Company is subject to normal industry credit risks. Therefore, the Company believes that there is minimal exposure to credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at October 31, 2017, the Company had \$296,226 (2016 – \$Nil) in current assets and current liabilities of \$446,511 (2016 – \$62,453).

Interest risk

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates is currently immaterial.

Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument denominated in a foreign currency will fluctuate because of changes in foreign exchange rates. The Company holds loans that are denominated in USD currency. A change in foreign currency exchange rates can have an impact on net income

Foreign currency risk (continued)

and comprehensive income. The result of sensitivity analysis shows an increase or decrease of 5% in exchange rates, with all other variables held constant, could have increased or decreased the net income and comprehensive income by approximately \$12,893 (2016 - \$NIL).

SHARE CAPITAL

The Company's authorized share capital consists of an unlimited number of common shares without par value.

Issued and Outstanding:

On August 8, 2017 a resolution was passed to consolidate the capital stock on the basis of seven (7) old common shares into one (1) new common share.

On August 14, 2017, the Company issued 1,225,209 common shares pursuant to the obligation under the Plan of Arrangement.

On August 14, 2017, the Company issued 2,600,000 common shares for debt settlement of \$52,000

On August 14, 2017 the Company issued 45,368,666 common shares real estate lot purchase.

As at October 31, 2017 49,193,875 common shares have been issued and outstanding.

Obligation to Issue Shares:

On June 17, 2017 the company received \$10,000 and September 1, 2017 \$3,000 in share subscriptions. Subscription price is \$0.15 per unit. Each unit consist of one common share, one-half of one common share purchase warrant with a price of \$0.50 exercisable within 12 month of the closing date and one-half of one common share purchase warrant with a price of \$0.75 exercisable from the beginning months 13 from the closing date to the end of months 24. No shares have been issued as of October 31, 2017.

As at October 31, 2017 and the date of this report there were no stock options or warrants outstanding.

FUTURE CASH REQUIREMENTS

The Company's future capital requirements will depend on many factors, including, among others, cash flow from operations. Should the Company pursue other business opportunities, the Company may need to raise additional funds through debt or equity financing. If additional funds are raised through the issuance of equity securities, the percentage ownership of current shareholders will be reduced and such equity securities may have rights, preferences, or privileges senior to those of the holders of the Company's common stock. No assurance can be given that additional financing will be available, or that it can be obtained on terms acceptable to the Company and its shareholders. Accordingly, the Company is investigating various business opportunities that ideally will increase the Company's positive cash flow.

RELATED PARTY TRANSACTIONS AND BALANCES

For the three months ended October 31, 2017 management fees of \$9,000 (2016 - \$Nil) were charged by a company controlled by the Chief Financial Officer (CFO). On March 30, 2017 the \$52,000 of debt was settled for 2,600,000 common shares, shares have been issued on August 14, 2017.

As at October 31, 2017, the Company had \$53,330 (2016 - \$37,233 due to) due from a company controlled by a CFO.

As at October 31, 2017 the Company had \$Nil (2016 - \$14,870) due to a parent company.

These balances are non-interest bearing and are due on demand.

CHANGES IN ACCOUNTING POLICIES

Adoption of new IFRS pronouncements

The adoption of the following IFRS standards and amendments to existing standards effective August 1, 2014 did not have any effect on the Company's financial statements:

- i. IAS 32, "Financial Instruments: Presentation" is effective for annual periods beginning on or after Jan 1, 2014
- ii. IAS 36, "Impairment of Assets" is effective for annual periods beginning on or after January 1, 2014
- iii. IFRIC 21, "Levies" is effective for annual periods beginning on or after January 1, 2014.

New accounting standards not yet adopted

The following standard will be effective for annual periods beginning on or after January 1, 2016:

- i. IFRS 10, "Consolidated Financial Statements" (amended standard) is effective for annual periods beginning on or after January 1, 2016.
- ii. IFRS 11, "Consolidated Financial Statements" (amended standard) in respect of joint arrangements is effective for annual periods beginning on or after January 1, 2016.
- iii. IAS 16, "Property, Plant and Equipment" (amended standard) is to be applied prospectively.
- iv. IAS 34, "Interim Financial Reporting" (amended standard) is effective for annual periods beginning on or after January 1, 2016.
- v. IFRS 7, "Financial Instruments: Disclosure" is effective (proposed) for annual periods beginning on or after January 1, 2018.
- vi. IFRS 9, "Financial Instruments: Classification and Measurement" is effective for annual periods beginning on or after January 1, 2018.
- vii. IFRS 16, "Leases" is effective for annual periods beginning after December 15, 2019 (i.e., calendar periods beginning on January 1, 2020), and interim periods thereafter. Early adoption is permitted.

The Company has initially assessed that there will be no material impact on the statements of financial position or results of operations as a result of adopting the new standards above; however, enhanced disclosure requirements are expected.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

RISKS AND UNCERTAINTIES

These statements represent the Company's intentions, plans, expectations and beliefs as of the date hereof, and are subject to risks, uncertainties and other factors of which many are beyond the control of the Company.

The financing and development of the Issuer's business are subject to a number of factors, including laws and regulations in the areas of taxation, permitting and others, including hiring qualified people, and obtaining necessary services in jurisdictions where the Issuer operates. The current trends relating to these factors are favourable but could change at any time and negatively affect the Issuer's operations and business.

Start-Up Venture

As a start up venture the Company's prospects are affected by the risks, expenses, and difficulties frequently encountered by companies in the growth stage, particularly companies in highly competitively markets. As an early growth stage company, the risks include, but are not limited to, evolving and unpredictable business models and growth management. To address these risks, the Company must, among other things, expand its customer base, implement and successfully execute its business and marketing strategy, continue to develop and upgrade its operations, provide superior service to customers, respond to competitive developments, and attract, retain, and motivate qualified personnel. There is no assurance that it can be profitable in the future.

The success of the Company is dependent upon certain factors that may be beyond the Company's control. There is no assurance that it can raise the funds required to operate.

Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include lost records, loss or damage or other hazards against which such corporations cannot insure or against which they may elect not to insure.

Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other companies involved in marketing and financial corporations. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Government Regulation of the U.S. Marijuana Industry

Bougainville does not have a direct involvement in the U.S. marijuana industry as defined by Canadian Securities Administrators Staff Notice 51-352, as Bougainville is not directly engaged in the cultivation or distribution of marijuana in accordance with a U.S. state license.

Bougainville's investee, Green Venture, operates in the State of Washington and carries out all its operations in accordance with all applicable rules and regulations and is in compliance with applicable licensing requirements and the regulatory framework enacted by the State of Washington.

No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail development, production, manufacture, product claims, marketing or commercialization by Green Venture or Green Venture's current or future tenant-growers. Amendments to current laws and regulations governing operations and activities of the consumer health industry or more stringent implementation thereof could have a substantial adverse impact on the Company.

Reliance on Key Personnel and Advisors

Bougainville will rely heavily on its officers. The loss of their services may have a material adverse effect on the business of Bougainville. There can be no assurance that one or all of the employees of, and contractors engaged by, Bougainville will continue in the employ of, or in a consulting capacity to, Bougainville or that they will not set up competing businesses or accept positions with competitors. There is no guarantee that certain employees of, and contractors to, Bougainville who have access to confidential information will not disclose the confidential information.

Uncertainty Regarding Penetration of the Target Market

The commercial success of the business of Bougainville, as compared with its competitors, depends on the acceptance by their potential clients or customers in the respective industries or sectors. Market acceptance will largely depend on the reputation, marketing strategy, and services and performance of Bougainville. The success of Bougainville will depend on the ability to commercialize its products and services and to expand their network clients or market share. Bougainville will need to expand its marketing and sales operations and establish business relations with other professional services providers and clients in a timely manner.

In order to meet their business objectives, Bougainville will have to ensure that its services are professional, reliable and cost-effective, and bring the expected return. There can be no assurance that the business and services of Bougainville will be accepted and recommended.

Operating History and Expected Losses

Bougainville expect to make investments in order to develop their services, increase marketing efforts, and improve their operations. As a result, startup operating losses are expected and such losses may be greater than anticipated, which could have a significant effect on the long-term viability of Bougainville.

Reliance on Joint Ventures, License Assignors and Other Parties

The nature of the operations of Bougainville require them to enter into various agreements with partners, joint venture partners, other businesses partners, equipment suppliers in the business world, government agencies, licensors, licensees, and other parties for the successful operation of their businesses and the successful marketing of their services.

There is no guarantee that those with whom Bougainville need to deal will not adopt other services providers or that they will not develop alternative business strategies, acting either alone or in conjunction with other parties, including the competitors of Bougainville.

Growth Management

In executing the business plan of Bougainville for the future, there will be significant pressure on management, operations, and technical resources. Bougainville anticipates that its operating and personnel costs will increase in the future. In order to manage its growth, Bougainville will have to increase the number of its technical and operational employees and efficiently manage its employees, while at the same time efficiently maintaining a large number of relationships with third parties.

Regulatory Risks

The services provided by Bougainville in the various businesses can be subject to a number of challenges and requirements, and can be subject to the regulations and standards imposed by applicable regulatory agencies. There can be no assurance that Bougainville will be able to comply with all regulations concerning their businesses.

Potential Liability

Bougainville is subject to the risk of potential liability claims with respect to their businesses. Should such claims be successful, plaintiffs could be awarded significant amounts of damages, which could exceed the limits of any liability insurance policies that may be held by Bougainville. There is no guarantee that Bougainville will be able to obtain, maintain in effect or increase any such insurance coverage on acceptable terms or at reasonable costs, or that such insurance will provide Bougainville with adequate protection against potential liability.

ADDITIONAL INFORMATION

Additional information pertaining to the Company is available on the SEDAR website at www.sedar.com.