

GREENSTONE CAPITAL CORP.

MANAGEMENT'S DISCUSSION & ANALYSIS FOR THE SIX MONTHS ENDED JULY 31, 2021

The following management's discussion and analysis ("MD&A") should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the six months ended July 31, 2021 and 2020, prepared in accordance with International Financial Reporting Standards ("IFRS"). Additional information regarding the Company is available on SEDAR at www.sedar.com.

All dollar figures included therein and in the following discussion analysis are quoted in Canadian dollars unless otherwise noted.

DATE

This MD&A is dated September 29, 2021 and is in respect of the six months ended July 31, 2021. The discussion in this MD&A focuses on this period. Estimates and forward-looking information are based on assumptions of future events and actual results may vary from these estimates.

DESCRIPTION OF BUSINESS AND OVERALL PERFORMANCE

Greenstone Capital Corp. (the "**Company**") was incorporated under the *Business Corporations Act* of Alberta on June 6, 2018. The Company is a Capital Pool Company ("**CPC**") as defined in the TSX Venture Exchange (the "**Exchange**") Policy 2.4. The principal business of the Company is the identification and evaluation of assets or business with a view to potentially acquire them or an interest therein by an option or any concomitant transaction. The purpose of such acquisition is to satisfy the related conditions of a qualifying transaction under the policies of the Exchange.

On April 24, 2019, the Company announced the completion of its initial public offering (the "**IPO**") of 5,000,000 common shares at the price of \$0.10 per common share. The common shares of the Company commenced trading on May 9, 2019 under the trading symbol GSGS.P.

On October 27, 2020, the Company announced a non-binding letter of intent (the "**LOI**"), dated October 23, 2020, to enter an arms length business combination transaction (the "**Proposed Transaction**") with Comprehensive Healthcare Systems Inc. ("**CHS**"). The Company intends that the proposed transaction will constitute its Qualifying Transaction, as such term is defined under Policy 2.4 of the Exchange.

At the Company's request, trading in the Company's common shares was halted by the Exchange on October 27, 2020. Trading is expected to remain halted until, at the earliest, the completion of the Proposed Transaction.

On December 9, 2020, pursuant to the terms of the LOI, the Company announced it successfully entered into a binding merger agreement and plan of reorganization (as amended and restated on May 20, 2021, the "**Merger Agreement**"), dated December 7, 2020, with CHS and Greenstone Capital USA Inc., a wholly-owned subsidiary of the Company, in respect of the Proposed Transaction. Upon completion of the Proposed Transaction, the Resulting Issuer (as such term is defined in the Exchanges' policy 2.4) will continue to carry on the business of CHS and will be listed as a Tier 2 issuer on the Exchange. The completion of the Proposed Transaction is subject to the satisfaction of various conditions that are customary for transactions of this nature, including by not limited to (i) the completion of concurrent financing by CHS; (ii) approval by the directors and shareholders (if required) of Greenstone and CHS; and (iii) the receipt of all requisite regulatory, stock exchange or governmental authorization and consents,

including the Exchange. On or immediately prior to the completion of the Proposed Transaction, (i) the Company expects to change its name to Comprehensive Healthcare Systems Inc., and (ii) consolidate its common shares on the basis of 1 post consolidation Greenstone common share for every 3.5322575 pre-consolidation Greenstone common shares.

On February 24, 2021, the Company announced that CHS successfully closed a non-brokered private placement of convertible debentures (the “**Debentures**”) for aggregate proceeds of approximately \$4,700,000. The Debentures mature on February 24, 2022 and bear interest at a rate of 10% per annum.

The Company also announced on February 24, 2021 that it and CHS entered into an engagement letter with a syndicate of agents with respect to a brokered private placement of subscription receipts of CHS (the “**Subscription Receipts**”) for aggregate gross proceeds of up to \$5,000,000 (the “**Brokered Private Placement**”).

On March 23, 2021, the Company amended its escrow agreement to reduce the escrow period applicable to its seed shareholders from 36 months to 18 months in accordance with the changes made to the Exchange’s policy 2.4 in January 2021.

On May 10, 2021, the Company announced that CHS closed the Brokered Private Placement for aggregate gross proceeds of approximately \$4,500,000. An aggregate of 7,082,499 Subscription Receipts were issued at a purchase price of \$0.45 per Subscription Receipt. In addition, CHS completed non-brokered financing of an additional 2,894,450 Subscription Receipts for additional gross proceeds of approximately \$1,302,502.

The head office, principal address and registered office of the Company are located at 2440 Kensington Road NW, Calgary, AB T2N 3S1.

RISKS AND UNCERTAINTIES

The Company does not have a history of earnings, nor has it paid any dividends. The Company has only limited funds and there is no assurance that the Company will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the Exchange, at which time the exchange may suspend or de-list the Company’s shares from trading.

The recent outbreak of the coronavirus, also known as "COVID-19", has spread across the globe and is impacting worldwide economic activity. Conditions surrounding the coronavirus continue to rapidly evolve and government authorities have implemented emergency measures to mitigate the spread of the virus. The outbreak and the related mitigation measures may have an adverse impact on global economic conditions as well as on the Company’s business activities. The extent to which the coronavirus may impact the Company’s business activities will depend on future developments, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. These events are highly uncertain and as such, the Company cannot determine their financial impact at this time.

RESULTS OF OPERATIONS

The Company was incorporated on June 6, 2018 and became a "Reporting Issuer" in each of the Provinces of Alberta, British Columbia and Ontario pursuant to applicable securities legislation on April 11, 2019 upon the filing of its final long form prospectus.

Total assets as at July 31, 2021 and January 31, 2021 were \$313,592 and \$352,917, respectively. The decrease in total assets was primarily a result of the operating expenses incurred during the six months ended July 31, 2021 in the ordinary course of business.

Total liabilities as at July 31, 2021 and January 31, 2021 were \$13,362 and \$15,181, respectively. The decrease of \$1,819 was primarily a result of accrued legal fees which were incurred and settled during the six months ending July 31, 2021.

During the six months ended July 31, 2021, the Company incurred a loss of \$37,506 (2020 - \$21,823). The increase in loss is primarily attributable to the increase in operating activity related to the Proposed Transaction during the six months ended July 31, 2021 as compared to the six months ended July 31, 2020.

During the three months ended July 31, 2021, the Company incurred a loss of \$13,279 (2020 - \$10,890). The increase in loss is primarily attributable to the increase in professional fees related to the Proposed Transaction during the three months ended July 31, 2021 as compared to the three months ended July 31, 2020.

SUMMARY OF QUARTERLY RESULTS

For the three and six months ended July 31, 2021 the Company reported no discontinued operations and declared no cash dividends.

The following table provides selected quarterly unaudited financial data for the eight most recently completed interim quarters:

	2021		2021		2021		2020	
Quarter Ended	July 31		April 30		January 31		October 31	
Revenue	\$	-	\$	-	\$	-	\$	-
Net (loss) income for the period	\$	(13,279)	\$	(24,227)	\$	(51,575)	\$	(7,317)
Weighted average number of common shares outstanding ¹		5,000,000		5,000,000		5,000,000		5,000,000
Basic and diluted loss per share	\$	(0.00)	\$	(0.00)	\$	(0.01)	\$	(0.00)
	2020		2020		2020		2019	
Quarter Ended	July 31		April 30		January 31		October 31	
Revenue	\$	-	\$	-	\$	-	\$	-
Net (loss) income for the period	\$	(10,890)	\$	(10,933)	\$	(12,141)	\$	(8,407)
Weighted average number of common shares outstanding ¹		5,000,000		5,000,000		5,000,000		5,000,000
Basic and diluted loss per share	\$	(0.00)	\$	(0.00)	\$	(0.00)	\$	(0.00)

(1) Removed from outstanding share amounts are shares held in escrow. The Company's shareholders are subject to the TSX's Capital Pool Companies Policy 2.4 whereby all 2,300,000 shares issued in the prior period are held in escrow until the issuance of the Final Exchange Bulletin.

Net loss decreased for the three months ended July 31, 2021, primarily due to a decrease in listing fees and professional fees incurred related to the Merger Agreement with CHS.

Net loss decreased for the three months ended April 30, 2021, primarily due to a decrease in professional fees incurred related to the Merger Agreement with CHS.

Net loss increased for the three months ended January 31, 2021, primarily due to an increase in professional fees related to the Merger Agreement with CHS.

Net loss decreased for the three months ended October 31, 2020, primarily due to a decrease in listing fees.

Net loss remained relatively unchanged for the three months ended July 31, 2020, as it was primarily comprised of operating expenses incurred in the ordinary course of business.

Net loss decreased for the three months ended April 30, 2020, primarily due to a decrease in listing fees and general and administrative expenses, due to uncertainties surrounding the COVID-19 pandemic.

Net loss increased for the three months ended January 31, 2021, primarily due to an increase in listing fees and professional fees incurred in the ordinary course of business.

Net loss increased for the three months ended October 31, 2019, primarily due to an increase in listing fees, general and administrative expense and professional fees incurred in the ordinary course of business.

OUTSTANDING SHARE DATA

Common Shares

As at July 31, 2021 and September 29, 2021, the Company had 7,300,000 common shares issued and outstanding.

Stock Options

As at July 31, 2021 and September 29, 2021, there were 698,260 stock options outstanding entitling the holders thereof the right to purchase one common share for each option held.

LIQUIDITY AND CAPITAL RESOURCES

As at July 31, 2021, the Company had working capital of \$300,230 (January 31, 2021 - \$337,736) comprised of cash, and a cash equivalent one-year cashable GIC which management considers to be sufficient for the Company to meet its ongoing obligations for the next year.

OFF-BALANCE SHEET ARRANGEMENTS

None.

PROPOSED TRANSACTIONS

Except for the Proposed Transaction, there are no other material transactions proposed by the Company at this time. See “Description of the Business and Overall Performance”.

TRANSACTIONS WITH RELATED PARTIES

The Company has identified its directors and certain officers as its key management personnel. As at July 31, 2021, the directors and officers of the Company were as follows:

Mohammad Fazil, President, CEO, CFO and Director
Dale Machesney, Director
Gord Anderson, Director
Eamon Hurley, Director
Keith Inman, Corporate secretary

a) Key management compensation

Key management consists of the Officers and Directors who are responsible for planning, directing, and controlling the activities of the Company. All related party transactions are carried out in the normal course of operation.

During the three and six months ended July 31, 2021 and 2020, key management personnel were not paid any post-employment benefits, termination benefits or any other short and long-term benefits.

b) Other transactions

As at July 31, 2021, \$2,056 (January 31, 2021 - \$Nil) is included in trade and other payables due to a law firm of which the Company's corporate secretary, Keith Inman, is a partner and \$15,000 (January 31, 2021 - \$15,000) is included in trade and other receivables due from CHS for reimbursement of fees paid by the Company on behalf of CHS.

During the three and six months ended July 31, 2021, the Company incurred \$2,056 and \$13,562, respectively (2020 - \$1,002 and \$3,111) in legal fees to a law firm of which the Company's corporate secretary, Keith Inman, is a partner.

FINANCIAL INSTRUMENTS

The Company's senior management oversees the management of risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's senior management provides assurance that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured, and managed in accordance with the Company's policies and group risk appetite. All derivative activities, if any, for risk management purposes are carried out by a team that has the appropriate skills, experience, and supervision. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The Board of Directors reviews and agrees on policies for managing each of the risks summarized below:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Corporation's financial assets consist of cash and cash equivalents. The Company's maximum exposure to credit risk, as at period-end, is the carrying value of its financial assets. The Company mitigates credit risk by holding financial instruments within financial institutions of high creditworthiness.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they come due. The Company currently settles its financial obligations with cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. As at July 31, 2021, the Company had a cash and cash equivalents balance of \$298,592 (January 31, 2021 - \$337,917) and outstanding financial liabilities of \$13,362 (January 31, 2021 - \$15,181).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to any significant interest rate risk.

Foreign currency risk

The Company is not currently exposed to foreign currency risk as all of its assets, liabilities and operations are denominated in Canadian dollars.

CRITICAL ACCOUNTING ESTIMATES

This MD&A is based on financial statements which have been prepared in accordance with IFRS. The preparation of the financial statements requires that certain estimates and judgments are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances.

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and income and expenses. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The accounting estimates for share based payments are based on the Black-Scholes option valuation model which was developed for use in estimating the fair value of traded options which were fully tradable with no vesting restrictions. This option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Since the Company's stock options have characteristics significantly different from those of traded options and since changes in the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include the assessment of the Company's ability to continue as a going concern.

CAPITAL RISK MANAGEMENT

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of equity which is comprised of issued share capital and retained earnings.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company's primary source of capital is through the issuance of common shares. The Company manages and adjusts its capital structure when changes in economic conditions occur. To maintain or adjust the capital structure, the Company may seek additional funding. The Company may require additional capital resources to meet its administrative overhead expenses in the long term. The Company believes it will be able to raise capital as required in the long term but recognizes there will be risks involved that may be beyond its control. Other than as noted in Note 7, there are no external restrictions on the management of capital as at July 31, 2021.

RISKS AND UNCERTAINTIES

Investing in the common shares of the Company involves risk. Prospective investors should carefully consider the risks described below, together with all the other information included in this MD&A before making an investment decision. If any of the following risks occurs, the business, financial condition or results of operations of the Company could be harmed. In such an event, the trading price of the common shares could decline, and prospective investors may lose part or all their investment.

No operating history

The Company was incorporated on June 6, 2018, has not commenced commercial operations. 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 acquisitions of a material asset or a business (Qualifying Transaction) and there can be no assurance that the Company will be able to do so. Even if a Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction.

Possible trading suspension or delisting

Suspension from trading of the common shares may, and delisting of the common shares will, result in the regulatory securities authorities issuing an interim cease trade order against the Company. In addition, delisting of the common shares will result in the cancellation of all the currently issued and outstanding common shares of the Company held by Insiders. Trading in the common shares of the Company may be halted at other times for other reasons, including for failure by the Company to submit documents to the Exchange in the time periods required.

Halt of trading

Upon public announcement of a potential Qualifying Transaction, trading in the common shares of the Company will be halted and will remain halted until Completion of the Qualifying Transaction, or sooner pursuant to Policy 2.4. Neither the Exchange nor any securities regulatory authority passes upon the merits of the potential Qualifying Transaction. On October 27, 2020, the Company halted trading due to the announcement of the Merger Agreement which will constitute its Qualifying Transaction. Trading is expected to remain halted until, at the earliest, the completion of the Proposed Transaction.

Exchange may not approve a Qualifying Transaction

Completion of a Qualifying Transaction is subject to several conditions including acceptance by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval as such terms are defined in Policy 2.4.

Notwithstanding that a transaction may meet the definition of a Qualifying Transaction; the Exchange may not approve a proposed transaction:

- (a) if the Company fails to meet the initial listing requirements prescribed by Policy 2.1 – Initial Listing Requirements of the Exchange upon Completion of the proposed Qualifying Transaction;
- (b) if, following Completion of the proposed Qualifying Transaction, the Company will be a finance company, or a mutual fund as defined under applicable securities laws;
- (c) the consideration proposed to be paid by the Company in connection with the proposed Qualifying Transaction is not acceptable to the Exchange; or
- (d) for any other reason at the sole discretion of the Exchange.

Approval by the majority of the minority

Where Majority of the Minority Approval is required, unless the shareholder has the right to dissent and be paid fair value in accordance with the applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Company of fair value for the common shares.

Dilution

If the Company issues treasury shares to finance acquisition or participation opportunities, control of the Company may change, and subscribers may suffer dilution of their investment.

Directors and Officers

The directors and officers of the Company will not be devoting all their time to the affairs of the Company but will be devoting such time as required to effectively manage the Company. Some of the directors and officers of the Company are engaged and will continue to be engaged in the search for assets or businesses on their own behalf, or on behalf of others, such that conflicts may arise from time to time. Because of such conflicts, the Company may be exposed to liability and its ability to achieve its business objectives may be impaired.

Reliance on Management

The Company is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of its directors and officers. The loss of any of its directors or officers could have a material adverse effect upon the business and prospects of the Company.

Foreign acquisition

In the event the Company identifies a foreign business as a proposed 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.

FORWARD LOOKING INFORMATION

Certain statements contained in this MD&A, including statements or information that contain terminology such as "anticipate", "believe", "intend", "expect", "estimate", "may", "could", "will", and similar expressions constitute "forward-looking statements" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, that address activities, events, or developments that we or a third party expect or anticipate will or may occur in the future, including our future growth, results of operations, performance and business prospects and opportunities are forward-looking statements.

These forward-looking statements reflect our current beliefs and are based on information currently available to us. These statements require us to make assumptions we believe are reasonable and are subject to inherent risks and uncertainties. Actual results and developments may differ materially from the results and developments discussed in the forward-looking statements as certain of these risks and uncertainties are beyond our control.

Examples of such forward-looking statements in this MD&A include, but are not limited to, our ability to complete a Qualifying Transaction at all, or if completed, on terms that are ultimately beneficial to shareholders. These forward-looking statements are based on several assumptions that may prove to be incorrect, which include, but are not limited to:

- our ability to obtain necessary financing to complete a Qualifying Transaction;
- our ability to satisfy conditions under any acquisition agreement for a Qualifying Transaction; and
- meeting the conditions of the Exchange with respect to the Qualifying Transaction.

Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. These forward-looking statements are made as of the date of this MD&A. Except as required by applicable securities legislation, we assume no obligation to update publicly or revise any forward-looking statements to reflect subsequent information, events, or circumstances.

DISCLOSURE OF MANAGEMENT COMPENSATION

In accordance with the requirements of Section 19.5 of TSXV Policy 3.1, the Company provides the following disclosure with respect to the compensation of its directors and officers during the period:

1. During the six months ended July 31, 2021, the Company did not enter any standard compensation arrangements made directly or indirectly with any directors or officers of the Company, for their services as directors or officers, or in any other capacity, with the Company or any of its subsidiaries except as disclosed under "Transactions with Related Parties".
2. During the six months ended July 31, 2021, the Company did not compensate any officers of the Company for their services as such. See note above under "Transactions with Related Parties".
3. During the six months ended July 31, 2021, the Company did not enter any arrangement relating to severance payments to be paid to directors and officers of the Company and its subsidiaries.