CUBA VENTURES CORP.

MANAGEMENT DISCUSSION AND ANALYSIS
(Expressed in Canadian Dollars)

YEAR ENDED – MAY 31, 2017

This Management Discussion and Analysis ("MD&A") of Cuba Ventures Corp., (the "Company") provides an analysis of the Company's financial results for the year ended May 31, 2017. The following information should be read in conjunction with the accompanying audited consolidated financial statements.

The Company reports in accordance with International Financial Reporting Standards ("IFRS") and the following disclosure, and associated audited consolidated financial statements, are presented in accordance with IFRS. These statements are filed with the relevant regulatory authorities in Canada. All monetary amounts are expressed in Canadian dollars, unless otherwise specified.

Forward-Looking Information and Date of Report — September 27, 2017

This MD&A contains certain forward-looking information. All statements in this disclosure, other than statements of historical facts, that address permitting, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements.

This report also contains forward-looking statements, which are subject to risks and uncertainties for a commercial and/or tech issuer and investors are cautioned that any such statements are not guarantees of future performance and actual results and developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, although not always, identified by words such as "expect", "plan", "anticipate", "project", "target", "potential", "schedule", "forecast", "budget", "estimate", "intend" or "believe" and similar expressions or their negative connotations, or that events or conditions "will", "would", "may", "could", "should" or "might" occur. All such forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Forward looking statements include, but are not limited to, the Company's expectations regarding:

- General economic conditions and market trends and their anticipated effects on our business;
- Our future sales initiatives;
- Our future revenue growth; and
- Our liquidity and capital resources available to us to fund our ongoing operations.

Forward-looking statements necessarily involve assumptions, risks and uncertainties, certain of which are beyond the Company's control, including the following:

Our dependence on suppliers and customers; our untested business model; our ability to attract qualified personnel; the competitive nature of the travel and media industries; our ability to manage our growth; geopolitical risks; exchange rate risks; regulatory risks; our future operations; our dependence on key personnel; dilution to present and prospective shareholders; the lack of a market for our securities; and our share price.

For more information on the Company, investors should review the Company's continuous disclosure filings that are available under the Company's profile at www.sedar.com.

HIGHLIGHTS FOR YEAR ENDING MAY 31, 2017

Cuba Ventures signs a MOU with SPORTTU New York and SKYY Digital Media Group

The Company announced on October 19, 2016, that its wholly owned subsidiary Travelucion Media has entered into a memorandum of understanding (the "MOU") with US sports media giant SPORTTU for the distribution of Cuban Sports events, player profiles and bios, Cuban team facts and results, and Cuban sports-related media content in the United States and worldwide. Cuba Ventures will distribute this content through major mobile carriers including America Movil, which has over 260 million wireless subscribers, the United Nations and major international sports federations.

Cuba Ventures Closes Non-Brokered Private Placement of $490,500

On November 17, 2016, the Company announced the closing of a non-brokered private placement of $490,500. The financing was completed through the issuance of up to 9,810,000 units (the "Units") at a price of $0.05 per unit. Each Unit consists of one common share and one non-transferable share purchase warrant ("Warrant"), with each whole Warrant entitling the holder to purchase one common share for a period of two years at a price of $0.075 per share. In connection with the financing, Cuba Ventures issued a total of 383,600 warrants to finders who introduced certain subscribers to the private placement.

Cuba Ventures Announces its Second Quarterly Results for the Six-Month period ending November 30, 2017 Since the Travelucion S.L. Acquisition

On January 31, 2017, the Company announced its Quarterly Sales results for the Six-Month Period ending November 30, 2016 from completed travel trips and bookings less refunds and cancellations ("booking revenue") amounted to CDN $483,077 for the Company's most recent quarter and CDN $1,089,667 for the entire six-month period. The gross profit on the CDN $483,077 booking/service revenue was CDN $123,947 representing a gross profit margin of 25.6%. Similarly, the gross profit on the CDN$1,089,667 booking/service revenue was CDN$279,352 representing a consistent gross margin of 25.6%. The results illustrate strong and consistent growth from Travelucion's 2015 results as well as the recently released audited financial statements for the year ended May 31st, 2016.

Cuba Ventures signs an exclusive Agreement with Tyryal for the Island of Cuba

On March 22, 2017, the Company announced that it has entered into an exclusive agreement for the Island of Cuba with Tyrval, the world preeminent supplier to the hotel & hospitality industry, currently represented in USA, Panama, Costa Rica, Sri Lanka, Aruba, Jamaica, Mexico, Dominican Republic, Brazil, Bahamas, St Martin, Mauritius, Nicaragua, Colombia, Cape Verde, France and Spain. Tyrval is an exclusive supplier of LG Electronics, Hotel room equipment and decoration, industrial restaurant equipment, including dining room fittings and fixtures, indoor and outdoor furniture, lighting and other hotel related hardware. Cuba's hotel infrastructure is experiencing a major upgrade due to the advent of increased tourism, with over 4 million arrivals in 2016. Cuba Ventures' consulting division has identified a need for such synergies to assist its Cuban hotel partners with the upgrade of partial or complete hotels, common areas and guest accommodations. Tyrval is the preeminent company for offering turnkey solutions and one-stop purchasing for partial or complete interior and exterior upgrades of Cuban hotels.

Cuba Ventures Corp – Record breaking revenues of CDN $1,628,989 in the third fiscal quarter of 2017.

On May 1, 2017, the Company announced record breaking gross sales revenues of <u>CDN $1,628,969</u> in the period from December 1, 2016 to February 28, 2017. While generating these record-breaking revenues, the Company has been able to maintain its historic gross profit margins at 26%.

With these record-breaking quarterly revenues, the unaudited revenues for the nine-month period ending February 28, 2017 are <u>CDN$2,718,636</u>.

Director Appointments & Resignations

Mr. Alfredo Manresa was appointed director of the Company effective April 25, 2017. Mr. Manresa has served as a key advisor to the company since March 22, 2016. Mr. Manresa is a seasoned international banking professional and manager. Mr Manresa was a management executive for Spain's CAM Bank (now Sabadell) between 1989-2012 in various high profile management roles, including branch and regional management positions in Europe and Latin America and, the founding manager of CAM Bank in Havana, Cuba. During his tenure as Country Bank Director in Havana, Alfredo handled over 80 million Euros annually in loans and investment, having been licensed for financial operations by the Central Bank of Cuba. Alfredo's extensive knowledge of the Cuban banking and financial system brings an important addition to Cuba Ventures board of directors. Under the helm of Alfredo, the Havana branch he managed earned the award of best CAM Bank International Branch in 2003, 2004 and 2005, surpassing notable international branches in Miami, London, Paris and Mexico. He is fluent in Spanish and English, in addition to his accomplished career in the corporate and private banking world, Alfredo will be a strong management asset for upcoming financial dealings and Cuba focused investments, employing his knowledge and experience of the inner workings of Cuba's financial system and banking regulations.

Effective August 2, 2107, Ms. Amanda Chow resigned to pursue other ventures.

Escrow Shares

As of May 31, 2017, a total of 4,000,000 shares have been released from escrow resulting in a balance remaining of 16,000,000 shares held in escrow. Subsequent to the fiscal year ended May 31, 2017, and on September 18, 2017, pursuant to the terms of the Escrow Agreement, 2,000,000 common shares have been released from escrow with a current balance remaining in escrow of 14,000,000.

OVERVIEW OF THE BUSINESS

Travelucion is an online travel and digital media marketing company that specializes in travel marketing, electronic reservations and online booking solutions for international visitors to Cuba. Travelucion S.L. has developed and owns one of the most significant portfolios of Cuban focused web assets with 432 websites in up-to 6 languages collectively generating over 30 million page-views per year, directing this web traffic to the main booking and e-commerce sites. Since 1995 these proprietary websites have been promoting Cuba and offering online travel services to the Caribbean nation. The websites cover all facets of the island including specific tourist destinations, hotels and resorts, golf, spas, restaurants, classic car rentals, Cuban culture, health, commerce, food and much more. They collectively generate over 35 million page-views per year and help direct this organic online traffic to Travelucion's main travel booking platform.

Travelucion generates its revenue by unassisted direct on-line sales through the e-commerce and booking sites owned and operated by the company. The company has a proprietary online booking system that has been developed to poll prices from various Cuban travel suppliers to determine the lowest price and best travel options for customers which includes bookings for hotels, private residences, car rentals, tours, and a variety of other types of bookings. It provides the company's customers the ability to indulge in a wide variety of travel options like boutique hotels or creating unique Cuban travel packages with exclusive private home rentals, antique car services as well as access to a multitude of guided or self-discovery tours across Cuba in addition to basic hotel and car rental bookings. Since inception, Travelucion has serviced hundreds of thousands of customers booking travel to Cuba.

Through legacy agreements with Cuba's largest travel companies, Travelucion's e-commerce brands like Havanatur.com provide the company with access to a broader and more diverse portfolio of national travel and tourism packages in Cuba than most other travel providers. Travelucion is also uniquely established to handle the travel requirements of qualified U.S. travelers to Cuba.

Travelucion's revenues have been increasing in the wake of the notable shift in American's foreign policy towards Cuba as diplomatic relations between the two nations is now normalizing and with travel restrictions on Americans visiting Cuba starting to relax. Travel restrictions that have historically made it difficult for most Americans to visit the Caribbean island are being replaced with new rules and exemptions put in place by US President Obama and, minutely modified by President Trump, solely restricting individual (single person) travel, while conversely incrementing group travel to Cuba. This has made it much easier for qualified Americans to visit Cuba. It has also created a tremendous desire in the rest of the world to visit Cuba before there is too much change. This has led to a direct increase in web traffic and bookings which has a direct impact on revenue.

With the normalizing of US and Cuban diplomatic relations, management of Travelucion has identified numerous ways the Company can leverage the existing and future website traffic to increase revenue by:

- Enhancing its corporate profile through additional marketing and by focusing on new Canadian and American travelers. The majority of Travelucion's current sales are from Europe and South America yet Americans represent 38.6 % of visitors to Travelucion's websites but account for less than 10% of the company's revenue.

- Proceeding with plans to overhaul and modernize the booking platforms and the 432 websites, some of which are 20 years old, that currently generate over 35 million page-views per year. These websites drive viewers to Travelucion's booking platforms to monetize this online traffic. Having this organic volume of traffic that visit our websites is a tremendous competitive cost advantage in that we don't need to pay third parties to generate traffic to populate the websites. This modernization will result in a more pleasing and user friendly experience.

- Making the booking site Global Distribution System ("GDS") eligible in anticipation of Cuba becoming part of the GDS global network. (see MOU with Booketea)

- Continuing to build out its private home (Casa Particulars) rental listings using a model similar to that of HomeAway and AirBnB, as well as its taxi/historic private car rental services.

- Developing stronger business relationships with travel agencies and booking agencies within the US and internationally. Cuba Ventures Corp acquired equity in a Florida based agency to penetrate the U.S. market.

- Entering into financing and consulting relationships with commercial groups that are interested in developing Cuban real estate, support Cuban businesses with additional financing / debt avenues and developing Cuban digital media networks.

Management views the acquisition of Travelucion as an opportunity to take advantage of positive changes coming to a region of the world that has virtually been left behind for 50+ years. By acquiring a company that has a long established collection of legacy websites that offer a vast array of information on everything Cuban the Company has captured a huge built-in audience that potentially want to visit Cuba.

Steve Marshall: President and Founder of Travelucion S.L.

Steve Marshall, a British national is the President and founder of Travelucion which consists of a booking platform and a large Cuban web domain/asset portfolio. He is a trilingual entrepreneur specializing in international marketing and deal brokering having successfully adapted to varied world markets throughout his career directing marketing campaigns in Spain, France, Russia, Moldova, Ukraine and Cuba including a multinational timeshare company and a multilevel digital marketing corporation. Mr. Marshall spent 11 years in Cuba specializing in Cuban joint ventures and successfully founded a number of companies including, Primeras Inversiones, (Havana Free Zone), first State approved real estate joint venture – CIMEX, Dimension W-Tech start-up joint venture with the Ministry of Communications, and the first Cuba-centric online marketing company with the Ministry of Tourism. Steve's past Cuban ventures have received coverage in the Financial Times, BBC News, CNN, Time Magazine, Washington Post, Chicago Tribune, and The Wall Street Journal. Steve was a special advisor to a number of Cuban corporations spearheading their entrance into the new economy and providing support and investment in a range of commercial sectors. He is knowledgeable concerning the idiosyncrasies of dealing with the Cuban Government and Cuba's foreign investment laws.

COMPANY HIGHLIGHTS SINCE ACQUISITION

Since the COB and acquisition of Travelucion S.L the Company has achieved the following:

- The closing of a non-brokered private placement of $490,500. The financing was completed through the issuance of up to 9,810,000 Units at a price of $0.05 per Unit (news release November 17, 2016). Subsequent to the end of the fiscal year ending May 31, 2017, the Company closed a non-brokered private placement of $30,000. The financing was completed through the issuance of 600,000 Units at a price of $0.05 per Unit (news release June 20, 2017), and the Company closed a non-brokered private placement of $245,000. The financing was completed through the issuance of 4,900,000 Units at a price of $0.05 per Unit (news release August 25, 2017).

- Created an advisory board consisting of: Alfredo Manresa Ruiz, a Spanish banker with a background of banking in Cuba as one of a handful of foreign nationals authorized by the Cuban Central Bank to operate in Cuba; Walfrido Sebastian Quinones, a licensed Cuban attorney who has worked with Steve Marshall for many years (news release March 22, 2016); and Vito Echevarria. On August 14, 2017, Cuba Ventures welcomed two new advisors, Steven Geiger and Patrick Murphy to assist with projects related to the Al-Fahim Fintech venture and other commercial avenues to be established and on September 19, 2017 the Company announced the addition of Mr. Daniel Hernandez Rodriguez to the Company's Advisory board for CubaFIN division.

- Steve Marshall was appointed CEO of Cuba Ventures Corp. (news release March 19, 2016), Mr. Donald Myers resigned as Director of the Company (news release June 17, 2016), Mr. Tim Fernback joined the Company's Board of Directors (news release September 20, 2016), Mr. Don Houston has resigned from the Company's Board of Directors (news release March 22, 2017) and Mr. Alfredo Manresa Ruiz has been appointed to the Company's Board of Directors (news release April 25, 2017) and Ms. Amanda Chow has resigned from the Board of Directors (news release August 2, 2017). Ms. Lori Pavle resigned as Corporate Secretary on August 31, 2017.

- Tim Fernback was appointed Company CFO (news release December 29, 2016).

- Cuba Ventures signed a partnership with Mercosur Chamber of Commerce. This is a South American enterprise that promotes free trade within the region and is looking to increase business opportunities in Cuba (news release May 31, 2016).

- Cuba Ventures, through its wholly owned subsidiary, Travelucion S.L., entered into a memorandum of understanding with US sports media giant SPORTTU for the distribution of Cuban sports events, player profiles and bios, Cuban team facts and results, and Cuban sports-media content in the United States and worldwide (news release October 19, 2016).

- Cuba Ventures has entered into an exclusive agreement for the Island of Cuba with Tyrval, the world preeminent supplier to the hotel & hospitality industry, currently represented in USA, Panama, Costa Rica, Sri Lanka, Aruba, Jamaica, Mexico, Dominican Republic, Brazil, Bahamas, St Martin, Mauritius, Nicaragua, Colombia, Cape Verde, France and Spain. Tyrval offers turnkey solutions and one-stop purchasing for partial or complete interior and exterior upgrades of Cuban hotels. Cuba's hotel infrastructure is experiencing a major upgrade due to the advent of increased tourism, with over 4 million arrivals in 2016.

- On July 27, 2017, the Company announced that it has signed a formal agreement for the acquisition of a 19% minority stake in International Business & Travel Opportunities, LLC, a fully licensed Florida-based travel agency. A definitive agreement, signed July 27 2017, ratified the transaction and the Company issued 500,000 common shares and paid cash payment of $10,000 for transaction costs upon TSX Venture Exchange formal acceptance on August 8, 2017.

- On August 8, 2017, the Company signed a letter of intent with Al-Fahim Technologies Group, UAE, for \$40 million Euros Initial Capital to Jointly Create Cuba Financing Division (CUBAFIN) Company.

- On August 14, 2017, the Company's Travel Division Signs a memorandum of understanding with GDS Integration Specialist Booketea and with Worldwide Water Sports and Nautical Activity Marketer Enjoysea.com.

- On September 19, 2017, the Company announced that it has entered into a memorandum of understanding with Bhavnani Corporation. Bhavnani Corporation holds equity in numerous technology companies bringing value to its technology and IT focused subsidiaries from its position as a significant shareholder and its active participation in the Boards of Directors and, in other governing bodies of these companies.

- Cuba Ventures & Travelucion have received significant media coverage in the United States as relations between Cuba and the US continue to improve.

OUTLOOK: FUTURE GROWTH

Up until the present, Travelucion's growth has been organic and the booking sales have been largely online and unaided sales. Furthermore, most of the revenue growth generated to date has originated from the company's own Cuba related websites with traffic being transferred to the e-commerce booking platforms. Additional external and paid online marketing has been minimal and the online marketing secured by the Company has been largely limited to Travelucion's own websites. Travelucion's highly targeted Cuba-centric web traffic is a major asset and management believes that this traffic could be further converted into revenue via the update of key web properties and by bringing these in line with current online travel trends of multicurrency, xml, GDS, and the reintroduction of flights, package deals and specialized Cuba travel services into Travelucion's revenue. Due to the historic recommencement of commercial flights between Cuba and the US, Travelucion intends to expose its increasing US web visitor traffic to online flight offers originating in the US in partnership with those airlines approved to fly commercially to Cuba.

Travelucion has overhauled and modernized numerous websites since March 2016 and will continue to roll out modernizations of all of its websites that currently generate over 35 million page views a year to leverage this traffic and drive volume to the booking platforms to monetize it further. Furthermore, Travelucion's online traffic could also be monetized by selling it to other companies who are looking to market their respective Cuba related businesses in the form of banner ads and digital marketing contracts.

Cuba is gearing up for GDS incorporation for central booking which will streamline the booking process for travel providers. Travelucion is preparing its 432 websites for GDS integration in preparation for GDS real-time bookings through Amadeus, Abacus and, when authorized, American GDS companies Travelport and Sabre. This will likely decrease costs and increase booking volumes for the company going forward. Steve Marshall has also taken the necessary courses and is licensed to run a travel business that can incorporate the use of a GDS distribution channel.

Travelucion will continue selling travel through its online booking platform to worldwide clientele but will also establish relationships to carry out physical bookings through travel agents as well under a B2B profile. The company also plans to monetize its online traffic generated through its 432 websites by selling advertising and "pay per click" through its websites.

Management believes that there are several opportunities to grow the business going forward through marketing. Each one of these has a timeline and will be done internally or outsourced or both.

- Increase online marketing budget both internally and with 3rd party online marketing groups, advertising, partnerships, and hiring dedicated individuals to oversee social media marketing and other digital marketing initiatives (implement immediately and continue to do so over the next few years)

- Leverage Travelucion's current contact/email database of over 80,000 subscribed past customers as well as over 100,000 social media followers to generate additional sales through email and online marketing campaigns (implement immediately and continue to do so over the next few years)
- Establish relationships/partnerships with large North American travel and cruise line companies, as well as other companies that provide various travel related services like water sports, ecotourism, convention services, specialty tours, etc. (carry this out over the next 3-4 years)
- Enhance corporate profile through physical marketing efforts in North America; this would entail a sales team or relationships with travel agents to help develop Travelucion's profile (carry this out over the next 3-4 years)
- As most of Travelucion's bookings are currently unaided online bookings the company can add people to physically assist in the booking process thereby capturing those customers that still want/need to talk to someone (i.e. call centre or chat room)
- Increase exposure by attending global industry conventions and trade shows but with a focus on North America (carry this out over the next 3-4 years)
- Develop mobile and web-based interfaces that will permit visitors to preview and book private homes directly from their phones, order classic car tours on demand, reserve private restaurants, tours and adventures in real time, yet with a uniquely Cuban style (carry this out over the next 3-4 years)
- Update currency availability on websites to include major currencies in real-time pricing.
- Revamp the booking platform to incorporate GDS/XML third party offers while offering XML channels to select B2B partners for direct third party web deployment and third party sales.

Travelucion plans to increase its online marketing budget both internally and with 3rd party online marketing groups, advertising, partnerships, and hiring dedicated individuals to oversee social media marketing and other digital marketing initiatives. Furthermore, Travelucion plans to enhance its corporate profile through physical marketing efforts in North America and engage a sales team or establish relationships with travel agents to help develop the company's profile. Travelucion also plans to increase its exposure by attending global travel industry conventions and trade shows but with a focus on North American and plans to carry this out over the next 3-4 years.

The Company also plans to develop stronger business relationships with travel agencies and booking agencies within the US and internationally, as well as, increase revenues by entering into financing and consulting relationships with commercial groups that are interested in developing Cuban real estate, support Cuban businesses with additional financing / debt avenues and developing Cuban digital media networks.

The aforementioned marketing programs are estimated to cost approximately $150,000 for the increase in online marketing, $250,000 per year for a sales team and call centre, and $100,000 per year for attending travel industry conventions and trade shows. These programs and initiatives will be implemented over the next 3-4 years. The Company also completed a rebuild of its e-commerce booking platforms and websites to accommodate the arrival of the GDS central booking system in Cuba. This will increase the ease of use and standardize the look and feel of the websites. Travelucion will be able to begin these marketing initiatives using the capital it plans to raise in the future, as well as its current cash flow. Increased marketing budgets going forward could be funded from internal cash flows assuming the business grows as expected.

Overall Performance

Nature of Business and Overall Performance

Cuba Ventures Corp. is a public company listed on the TSX Venture Exchange under the symbol "CUV". Until March 2016 the Company has been primarily a junior exploration company. In March 2016, the Company underwent a change of business and became an online travel and digital media marketing company that specializes in travel marketing, electronic reservations and online booking solutions for international visitors to Cuba. Further advances having been made into FinTECH and hospitality industry supply chains.

Legacy Mineral Properties

Pidgeon Molybdenum Mines Limited ("PMML") - Ontario, Canada

In 2007, the Company purchased a 100% interest in patented mineral claims totaling 21 hectares under the name "Pidgeon Molybdenum Deposit". In 2012, the Company filed an updated NI 43 101 resource estimate on the Pidgeon Moly Project. On December 3, 2014, the Company received acceptance to renew its lease on the patented claims for a further twenty-one years. The new lease expires on September 30, 2034. As a result of the change in business during the previous fiscal year, the property was written-down to $1 in the subsidiary.

Raney Gold Project, Ontario, Canada

In May 2009, the Company acquired a 100% interest in six mineral claims consisting of 14 units (224 hectares) located in the Raney Township, in the Porcupine Mining Division of Ontario. As consideration the Company issued 50,000 shares valued at $57,500. The property is subject to a 2% NSR. Two additional claims were also acquired for a $7,200 cash payment. These two claims were written-off during fiscal 2010 as they were cancelled.

During the current year, the property was sold for $25,000. The property value was written-down to $25,000 during fiscal 2016 resulting in $32,500 in acquisition costs and $352,921 in exploration expenditures charged to operations.

Selected Annual Information

		Years Ended May 31 (audited)		
	Fiscal year	**2017**	**2016**	**2015**
(a)	Revenue	$ 2,576,692	$ 305,411	$ -
(b)	Loss for the year	$ (1,216,544)	$ (4,031,762)	$ (543,284)
(c)	Loss per share: Basic Fully Diluted	$ (0.02) $ (0.02)	$ (0.12) $ (0.12)	$ (0.04) $ (0.04)
(d)	Total Assets	$ 2,355,419	$ 3,182,869	$ 2,845,957
(e)	Total Exploration Expenditures	$ -	$ 2,876	$ 2,025

May 31, 2017 Compared With May 31, 2016:

Private Placements

During the fiscal year ending May 31, 2017, the Company completed the following private placements involving new issuances of equity:

On November 17, 2016, the Company announced the closing of a non-brokered private placement of $490,500. The financing was completed through the issuance of up to 9,810,000 units (the "Units") at a price of $0.05 per unit. Each Unit consists of one common share and one non-transferable share purchase warrant ("Warrant"), with each whole Warrant entitling the holder to purchase one common share for a period of two years at a price of $0.075 per share. In connection with the financing, Cuba Ventures issued a total of 383,600 warrants to finders who introduced certain subscribers to the private placement along with cash compensation of $19,180.

During the fiscal year ending May 31, 2016, the Company completed the following private placements involving new issuances of equity:

In March 2016, the Company completed a private placement to raise $608,200 by the issuance of 12,164,000 units at a price of $0.05 per unit. Each unit consists of one common share and one half non-transferrable share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share at a price of $0.075 per share for a period of two years expiring March 10, 2018. Shares issued in connection with this private placement including any shares issued as a result of the exercise of any warrants will be subject to a hold period expiring four months and one day from the date of issuance. Aggregate finder's fees of $27,909 cash and 497,980 agent's warrants have been paid in connection with part of this offering. The agent warrants are subject to the same terms and conditions as the subscriber warrants.

The Company closed the first tranche of its non-brokered private placement on October 5, 2015 and raised $402,800 by the issuance of 8,056,000 units at a price of $0.05 per unit. Each unit consists of one common share and one non-transferrable share purchase warrant entitling the holder to purchase one additional common share at a price of $0.075 per share for a period of five years, expiring October 5, 2020. Aggregate finder's fees of $17,291 cash and 245,000 agents' warrants have been paid in connection with this offering. The agents' warrants are subject to the same terms and conditions as the subscriber warrants.

The 245,000 finders' warrants were valued at $22,744 using the Black-Scholes option pricing model using a weighted average estimated life of 5 years, volatility of 154.19%, a dividend rate of 0% and risk free interest rate of 0.82%.

The Company closed the second and final tranche of its non-brokered private placement financing on October 16, 2015 and raised $359,500 by issuing 7,190,000 units at a price of $0.05 per unit. Each unit consists of one common share and one non-transferrable share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of $0.075 per share for a period of five years, expiring October 16, 2020. The total raised from tranches 1 and 2 was $762,300. No finder's fees were paid in connection with the second tranche closing.

Options Granted

During the fiscal year ending May 31, 2017, the Company granted the following incentive stock options:

1,200,000 @ $0.055 for a five-year period
1,039,500 @ $0.05 for a five-year period.

During the fiscal 2016, the Company granted the following incentive stock options:

3,475,000 @ $0.05 for a five-year period

Shares held in escrow

The 20,000,000 shares issued for the 100% Travelucion acquisition are subject to an escrow agreement under the policies of the TSX-V. A total of 4,000,000 shares were released from escrow as at May 31, 2017. Subsequent to the year ended May 31, 2017, 2,000,000 shares were released from escrow on September 18, 2017.

Results of Operations for the Year Ended May 31, 2017

The Company's loss for the year ended May 31, 2017 was $1,216,544 or a $0.02 loss per share, compared to a loss in fiscal 2016 of $4,031,762, or a $0.12 loss per share, a decrease of $2,815,218.

The Company's general and administrative expenses of $2,190,699, increased from those in fiscal 2016 ($1,403,001) by $787,698. There was a $108,358 (2016 – $294,635) share-based compensation expense, a non-cash expense, which resulted from 2,239,500 stock options granted in the current year (2016 – 3,475,000) which was a decrease of $186,277 for the annual period. Similarly, the Amortization of Intangible Assets increased by

$454,774 to $546,995 (2016 - $92,221) to account for the Change of Business in the period. Without the inclusion of these two non-cash expenses, the general and administrative expenses would have been only $1,535,346 (2016 - $1,016,145), an increase of $519,201.

Individual items contributing to the change in loss are as follow:

- Amortization of Intangible Assets increased by $454,774 to $546,995 (2016 - $92,221) to account for the Change of Business in the period.
- Consulting fees increased by $318,445 to $505,860 (2016 – 187,415) as the Company incurred additional consultation relating to its increased business.
- Professional fees decreased by $29,600 to $192,613 (2016 - $222,213) as the Company incurred reduced legal fees as a result of the completion of the Change of Business in the previous period.
- Share-based compensation decreased by $186,277 to $108,358 (2016 - $294,635) due to a reduced number of stock options being issued during the current fiscal year.
- Advertising expenses increased by $274,088 to $302,900 (2016 – $28,812) as the Company incurred additional consultation relating to its increased business.
- Banking fees increased by $48,373 to $54,799 (2016 – $6,426) as the Company incurred additional consultation relating to its increased business.
- Rent and Parking expenses decreased by $17,943 to $39,258 (2016 – $57,201) as the Company reduced its expenditures in an effort to reduce overall general and administrative expenses.
- Travel related expenses increased by $79,436 to $119,160 (2016 – $39,724) as the Company incurred additional expenses relating to its increased business.
- Telephone expenses increased by $12,392 to $17,109 (2016 – $4,717) as the Company incurred additional expenses relating to its increased business.
- Office and Miscellaneous expenses decreased by $23,452 to $49,903 (2016 – $73,355) as the Company reduced its expenditures in an effort to reduce overall general and administrative expenses.
- Shareholder communications, transfer agent and filing fees - these amounts may vary from one year to another. Shareholder communications increases or decreases as the Company increases or decreases its advertising in trade magazines, on the internet and purchases more or less promotional materials as a result of the current market situation. Shareholder communications expenses decreased by $115,784 to $77,434 (2016 - $193,218) as the Company normalized its overall spending once the Change of Business was complete.

Summary of Quarterly Results

	Quarter	**May 31, 2017 4th (3 months)**	**February 28, 2017 3rd (3 months)**	**November 30, 2016 2nd (3 months)**	**August 31, 2016 1st (3 months)**
(a)	Revenue	$ 551,713	$ 596,353	$ 856,180	$ 572,446
(b)	Net income (loss)	$ 64,202	$ (743,469)	$ (164,735)	$ (372,542)
(c)	Net income (loss) per share:				
	Basic -	$ 0.001	$ (0.011)	$ (0.002)	$ (0.006)
	Fully Diluted -	$ 0.001	$ (0.011)	$ (0.002)	$ (0.006)

	Quarter	May 31, 2016 4th (3 months)	February 29, 2016 3rd (3 months)	November 30, 2015 2nd (3 months)	August 31, 2015 1st (3 months)
(a)	Revenue	$ 305,141	$ -	$ -	$ -
(b)	Net income (loss)	$ (3,422,345)	$ (238,720)	$ (290,003)	$ (80,694)
(c)	Net income (loss) per share:				
	Basic -	$ (0.11)	$ (0.010)	$ (0.015)	$ (0.006)
	Fully Diluted -	$ (0.11)	$ (0.010)	$ (0.015)	$ (0.006)

Certain three month period amounts in the above table have been restated for comparative purposes. These restatements have no effect on the reported results of the year end operations.

Results of Operations for the Three Months Ended May 31, 2017

During the previous fiscal year, the Company underwent a change of business and became an online travel and digital media marketing company that specializes in travel marketing, electronic reservations and online booking solutions for international visitors to Cuba. The Company obtains revenue primarily from the sale of hotel rooms, rental cars and tours. These services are purchased from the suppliers with Travelucion S.L. (foreign subsidiary located in Spain) bearing responsibility for customer satisfaction, obtaining customers for purchased services (inventory risk), setting the price, and collection of all receivables. As a result, Travelucion is considered the principal in these sales transactions.

The Company does not have any comparable figures for the first three quarters of fiscal 2016 as the parent company acquired a 100% interest in Travelucion on March 21, 2016. The Company's income for the last quarter of fiscal 2016, is not reflective of an accurate service revenue or net income due to the short reporting period and off season travel months to warm destinations.

In addition to revenue of $551,713 (2016 - $305,141) there is $182,262 in deferred revenue. (2016 - $214,139). The Company received this revenue but it is not included as earned sales or booking revenue until the travelers have completed their trips. When the travel is completed, the deferred revenue is realized and recorded as revenue.

The Company's income for the three month period ended May 31, 2017 was $64,203 or a $0.01 gain per share, compared to a loss of $3,422,345 in the same period in fiscal 2016. The significant difference was due to the write-off of an exploration and evaluation asset in the amount of $2,785,317 in the prior year's quarter. Without this write-off, the loss would have been $637,027 for the quarter. Due to the aforementioned change of business that occurred during fiscal 2016, the prior three month period ended May 31, 2016 loss does not reflect the nature of the Company's current business.

The Company's general and administrative expenses of $303,768 (2016 - $778,676) decreased by $474,908 compared to the same quarter in the previous year. Expenses such as professional fees, shareholder communications and transfer agent and filing fees, may vary quarter to quarter as the quarter in which they occur may vary from one year to another. The expenses in the recently completed fiscal quarter ending May 31, 2017 include those of the foreign subsidiary, Travelucion, whereas the comparative 2016 fiscal quarter does not include a full quarter, making a comparison not necessarily a true reflection between the two quarterly periods.

There was a share-based compensation expense of $Nil (2016 – $166,302). Without the inclusion of this non-cash expense, the general and administrative expenses would have been $303,768 (2016 - $612,374), a decrease of $308,606 between the two quarters.

There are no trends, commitments, events or uncertainties presently known to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operation other than uncertainty as to the speculative nature of the business.

Liquidity and Capital Resources

At May 31, 2017 the Company had cash of $38,186 (May 31, 2016 - $262,447). The Company's capital needs are usually met by equity subscriptions which were $490,500 gross in the current year (2016 - $1,370,500 gross).

Working capital deficiency was ($151,408) at May 31, 2017 compared to a working capital surplus of $73,019 at May 31, 2016.

In addition to the change in cash position, individual items contributing to the change in liquidity are as follow:

- Receivables and Prepaid expenses decreased by $85,860 to $79,449 (2016 - $165,309), Equipment decreased by $12,407 to $43,847 (2016 - $56,254) and intangible assets decreased by $479,922 to $2,193,936 (2016 - $2,673,858).

- Accounts payable and accrued liabilities decreased by $58,968 to $70,452 (2016 - $129,420), deferred revenues decreased by $31,877 to $182,262 (2016 - $214,139) and current loans payable increased by $5,151 to $16,329 (2016 - $11,178).

The Company has historically met all cash requirements for operation by equity financing. Future funding needs of the Company are dependent upon the Company's continued ability to obtain equity and/or debt financing to meet its financial obligations and to pursue further exploration on its properties.

May 31, 2016 Compared With May 31, 2015

Private Placements

In March 2016, the Company completed a private placement to raise $608,200 by the issuance of 12,164,000 units at a price of $0.05 per unit. Each unit consists of one common share and one half non-transferrable share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share at a price of $0.075 per share for a period of two years expiring March 10, 2018. Shares issued in connection with this private placement including any shares issued as a result of the exercise of any warrants will be subject to a hold period expiring four months and one day from the date of issuance. Aggregate finder's fees of $27,909 cash and 497,980 agent's warrants have been paid in connection with part of this offering. The agent warrants are subject to the same terms and conditions as the subscriber warrants.

The Company closed the first tranche of its non-brokered private placement on October 5, 2015 and raised $402,800 by the issuance of 8,056,000 units at a price of $0.05 per unit. Each unit consists of one common share and one non-transferrable share purchase warrant entitling the holder to purchase one additional common share at a price of $0.075 per share for a period of five years, expiring October 5, 2020. Aggregate finder's fees of $17,291 cash and 245,000 agents' warrants have been paid in connection with this offering. The agents' warrants are subject to the same terms and conditions as the subscriber warrants.

The 245,000 finders' warrants were valued at $22,744 using the Black-Scholes option pricing model using a weighted average estimated life of 5 years, volatility of 154.19%, a dividend rate of 0% and risk free interest rate of 0.82%.

The Company closed the second and final tranche of its non-brokered private placement financing on October 16, 2015 and raised $359,500 by issuing 7,190,000 units at a price of $0.05 per unit. Each unit consists of one common share and one non-transferrable share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of $0.075 per share for a period of five years, expiring October 16, 2020. The total raised from tranches 1 and 2 was $762,300. No finder's fees were paid in connection with the second tranche closing.

Shares held in escrow

The 20,000,000 shares issued for the 100% Travelucion S.L. acquisition are subject to an escrow agreement under the policies of the TSX Venture Exchange. 1,000,000 shares were released from escrow as at May 31, 2016. During fiscal 2015 the Company participated in the following private placement:

On July 31, 2014, the Company issued 5,985,000 units at $0.05 per unit for gross proceeds of $299,250. Each unit consisted of one common share and one non-transferable share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.07 per share for a period of two years expiring July 31, 2016. Finders' fees of $9,048 in cash and 180,950 agents' warrants (valued at $11,925) were paid and issued.

Operations

Income

The Company underwent a change of business and became an online travel and digital media marketing company that specializes in travel marketing, electronic reservations and online booking solutions for international visitors to Cuba.

The Company obtains revenue primarily from the sale of hotel rooms, rental cars and tours. These services are purchased from the suppliers with Travelucion S.L. (foreign subsidiary located in Spain) bearing responsibility for customer satisfaction, obtaining customers for purchased services (inventory risk), setting the price, and collection of all receivables. As a result, Travelucion is considered the principal in these sales transactions. The parent company acquired a 100% interest in Travelucion as of March 21, 2016.

The Company's service revenue of $305,141 is for the period, from 100% acquisition in Travelucion on March 21, 2016, to May 31, 2016, while the general and administrative expenses represent the entire fiscal year. Due to the short reporting period and off season travel months to warm destinations, the net income does not necessarily reflect an accurate service revenue amount. This bringing into consideration that off season months amount to seven months of the year and, during high season months, revenue and sales can increase fourfold or more, throughout each remaining high season month. The Company does not have any comparable figures for its 2015 year end.

The Company incurred exploration and development expenditures of $2,875 in fiscal 2016 and $2,025in fiscal 2015 (see table below)

Exploration and Evaluation Assets	**Exploration Expenditures Incurred**	
Ontario, Canada	**2016**	**2015**
North Albany Graphite	$ -	$ -
Pidgeon Molybdenum Mines Limited	2,026	2,025
Raney Gold Project	850	-
Total	**$ 2,876**	**$ 2,025**

The Company operates from the premises of a private company that provides office and administrative services to the Company and various other public companies on a short-term contract basis. The private company incurs costs which are reimbursed by the Company and charged an administration fee of $42,219 (2015- $37,544) representing 15% of the costs incurred.

Off-Balance Sheet Arrangements

At May 31, 2017 the Company did not have any off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Transactions with Related Parties

All amounts either due from or due to related parties are non-interest bearing, unsecured and have no fixed terms of repayment. All related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The Company paid or accrued the following to directors, executive officers and officers of the Company:

	2017	2016
Consulting fees	$ 260,397	$ 36,527
Administrative	-	15,993
Share-based compensation	65,989	122,368
	$ 326,386	$ 174,888

Administrative agreement

The Company operates from the premises of a private company that provides office and administrative services to the Company and various other public companies on a short-term contract basis. The private company incurs costs which are reimbursed by the Company and is charged an administration fee of $Nil (2016 - $42,219) representing 15% of the costs incurred.

Included in accounts payable and accrued liabilities at May 31, 2017 is $Nil (2016 - $42,807) due to the private company.

Included in accounts payable and accrued liabilities as at May 31, 2017 is $10,346 (2016 - $3,185) due to directors and/or their companies.

Net against receivables and prepaid expenses at May 31, 2017 is $15,306 (2016 - $Nil) due to the private company.

Effective June 30, 2016, the privately owned company mentioned herein, no longer provided administrative services to the Company.

On July 1, 2016, the Company commenced administrative services with another private company with a common director. No administrative fees are charged for this service.

Subsequent Events

Cuba Ventures Corp signs letter of intent to acquire Licensed Florida based travel agency.

On June 19, 2017, the Company announced that it has entered into a Letter of Intent which outlines the general terms and conditions of a proposed transaction with certain shareholders of International Business & Travel Opportunities, LLC, a duly licensed Travel Agency located in Florida USA pursuant to which the Company shall acquire up to a 30% minority interest in IBTO in exchange for 550,000 common shares of Cuba Ventures Corp., $10,000 in cash and related transaction costs. IBTO is a cash-flow positive, duly licensed, Florida USA based travel agency that specializes in travel to Cuba. IBTO organizes trips to Cuba under the auspices of US regulations. International Business & Travel Opportunities' has specialized in educational and cultural trips to Cuba for groups of United States citizens desirous of visiting Cuba.

Furthermore, on July 27, 2017, the Company announced that it has signed a formal agreement for the acquisition of a 19% minority stake in IBTO. A definitive agreement, signed July 27 2017, ratifies the transaction with the single shareholder of International Business & Travel Opportunities, LLC. The acquisition was achieved through the sale of a 19% interest in "IBTO" to Cuba Ventures Corp, through the issuance of 500,000 common shares of Cuba Ventures priced at $0.05 cents and cash payment of $10,000 for transaction costs, to certain shareholders of International Business & Travel Opportunities, LLC.

On August 8, 2017, the TSX Venture Exchange formally accepted the acquisition.

Cuba Ventures Announces and Closes Non-Brokered Private Placement on June 20, 2017

The Company announced and closed a non-brokered private placement of 600,000 units at a price of $0.05 per unit to raise proceeds of up to $30,000. Each unit will consist of one common share and one non-transferable share purchase warrant. Each warrant will entitle the holder to purchase one additional common share, for a period of five years, at a price of $0.05 per share.

Cuba Ventures Corp subject to a trademark infringement lawsuit and its plans to vigorously fight the allegation

On August 1st Cuba Ventures Corp. received a notice concerning legal action regarding an alleged breach of the trademark from a Curacao based travel agency. Caribbean Travel Network, domiciled on the island of Curacao in the Caribbean, filed a complaint against directors and the company, surrounding the alleged use of word mark violation in Canada and, unproven claims relating to unfair competition. The board believes the claim is without merit and has engaged trademark specialist council and will fight this complaint forcefully.

Cuba Ventures Signs LOI with Al-Fahim Technologies Group, UAE, for $40 million Euros Initial Capital to Jointly Create Cuba Financing Division (CUBAFIN) Company

On August 8, 2017, the Company announced that it has entered into a Letter of Intent with Al-Fahim Technologies Group ("AFTG" or *www.alfahimtechnologies.com*) which outlines the general terms and conditions of the proposed creation of a Cuba Financing system to be named CUBAFIN. The initial funding, agreed by the partner "AFTG", for short to medium term loans to non-governmental, non-military or non-security force entities, is $40 million Euros (approx. $59 million CAD), Cuba Ventures Corp has identified numerous Cuba related opportunities which would benefit from the said financing. The CUBAFIN finance platform intends to provide payment solutions for Letter of Credit (LC) holders, short term financing requirements and, to stimulate the self-employed private economy, giving Cuban entrepreneurs access to much needed capital. Through CubaFin, Cuba Ventures Corp hopes to assemble numerous deals it has identified over the past 12 months, which could directly impact the company's revenues, especially in the Cuba Travel & Media sectors associated with the wholly owned subsidiary Travelucion. Additionally, the CubaFin platform hopes to enable third party financiers to directly finance outstanding secured receivables while obtaining above market interest returns. CubaFin should appeal to small and medium-sized enterprises looking for an improved way of working capital financing by selling their outstanding means of payment collection from sales in the Cuban market (typically LC and Secured Drafts) by transferring the credit rights to CubaFIN and, its financiers. Contrary to traditional invoice finance, CubaFin will be fast, flexible and employ transparent contract terms. The Company is working toward a definitive agreement.

Cuba Ventures Travel Division Signs MOU with GDS Integration Specialist Booketea and Worldwide Water Sports and Nautical Activity Marketer Enjoysea.com.

On August 14, 2017, the Company announced that it has entered into a memorandum of understanding ("MOU") with Booketea for bilateral GDS integration into all 432 of the Cuba Ventures propriety Cuba-Centric websites for a payment of $25,000 euros. Booktea is Europe's leading travel industry specialist, having provided similar GDS booking Technology for Segway Trip Inc., Fred Olsen Ferries, and Spa wellplus. Simultaneously, an MOU was signed with Enjoysea.com, a worldwide nautical activity marketer. This MOU includes worldwide distribution of Cuba's enormous array of water sport activities, catamaran cruises, diving, jet ski and other nautical activities contracted through Travelucion, a wholly owned subsidiary of Cuba Ventures Corp.

The Company Adds Two New Advisors, Steven Geiger & W Patrick Murphy

On August 14, 2017, Cuba Ventures welcomed two new advisors, Steven Geiger and Patrick Murphy to assist with projects related to the Al-Fahim Fintech venture and other commercial avenues to be established.

Cuba Ventures Acquires CubaFinTech.com Domain Name

On August 14, 2017, Cuba Ventures Corp acquired, the domain name www.CubaFinTech.com which it intends to develop in line with the proposed Definitive Agreement concerning a Fintech definitive agreement with Al-Fahim Technologies.

Cuba Ventures Announces and Closes a Private Placement

On August 18, 2017 and further clarified on August 21, 2017, Cuba Ventures Corp. announced a non-brokered private placement of up to 8.0 million Units at a price of $0.05 per Unit for proceeds of up to $400,000. Each Unit shall consist of one common share in the capital of the Company and one common share purchase warrant and each Warrant shall entitle the holder to purchase one additional Share at a price of $0.075 per Warrant Share for a period of two years from the date of closing. Finders fees of up to 7% may be payable on a portion of the placement. Subsequent to this announcement, Cuba Ventures Corp. announced the closing of the non-brokered private placement financing on August 25, 2017. Pursuant to the Private Placement the Company has issued 4,900,000 units at a price of $0.05 per unit for gross proceeds of $245,000. The Company paid finders' fees and has issued finders' warrants in connection with this Private Placement in the amount of $6,475 cash and the issuance of 129,500 finders' warrants which have the same terms as the subscribers' warrants. The net proceeds of the Private Placement will be used to fund working capital.

Cuba Ventures Corp signs a memorandum of understanding with Bhavnani Corporation

On September 19, 2017, the Company announced that it has entered into a memorandum of understanding with Bhavnani Corporation ("Bhavani" or *www.bhavnanicorp.es.)* which is intended to form part of a broader agreement and corporate relationship between Cuba Ventures and Bhavnani. Bhavnani holds equity in numerous technology companies bringing value to its technology and IT focused subsidiaries from its position as a significant shareholder and its active participation in the Boards of Directors and, in other governing bodies of these companies.

New advisor joins the team in preparation for the planned Al-Fahim Fintech definitive agreement

On September 19, 2017 the Company announced the addition of Mr. Daniel Hernandez Rodriguez to the Company's Advisory board for CubaFIN division. Mr. Hernandez is an experienced banking technology executive specifically focused upon electronic banking and, front and back office security applications. Mr. Hernandez will advise the company on the creation of www.CubaFinTech.com, as a secure lending platform employing the latest banking technologies and assuring its compliance to international banking protocols. Additionally, the company intends to deploy an electronic block chain payment mechanism for internal users in Cuba.

Cuba Ventures Corp Travel Division announces launch of updated Havanatur.com travel booking website.

On September 26, 2017, the Company announced that it has released the much anticipated www.Havanatur.com e-commerce website for public beta testing. Using the latest version of the company's proprietary booking software, and employing the most modern design parameters, this new e-commerce website is expected by management to increase both user engagement and positively impact revenues for the travel division going forward.

Loan Payable

The Company entered into a loan agreement with La Caixa Bank, for an unsecured bank loan, payable in monthly instalments of 2,275 Euros including interest at 11.9%, due September 1, 2018.

Warrants Exercised

The Company issued 250,000 shares on the exercise of warrants for proceeds of $18,750.

Incentive Stock Options Granted

The Company granted 400,000 stock options exercisable at $0.065 per share expiring on September 20, 2022.

Financial Instruments and Other Risks

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Cash is carried at fair value using a Level 1 fair value measurement. The carrying values of receivables and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Financial risk factors

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

Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote because these instruments are due primarily from government agencies and cash is held with reputable financial institutions.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. The Company may delay payment of payables as it collects its receivables as is standard within the industry. The Company will also raise equity and debt monies to overcome a working capital deficit that arises from time to time. As at May 31, 2017, the Company had a cash balance of $38,186 (May 31, 2016 - $262,447) to settle current liabilities of $269,043 (May 31, 2016 - $354,737). All of the Company's financial liabilities are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

(a) Interest rate risk

The Company has cash balances held with financial institutions. The Company's current policy is to invest excess cash in guaranteed investment certificates with Canadian banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The impact of a 1% change in interest rates would not have a significant effect on interest income.

(b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash, receivables and accounts payable and accrued liabilities that are denominated in United States Dollars and the Euro. A 10% fluctuation in the US dollar against the Canadian dollar would affect net income for the year by $Nil. A 10% fluctuation in the Euro against the Canadian dollar would not result in any material change in net income for the period ended May 31, 2017.

(c) Price risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in pricing may be significant.

Additional Information

• Additional information with respect to the Company is also available on the Company's website at www.cubaventurescorp.com and also on SEDAR at www.sedar.com

New standards, interpretations and amendments adopted

New standards not yet adopted

IFRS 9, Financial Instruments is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018. The Company has not yet made an assessment of the impact of the amendments.

IFRS 16 Leases replaces IAS 17 - Leases and requires lessees to account for leases on the statement of financial position by recognizing a right to use asset and lease liability. The standard is effective for annual reports beginning on or after January 1, 2019, with earlier adoption permitted.

Outstanding Share Data

As at the report date of September 27, 2017 the following were outstanding:

Share capital – issued and outstanding	78,662,487
Options	7,391,169
Warrants	36,719,080
Shares held in escrow	14,000,000

Management's Responsibility for Financial Statements

The Company's management is responsible for presentation and preparation of the consolidated financial statements and MD&A.

The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

The financial statements and information in the MD&A necessarily include amounts based on informed judgements and estimates of the expected effects of current events and transactions with appropriate consideration to materiality.

In addition, in preparing the financial information we must interpret the requirements described above, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information.

The MD&A also includes information regarding the impact of current transactions and events, sources of liquidity and capital resources, operating trends, risks and uncertainties. Actual results in the future may differ materially from our present assessment of this information because future events and circumstances may not occur as expected.

The Board of Directors of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it and can be obtained along with additional information at www.sedar.com.