

MYM NUTRACEUTICALS INC.

Management Discussion & Analysis

For the years ended May 31, 2018 and 2017

This management discussion and analysis (“MD&A”) of the financial condition and results of operations of MYM Nutraceuticals Inc. and its partially and wholly-owned subsidiaries, prepared as at September 27, 2018, is for year ended May 31, 2018. It is supplemental to, and should be read in conjunction with, the Company’s audited consolidated financial statements and accompanying notes for the year ended May 31, 2018, as well as the financial statements and MD&A for the year ended May 31, 2017. The Company’s financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”). All amounts presented herein are stated in Canadian dollars, unless otherwise indicated. “MYM” or the “Company” refers to MYM Nutraceuticals Inc. and, as applicable, its partially and wholly-owned subsidiaries.

This MD&A has been prepared by reference to the MD&A disclosure requirements established under National Instrument 51-102 “Continuous Disclosure Obligations” of the Canadian Securities Administrators. Additional information regarding MYM is available on our website at www.mym.ca or through the SEDAR website at www.sedar.com

Certain information in this MD&A contains or incorporates comments that constitute forward-looking information within the meaning of applicable securities legislation. See “Caution Regarding Forward-Looking Information” below.

Company Overview

MYM was incorporated under the *Business Corporations Act* (British Columbia) (“BCBCA”) on July 11, 2014 under the name "My Marijuana Canada Inc.". MYM completed a name change to “MYM Nutraceuticals Inc.” on February 24, 2016.

The Company’s common shares are listed on the Canadian Securities Exchange under the symbol “MYM”, quoted on the OTCQX under the symbol “MYMMF” and quoted on the Frankfurt Stock Exchange under the symbol “0MY.F 0MY.MU, 0MY.SG”.

The Company’s vision is to build a globally integrated seed-to-sale cannabis company through the construction of large-scale, efficient facilities and focused international expansion.

The Company is in the business of acquiring and developing natural remedies and currently holds the rights to various intangible assets including intellectual property, domain names and copyrights and customer lists, and is the majority shareholder of two companies that have active applications to become a licensed producer (a “**Licensed Producer**”) of medical cannabis under the *Access to Cannabis for Medical Purposes Regulations* (“ACMPR”). The Company intends to construct, develop and operate facilities in Canada under the ACMPR and the *Cannabis Act*’s regulations. The Company has also submitted an application to obtain a Dealer’s License under the *Narcotic Control Regulations* (Health Canada) which, if granted, will allow it to conduct activities with cannabis including testing, extraction and processing.

Medical marijuana opportunities are developing in numerous other countries as these jurisdictions move towards establishing legislation to allow for medical and recreational marijuana. The Company has an interest in a project that is under development in Australia and is exploring opportunities in Colombia.

Although the Company has started to invest resources for a medical marijuana business, there is no guarantee any of the Company's subsidiaries will be awarded a license to grow medical marijuana nor is there a timeframe available as to when the Company will be notified of the success of such applications.

Nature of Operations and Going Concern

As at May 31, 2018, the Company has an accumulated deficit of \$9,362,857 (May 31, 2017 - \$2,879,966). The Company's operations are mainly funded with equity financing, which is dependent upon many external factors, and thus funds may be difficult to raise when required. The Company may not have sufficient cash to fund the acquisition and development required to reach commercial production and therefore will require additional funding which, if not raised, may result in the delay, postponement or curtailment of some of its activities. Management continues to evaluate the need for additional financing and is of the opinion that additional financing will be available to continue its planned activities in the normal course. Nonetheless, there is no assurance that the Company will be able to raise sufficient funds in the future to complete its planned activities. The foregoing indicates the existence of a material uncertainty that may cast substantial doubt as to whether the Company would continue as a going concern and realize its assets and settle its liability and commitments in the normal course of business.

The Company's consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume the realization of assets and discharge of liabilities in the normal course of business. These financial statements do not give effect to any adjustments that would be necessary should the Company not be able to continue as a going concern. Such adjustments could be material.

Overall Performance

During the year ended May 31, 2018, the Company continued to pursue its vision of becoming a fully integrated global player in the cannabis industry through the acquisition and development of assets and businesses. The Company also hired additional roles to supplement management skill and expertise. A summary of key acquisitions and business highlights is set forth below.

Summary of Acquisitions in Fiscal 2018

During 2018, the Company focused on the construction of the facility located in Laval, Quebec (the "**Laval Facility**") and development of the Company's HempMed business ("**HempMed**"). The Company rebranded the HempMed products under "Joshua Tree" and "Dr. Furbaby". The Company also pursued and closed additional acquisitions, as outlined below.

On June 8, 2017, the Company acquired a 75% interest in CannaCanada Inc. ("**CannaCanada**") and on June 20, 2017, the Company announced that CannaCanada entered into an exclusive deal with the municipality of Weedon, Quebec to build a 1.5 million-square-foot medical cannabis facility consisting of fifteen 100,000-square-foot greenhouses (the "**Weedon Facility**").

On September 6, 2017, the Company announced that it entered into an asset purchase agreement (the "**MJT Asset Purchase Agreement**") and consulting agreement with 9609989 Canada Inc. (d.b.a. Mary Jane's Touch) ("**MJT**"), a company that manufactures and distributes cannabidiol ("**CBD**") and CBD products. Pursuant to the MJT Asset Purchase Agreement, the Company acquired several products and formulations from MJT.

In October 2017, the Company announced an agreement with PUF Ventures Inc. (the “**PUF Ventures Agreement**”) for the construction of the Northern Rivers Project, a one million square foot facility for the production of medical cannabis (the “**Northern Rivers Project**”) in New South Wales, Australia. As of December 21, 2017, PUF Ventures Inc. changed its name to Solaris Nutraceuticals Pty Ltd.

In January 2018, the Company announced that it had signed a memorandum of understanding with NEWCANNA S.A.S., a Colombian medical cannabis company. After exploratory discussions, the parties mutually agreed to terminate intentions under the MOU.

On February 26, 2018, the Company entered into an asset purchase agreement with Budly Software Inc. (“**Budly**”), pursuant to which the Company acquired the software assets of Budly to further develop and integrate Budly’s mobile application for cannabis delivery.

In May 2018, the Company announced that it acquired an additional 23% of Sublime Culture Inc. (“**Sublime**”) from another shareholder, bringing total ownership of the late stage ACMPR applicant up to 74%. The Company issued to the seller 350,000 common shares of the Company (“**Common Shares**”) and 100,000 transferable purchase warrants, each such warrant being exercisable for one Common Share at an exercise price of \$2.04 per share. The warrants will become exercisable six (6) months after the date of issuance and will expire two (2) years after the date of issuance. Upon Sublime acquiring a cultivation license for the Laval Facility, the Company will issue to the seller an additional 350,000 Common Shares.

In May 2018, the Company announced that it acquired an additional 18% of CannaCanada from another shareholder, bringing the Company’s total ownership of the late stage ACMPR applicant up to 93%. The Company issued to the seller 300,000 Common Shares. The Company is required to issue to the seller up to an additional 2,500,000 Common Shares upon the achievement of certain milestones, including 500,000 Common Shares upon CannaCanada acquiring a cultivation license for the Weedon Facility and 1,000,000 Common Shares upon CannaCanada acquiring a sales and distribution license for the Weedon Facility.

On May 18, 2018 the Company announced that it ceased production and sales of HempMed and related products.

Subsequent to the Year Ended May 31, 2018

On June 5, 2018 the Company announced the purchase of 329 acres in the township of Weedon, Quebec for the Weedon Facility and on June 21, 2018 the Company announced the official commencement of construction of the Weedon Facility. On June 28, 2018 the Company announced a partnership agreement with Sherbrooke College to develop a training program and on July 6, 2018 the Company announced a partnership with the Sherbrooke Historical Society to create the concept for a cannabis museum for the Weedon Project.

On July 10, 2018 the Company announced that the Company had entered into an investment agreement to acquire 49% of the share capital, including 50% of the voting shares, of Colombia Organica S.A.S, a Colombian cannabis company, for \$2,500,000. The purchase price will be disbursed to Colombia Organica as follows: (1) CDN\$650,000 upon verification of Colombia Organica’s licenses, permits, quotas, and seed registrations, and the details of the property upon which the facility will be constructed; (2) CDN \$650,000 on September 1, 2018, provided that MYM has reviewed and approved of the budget for the construction of Colombia Organica’s

production facility, including greenhouses, irrigation, lights, equipment and physical barriers; and (3) the balance of the purchase price through MYM's purchase of equipment for the facility, as pre-approved by Colombia Organica. The Investment Agreement further provides that MYM and Colombia Organica both agree to use their best efforts to raise and/or arrange financing of up to CDN \$15,000,000 to finance the further build-out of the production facility, including construction of greenhouses, purchase of extraction equipment, and infrastructure development. While the investment agreement has been entered into, the Company's investment is subject to certain conditions which have not yet been completed, which includes the completion of due diligence and development of a business plan.

On August 1, 2018, the Company announced that the Company had entered into a two-year agreement with Dutch Passion Seed Company ("**Dutch Passion**"), an international cannabis seed company, for the production and distribution of Dutch Passion branded products and seed genetics in Australia, and on August 8, 2018, the Company announced that the Company had entered into a second agreement with Dutch Passion for the production and distribution of Dutch Passion branded products and seed genetics in Colombia.

In August 2018, the Company acquired an additional 1% of Sublime, bringing the Company's total ownership up to 75%.

The Company's business is subject to various risks and uncertainties, including with respect to: securing additional funding to develop projects; obtaining required licenses; reliance on other joint venture partners; managing construction projects within anticipated budgets. If the Company obtains a cultivation and production license, it will be faced with inherent risks related to cultivation of live plants. Further, the Company has not secured any sales and distribution agreements in Canada or in other jurisdictions. The Company will also be subject to supply costs as the Company is not party to any long-term supplier agreements. The Company is also exposed to the anticipated competition in the adult-use recreational market in Canada. See "Risk Factors".

Business Highlights

For the year ended May 31, 2018, the Company generated sales from HempMed of \$1,781,319 (2017: \$142,565). The increase in sales during these comparable periods is attributable to the development of the Joshua Tree, HempMed and Dr. Furbaby brands and investment in advertising. The Company ceased production and sales of these products in May 2018 and as a result the Company no longer has any sources of revenue. The Company plans to re-commence production and sales once it obtains the appropriate licenses and understands which products can be legally sold in Canada under the *Cannabis Act*.

The Company's net loss attributable to shareholders of the Company was \$5,368,031 for year ended May 31, 2018, compared to a net loss of \$846,685 for the same period in 2017. Advertising and communications expenses for the year ended May 31, 2018 were \$1,570,208, compared to \$23,091 during the same period in 2017. The increase was attributable to the development of the HempMed business and corporate communication expenses, including conference related expenses. General and administrative expenses for the year ended May 31, 2018 were \$3,310,649, compared to \$454,572 during the same period in 2017. The increase was primarily attributable to salaries and management fees, consulting fees, rent and office expenses and travel. In particular, salaries and management fees were \$1,747,825 for the year ended May 31, 2018, compared to \$92,367 during the same period in 2017. The substantial increase in salaries and management fees is a result of the acquisitions and investments in various subsidiaries

including Sublime, CannaCanada, MJT and HempMed. The Company has added new headcount at its corporate office in Vancouver and all subsidiaries as it invests in and develops each business. Professional fees for the year ended May 31, 2018 were \$356,499, compared to \$74,891 during the same period in 2017. The increase was attributable to legal costs associated with acquisitions and supporting the development of the Company's projects. Stock based compensation expenses for the year ended May 31, 2018 were \$1,455,336, compared to \$135,049 during the same period in 2017. The Company uses the Black Scholes valuation model for options granted at fair value of shares issued to officers, management and consultants.

Cash and cash equivalents as at May 31, 2018 totaled \$6,631,185, compared to \$548,514 as at May 31, 2017.

Operating activities used cash of \$6,992,319 during the year ended May 31, 2018, as compared to using cash of \$670,592 in the prior period. The current year reflects the increase in advertising and communications expenses, general and administrative expenses, professional fees, accounts receivable, deposits and prepaid expense and inventory offset by increases in accounts payable and accrued liabilities.

Financing activities provided cash of \$19,723,271 for the year ended May 31, 2018, as compared to \$1,115,406 in 2017. Cash generated in the current year included \$15,198,768 from proceeds from private placements, \$4,349,547 from proceeds from warrant exercises and \$321,500 from proceeds from exercise of stock options.

Cash used in investing activities for the year ended May 31, 2018 was \$6,648,281, as compared to \$41,456 cash used in the prior year. In the current year, \$3,787,716 was used to invest in leasehold improvements, which was primarily at the Laval Facility. The Company used \$1,683,630 for the purchase of assets, \$592,875 for construction in progress for the Weedon and MJT projects, \$286,637 for investment in joint ventures and \$297,423 for acquisition of intangible assets.

The Company is currently dependent on the issuance of shares in order to finance its operating and investing activities. The Company will have to raise additional capital in the future to continue its operations.

Selected Annual Financial Information

The following table sets forth a comparison of revenues and earnings on an annual basis for each of the three most recently completed years. The financial data for the 2018, 2017 and 2016 financial years was prepared in accordance with IFRS. The functional currency and the reporting currency of the Company is in Canadian dollars.

<i>For the Year Ended</i>	May 31, 2018	May 31, 2017	May 31, 2016
Total revenue	\$1,781,319	\$142,565	\$Nil
Net loss attributable to the Company	(\$5,368,031)	(\$846,685)	(\$1,046,570)
Basic and diluted loss per share	(\$0.06)	(\$0.01)	(\$0.02)
Total assets	\$21,110,662	\$1,768,366	\$159,122
Total non-current financial liabilities	\$195,000	\$Nil	\$Nil
Cash distributions declared	\$Nil	\$Nil	\$Nil

During the year ended May 31, 2016, the Company's business was based around the acquisition of medicinal marijuana business assets from Medicann Corp. ("**Medicann**"), an established distributor of medicinal marijuana in Vancouver, B.C. Through an asset purchase agreement entered into with Medicann on May 28, 2014, the Company received assets for the development of its business. During the year ended May 31, 2016, the Company assessed the Medicann assets and recognized an impairment loss of \$432,200. During 2016, the Company also owned land in Maple Ridge, BC and invested in the design of production facilities. The Company subsequently sold the Maple Ridge property and recognized a loss on the sale of the property in the amount of \$96,508. During the year ended May 31, 2016, the Company announced that it had signed a letter of intent ("**LOI**") with Green Venture Capital Corp, to acquire a portion of a 3.9-acre property located in Oroville, Washington. The Company paid a non-refundable deposit and invested in other expenditures to explore the viability of the project. During the year ended May 31, 2016, the Company recognized an impairment loss of \$191,380 on the property. For the year ended May 31, 2016, the Company incurred a loss of \$1,046,570. The loss was due to the above noted write down of intangible assets, loss on the sale of the land and write down of deposits.

During 2017, the Company completed two acquisitions. On February 1, 2017, the Company completed the acquisition of a 51% majority interest in Sublime and its inspection-stage application to become a Licensed Producer under the ACMPR. In December 2017, Sublime submitted Confirmation of Readiness for a License under the ACMPR to Health Canada for the 10,000 square foot first phase ("**Phase One**") of the Laval Facility. On April 11, 2017, the Company announced the acquisition of 100% of the HempMed brand and assets, from a Toronto-based developer and marketer of hemp-based CBD extracts, and oil infused nutraceutical products. For the year ended May 31, 2017, the Company generated sales from HempMed of \$142,565 (2016: nil). During the same period, the Company's net loss attributable to shareholders of the Company was \$846,685, compared to a net loss of \$1,046,570 for the same period in 2016. General and administrative expenses increased from \$115,542 in 2016 to \$454,572 in 2017. Consulting fees increased from \$18,524 in 2016 to \$216,928 in 2017 as the Company brought in additional resources to assist with its OTC listing and DTC compliance and additional support for the Sublime and HempMed operations. Professional fees increased from \$32,699 to \$74,891, reflecting additional legal and accounting services required for the acquisitions. Rent incurred for the year ended May 31, 2017 was \$41,657 (2016: nil) for the HempMed office space and the Sublime operating lease in Laval. Salaries and management fees increased from \$65,500 in 2016 to \$92,367 in 2017 due to the Company's hiring of a new CEO. A non-cash finder's fee of \$184,000 was recorded for shares issued in connection with the HempMed acquisition.

For the year ended May 31, 2018, the Company generated sales from HempMed of \$1,781,319 (2017: \$142,565). The increase in sales during these comparable periods is attributable to the development of the Joshua Tree, HempMed and Dr. Furbaby brands and investment in advertising. On May 18, 2018 the Company announced that it had ceased production and sales of HempMed and related products. During the same period, the Company's net loss attributable to shareholders of the Company was \$5,368,031, compared to a net loss of \$846,685 for the same period in 2017.

Advertising and communications expenses for the year ended May 31, 2018 were \$1,570,208, compared to \$23,091 during the same period in 2017. The increase was attributable to the development of the HempMed business and corporate communication expenses, including conference related expenses.

General and administrative expenses for the year ended May 31, 2018 were \$3,310,649, compared to \$454,572 during the same period in 2017. The increase was primarily attributable to

salaries and management fees, consulting fees, insurance, rent and office expenses, shipping costs, and travel. In particular, salaries and management fees were \$1,747,825 for the year ended May 31, 2018, compared to \$92,367 during the same period in 2017. The substantial increase in salaries and management fees is a result of the acquisitions and investments in various subsidiaries, including Sublime, CannaCanada, MJT and HempMed. The Company has added new headcount at its corporate office in Vancouver and all subsidiaries as it invests in and develops each business.

Professional fees for the year ended May 31, 2018 were \$356,499, compared to \$74,891 during the same period in 2017. The increase was attributable to legal costs associated with acquisitions and supporting the development of the Company's projects and increased audit fees due to the higher complexity of the audit.

Stock based compensation expenses for the year ended May 31, 2018 were \$1,455,336, compared to \$135,049 during the same period in 2017. The Company uses the Black Scholes valuation model for options granted at fair value of shares issued to officers, management and consultants.

Discussion of Operations

Selected Financial Information

<i>For the Year Ended</i>	May 31, 2018	May 31, 2017
Total revenue	\$1,781,319	\$142,565
Advertising and Communications	\$1,570,208	\$23,091
Depreciation	\$84,179	\$34
Finders' Fee	\$Nil	\$184,000
General and Administrative Expenses	\$3,310,649	\$454,572
Interest on notes payable	\$Nil	\$9,153
Professional fees	\$356,499	\$74,891
Stock based compensation	\$1,455,336	\$135,049
Net loss from Operations	(\$5,614,238)	(\$816,797)
Net loss attributable to the Company	(\$5,368,031)	(\$846,685)

For the year ended May 31, 2018, the Company generated sales from HempMed of \$1,781,319 (2017: \$142,565). The increase in sales during these comparable periods is attributable to the development of the Joshua Tree, HempMed and Dr. Furbaby brands and investment in advertising. On May 18, 2018 the Company announced that it had ceased production and sales of HempMed and related products. During the same period, the Company's net loss attributable to shareholders of the Company was \$5,368,031, compared to a net loss of \$846,685 for the same period in 2017. Advertising and communications expenses for the year ended May 31, 2018 were \$1,570,208, compared to \$23,091 during the same period in 2017. The increase was attributable to the development of the HempMed business and corporate communication expenses, including conference related expenses. General and administrative expenses for the year ended May 31, 2018 were \$3,310,649, compared to \$454,572 during the same period in 2017. The increase was primarily attributable to salaries and management fees, consulting fees, insurance, rent and office expenses, shipping costs and travel. In particular, salaries and management fees were \$1,747,825 for the year ended May 31, 2018, compared to \$92,367 during the same period in 2017. The substantial increase in salaries and management fees is a result of the acquisitions and investments in various subsidiaries, including Sublime, CannaCanada, MJT and HempMed. The Company has added new headcount at its corporate

office in Vancouver and all subsidiaries as it invests in and develops each business. Professional fees for the year ended May 31, 2018 were \$356,499, compared to \$74,891 during the same period in 2017. The increase was attributable to legal costs associated with acquisitions and supporting the development of the Company's projects and increased audit fees due to the higher complexity of the audit. Stock based compensation expenses for the year ended May 31, 2018 were \$1,455,336, compared to \$135,049 during the same period in 2017. The Company uses the Black Scholes valuation model for options granted at fair value of shares issued to officers, management and consultants.

Laval Facility

In December 2017, Sublime submitted Confirmation of Readiness for a License under the ACMPR to Health Canada for Phase One of the Laval Facility. Sublime subsequently completed the required construction of Phase One of the Laval Facility and submitted the required documentation to Health Canada in the third quarter of the 2018 fiscal year. During the year ended May 31, 2018, the Company invested \$3,787,716 to complete the build out of Phase One for the Laval Facility. Sublime is awaiting approval from Health Canada for a cultivation and production license. If Sublime becomes a Licensed Producer, Sublime expects to sell its branded tetrahydrocannabinol ("**THC**") and CBD medical products across Canada, with a particular focus on the Quebec market. The Laval Facility is currently 10,000 square feet and Sublime expects to increase its size to 37,000 square feet if the Company decides to invest in the completion of the second phase of the Laval Facility ("**Phase Two**"). The Phase Two build out is estimated to cost between \$10 million and \$15 million. Phase Two construction will not commence until the Company secures funding for the project and Sublime receives its cultivation license from Health Canada for Phase One. In May 2018, the Company announced that it acquired an additional 23% of Sublime, bringing the Company's total ownership of the late stage ACMPR applicant up to 74%. In August 2018, the Company acquired an additional 1% of Sublime, bringing the Company's total ownership up to 75%.

Weedon Facility

The Company's partially owned subsidiary, CannaCanada, entered into an exclusive agreement with the municipality of Weedon, Quebec to build and operate the Weedon Facility. The Weedon Facility is designed to consist of a 1.5 million-square-foot medical cannabis facility consisting of fifteen 100,000-square-foot greenhouses. CannaCanada has submitted its application to become a Licensed Producer under the ACMPR.

The Company is responsible for funding the costs of the build out and operation of the Weedon project. Based on the Company's preliminary budget, the Weedon project is estimated to cost between \$200 million and \$250 million and take up to two years of construction to complete. The Company has not secured funding for the project.

Due to the capital requirements for the Weedon Project, CannaCanada is planning to first construct a 30,000 square foot greenhouse facility as it continues planning to scale the entire greenhouse facility up to 1.5 million square feet. CannaCanada also plans to build an extraction and processing facility at the Weedon Facility in parallel to its first 30,000 square foot greenhouse facility. The estimated cost to complete the 30,000 square foot greenhouse installation together with the extraction and processing facility is estimated to cost between \$10 million and \$15 million. While construction has commenced, the Company has not secured funding for the project.

In March 2018, CannaCanada received a building permit to begin construction of the Weedon Facility. In April 2018, CannaCanada procured the first 30,000 square foot greenhouse for the Weedon project. In May 2018, the Company announced that it had acquired an additional 18% of CannaCanada, bringing the Company's total ownership of the late stage ACMPR applicant up to 93%. In June 2018, the Company announced that, through its partially owned subsidiaries, it has finalized the purchase of 329 acres in the township of Weedon, Quebec for \$660,000 for the Weedon project. CannaCanada subsequently broke ground on the project in June 2018. Construction efforts are focused on clearing and preparing the land for the installation of the concrete pad required for the construction of the greenhouses and other facilities that have been planned.

Northern Rivers Project

The Northern Rivers Project is a partnership with Solaris Nutraceuticals Pty Ltd. (formerly PUF Ventures Australia) and the local government in New South Wales, Australia. MYM owns 35% of the Northern Rivers Project. Under the PUF Ventures Agreement, MYM will be responsible for 50% of the initial \$1 million required to fund the development of the Northern Rivers Project, including formation and incorporation of the operating company, an agreement with the municipality regarding land, filing applications to the Office of Drug Control for Cultivation (ODC) and the awarding of a license from ODC.

The Company is obligated under the PUF Ventures Agreement to fund 50 percent of the following milestones:

1. formation and incorporation of company (\$50,000 USD);
2. agreement with Council/Municipality on land (\$150,000 USD);
3. filing of applications to the Office of Drug Control for Cultivation (\$250,000 USD); and
4. awarding of license from Office of Drug Control for Cultivation (\$550,000 USD).

As of May 31, 2018, the Company has advanced funding for its share of the obligations for the first three milestones totaling \$286,637 (USD\$225,000). Finders fees of 175,000 shares valued at \$323,750 were also issued for the acquisition.

After the license stage is complete, Solaris and its partners, including the Company, are expected to focus on raising capital to fund the build out and operation of the project. The project is estimated to cost in excess of \$100 million and take up to two years of construction to complete. The Company has not secured funding for its share of the estimated cost of the project.

In December 2017, the Company announced that the ODC had accepted the applications for a medicinal cannabis license for the Northern Rivers Project, for cultivation and production as well as cannabis research and manufacturing. The applications have progressed to the assessment phase and all associated fees are paid.

In February 2018, the Company announced that Solaris Nutraceuticals Pty Ltd. was awarded a AUD\$2,500,000 Regional Jobs Investment Program grant, through the Federal Department of Innovation, Industry and Science. As of May 31, 2018, Solaris Nutraceuticals Pty Ltd. has yet to fulfill its obligations under the grant and therefore has not received the funding yet.

Joshua Tree (formerly HempMed)

In April 2017, the Company acquired various “HempMed” branded products, including signature tinctures, concentrates and oils, edibles, vape products and a line of CBD products for pets. The Company rebranded the HempMed products under the brands “Joshua Tree” and “Dr. Furbaby” and invested in the development of these brands.

For the year ended May 31, 2018, the Company generated sales from HempMed of \$1,781,319 (2017: \$142,565). The increase in sales during these comparable periods is attributable to the development of the Joshua Tree, HempMed and Dr. Furbaby brands and investment in advertising.

The Company ceased production and sales of these products in May 2018. The Company plans to re-commence production and sales once it obtains the appropriate licenses.

MJT

Pursuant to the MJT Asset Purchase Agreement, the Company acquired various products and formulas from MJT for hemp and CBD-derived products. The Company acquired MJT’s intellectual property and other assets to continue to develop its innovative nutraceutical products.

The Company has submitted an application to obtain a dealer license under the *Narcotic Control Regulations* (Health Canada), which, if granted, will allow it to conduct activities with cannabis including testing, extraction and processing.

The Company is building a 5,000 square foot GMP certified manufacturing facility located in Toronto with state-of-the-art equipment and technologies to expand the manufacturing capabilities of MJT. Construction has commenced and is expected to be completed by December 2018. Upon completion and once the facility has a Dealers License, the production facility is expected to focus on product development for the Company’s own brands and white-label production.

Budly

On February 26, 2018, the Company acquired the software assets of Budly, including a smartphone-enabled sales and distribution mobile application (the “**Budly App**”).

The Budly App allows medicinal cannabis patients to connect with local dispensary drivers for delivery and monitoring of orders. Using the Budly App, a customer can select a dispensary, place an order and then choose a driver to deliver it. The customer can then track the order on his or her smartphone and knows when it will arrive. Orders can be placed via the Budly App on iOS, Android and Windows phones, and via the website www.budly.com.

The Company does not have any current plans to utilize the Budly App but is assessing future opportunities to leverage the technology based on evolving federal and provincial legislation and foreign markets.

Selected Quarterly Financial Information

The following table sets forth a comparison of the Company's revenues and earnings on a quarterly basis for each of the eight most recently completed quarters. The financial data for the Company's eight most recently completed quarters was prepared in accordance with IFRS. The functional currency and the reporting currency of the Company is in Canadian dollars.

<i>For the Quarter Ended</i>	May 31, 2018	Feb 28, 2018	Nov 30, 2017	Aug 31, 2017
Total Revenue	\$625,210	\$477,580	\$398,081	\$280,448
Net loss attributable to the Company	(\$2,223,283)	(\$1,678,847)	(\$918,165)	(\$547,736)
Basic and diluted loss per share	(\$0.02)	(\$0.02)	(\$0.01)	(\$0.01)
Total assets	\$21,110,862	\$20,450,530	\$6,621,042	\$2,122,477

<i>For the Quarter Ended</i>	May 31, 2017	Feb 28, 2017	Nov 30, 2016	Aug 31, 2016
Total Revenue	\$142,565	\$Nil	\$Nil	\$Nil
Net loss attributable to the Company	(\$647,407)	(\$100,174)	(\$40,652)	(\$58,452)
Basic and diluted loss per share	(\$0.01)	(\$0.00)	(\$0.00)	(\$0.00)
Total assets	\$1,768,366	\$488,626	\$126,380	\$130,333

The significant increases in the net loss attributable to the Company over the eight most recently completed quarters is attributable to an increase in expenses as the Company has: (i) hired new management and other personnel, which has included the grant of share-based compensation; (ii) incurred additional overhead for office and facilities that are in development; (iii) invested in the development of the HempMed business and overall brand awareness and marketing activities for the MYM brand; and (iv) pursued and completed various acquisitions. On May 18, 2018, the Company announced that it had ceased production and sales of HempMed and related products. As a result, the Company no longer has any sales until it obtains the appropriate licenses and develops products that will be legal under the *Cannabis Act*. Expenses are expected to continue to increase as the Company continues to invest in the development of its various projects.

Liquidity

The table below highlights the Company's cash flows for the year ended May 31, 2018, as compared to the year ended May 31, 2017:

<i>For the Year Ended</i>	May 31, 2018	May 31, 2017
Net cash provided by (used in):		
• Operating activities	(\$6,992,319)	(\$670,592)
• Financing activities	\$19,723,271	\$1,115,406
• Investing activities	(\$6,648,281)	(\$41,456)
Increase in cash	\$6,082,671	\$403,358

Operating activities used cash of \$6,992,319 during the year ended May 31, 2018, as compared to using cash of \$670,592 in the prior period. The current year's total reflects an increase in advertising and communications expenses, general and administrative expenses, professional

fees, accounts receivable, deposits and prepaid expense and inventory offset by increases in accounts payable and accrued liabilities.

Financing activities provided cash of \$19,723,271 for the year ended May 31, 2018, as compared to \$1,115,406 in 2017. Cash generated in the current year included \$15,198,768 from proceeds from private placements, \$4,349,547 from proceeds from warrant exercises and \$321,500 from proceeds from the exercise of stock options.

Cash used in investing activities for the year ended May 31, 2018 was \$6,648,281, as compared to \$41,456 cash used in the prior year. In the current year, \$3,787,716 was used to invest in leasehold improvements, which was primarily at the Laval Facility. The Company used \$1,683,630 for the purchase of assets, \$592,875 for construction in progress for the Weedon and MJT projects, \$286,637 for investment in joint ventures and \$297,423 for acquisition of intangible assets.

Capital Resources

During the year ended May 31, 2018, the Company primarily financed its operations through the proceeds of equity financings. The following table summarizes the Company's cash on hand and working capital:

<i>As at</i>	May 31, 2018	May 31, 2017
Cash and cash equivalents	\$6,631,185	\$548,514
Working capital less deposits and prepaids	\$7,966,667	\$370,274

During the year ended May 31, 2018, the Company strengthened its balance sheet and liquidity position through various private placement financings.

Accounts receivable were \$1,194,904 as at May 31, 2018 (2017: \$40,517), with the increase primarily attributable to GST receivables.

Deposits and prepaid expenses were \$1,624,626 as at May 31, 2018 (2017: \$208,601) with the increase due to deposits paid for construction of the Weedon project.

Inventory at May 31, 2018 was \$1,060,718 (2017: \$37,906), which consisted primarily of raw materials used in the HempMed business. The Company ceased production and sales of HempMed related products in May 2018. As a result, the Company is working to return these raw materials back to its manufacturer and expects to recover the balance.

Current liabilities were \$1,001,076 as at May 31, 2018 (2017: \$256,663) with the increase primarily attributable to the increase in accounts payable and accrued liabilities from higher operating expenses.

The current working capital is insufficient to fund the Company's current operations to profitability and fund current capital expansion plans for the next 12 months. The Company has lease commitments which are disclosed in the notes to its audited financial statements for the years ended May 31, 2018 and 2017. The Company has certain construction and professional service commitments related to its Weedon project and milestone payments due for its investment in Solaris Nutraceuticals Pty Ltd. The Company is funding these commitments with capital raised from private placements. As a result, the Company is dependent the issuance of shares, and may

also resort to the borrowing of cash, in order to finance its operating and investing activities. The Company will have to raise additional capital in the future to continue its operations. There can be no assurance, however, that the Company will be successful in its efforts. If such funds are not available or other sources of financing cannot be obtained, then the Company will be forced to curtail its activities.

Management of Capital

The board of directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management policies on an annual basis. The Company's board of directors identifies and evaluates the Company's financial risks and is charged with the responsibility of establishing controls and procedures to ensure financial risks are mitigated.

The Company's objectives when managing capital are to pursue and complete the identification and evaluation of assets, properties or businesses with a view to acquisition. The Company does not have any externally imposed capital requirements to which it is subject.

As at May 31, 2018, the Company had capital resources consisting of cash and cash equivalents. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or adjust the amount of cash and cash equivalents.

The Company's investment policy is to invest excess cash in investment instruments at high credit, quality financial institutions with terms to maturity selected with regards to the expected time of expenditures from continuing operations.

The Company's ability to continue as a going concern is dependent upon successful completion of additional financing, continuing support of creditors and its ability to attain profitable operations.

Off-Balance Sheet Arrangements

The Company has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative financial obligations or arrangements with respect to any obligations under a variable interest equity arrangement.

Related Party Transactions

The Company has entered into certain related party transactions with key management personnel; namely, those persons having authority and responsibility for planning, directing and controlling the activities of the Company or its subsidiaries, directly or indirectly, such as the Company's directors and executive officers.

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 table below summarizes the aggregate value of the related party transactions and identifies the key personnel who were related parties in such transactions.

	YEAR ENDED MAY 31	
	2018	2017
Salaries or Management Fees to Executive Chairman	\$ 129,199	\$ -
Salaries or Management Fees to a Director and General Counsel	81,769	10,000
Salaries to a Director and CEO	240,878	11,156
Salaries to CFO	56,250	-
Salaries or Management Fees to a Director and CMO	56,769	-
Salaries to CSO	18,515	-
Consulting Fees to Corporate Secretary	33,000	15,000
Consulting Fees to a Company controlled by former CFO	81,000	27,000
Management or Consulting Fees to a Company controlled by a former director and financial advisor	80,491	3,000
Management Fees to a former Director and CEO	12,500	30,000
Management Fees to a former Director and COO	6,000	21,000
Management Fees paid to a former Director	-	15,000
Total salaries, benefits, consulting and management fees	\$ 796,371	\$ 132,156
Stock-based compensation	642,050	135,049
Total	\$ 1,438,421	\$ 267,205

As at May 31, 2018, the Company had outstanding loans and advances to directors in the amount of \$80,396 (May 31, 2017: Nil) for share purchases, travel expenses and tax deductions for options exercised.

As at May 31, 2018

Name		Stock Purchases	Payroll Tax on Options Exercised	Expense Advances	Repayments	Balance
Rob Gietl	Director and CEO	\$ 20,000	\$ 53,892	\$ 10,000	\$ 2,956	\$ 80,936
Michelle Hackett	Former Director and COO	\$ 25,000	\$ 252,462	\$ -	\$ 277,462	\$ -
Judson Culter	Former Director and Financial Advisor	\$ -	\$ 58,266	\$ -	\$ 58,266	\$ -
		\$ 45,000	\$ 364,620	\$ 10,000	\$ 338,684	\$ 80,936

The loans and advances to directors are non-interest bearing and are repayable on demand. The Company holds shares as collateral for the outstanding balances.

As at May 31, 2018, \$43,688 (May 31, 2017 - \$1,004) is owing to key management personnel for unpaid fees and expenses and the amounts were included above in the table outlining payments due to related parties. The amounts payable are non-interest bearing, are unsecured and have

no specific terms of repayment. There are no ongoing contractual or other commitments resulting from these transactions.

Name		As at May 31, 2018 Fees and Expenses Payable	As at May 31, 2017 Fees, and Expenses Payable
Erick Factor	Director and Executive Chairman	\$ 24,185	Nil
Ian Ramage	Director and General Counsel	Nil	\$ 351
Chris Jackson	Former Director	Nil	\$ 653
Charith Adkar	CSO	\$ 1,835	Nil
Sheryl Dhillon	Corporate Secretary	\$ 1,592	Nil
Craig Lennox	CFO	\$ 16,076	Nil
		\$ 43,688	\$ 1,004

Fourth Quarter

Selected Financial Information:

<i>For the Quarter Ended</i>	May 31, 2018	May 31, 2017
Total revenue	\$625,210	\$142,565
Advertising and Communications	\$560,124	\$15,106
Depreciation	\$69,974	\$34
Finders' Fee	\$Nil	\$184,000
General and Administrative Expenses	\$1,157,752	\$300,702
Interest on notes payable	\$Nil	\$Nil
Professional fees	\$244,510	\$71,568
Stock based compensation	\$511,791	\$122,160
Net loss from Operations	(\$2,213,515)	(\$632,519)
Net loss attributable to the Company	(\$2,223,283)	(\$647,407)

For the three months ended May 31, 2018, the Company generated sales from HempMed of \$625,210 (2017: \$142,565). The increase in sales during these comparable periods is attributable to the development of the Joshua Tree, HempMed and Dr. Furbaby brands and investment in advertising. On May 18, 2018 the Company announced that it had ceased production and sales of HempMed and related products. During the same period, the Company's net loss attributable to shareholders of the Company was \$2,223,283, compared to a net loss of \$647,407 for the same period in 2017. Advertising and communications expenses for the three months ended May 31, 2018 were \$560,124, compared to \$15,106 during the same period in 2017. The increase was attributable to the development of the HempMed business and corporate communication expenses, including conference related expenses. General and administrative expenses for the three months ended May 31, 2018 were \$1,157,752, compared to \$300,702 during the same period in 2017. The increase was primarily attributable to salaries and management fees, insurance, rent and office expenses, shipping costs, and travel. In particular, salaries and management fees were \$643,170 for the three months ended May 31, 2018, compared to \$40,367 during the same period in 2017. The substantial increase in salaries and management fees is a result of the acquisitions and investments in various subsidiaries including Sublime, CannaCanada, MJT and HempMed. Professional fees for the three months ended May 31, 2018 were \$244,510, compared to \$71,568 during the same period in 2017. The increase was attributable to legal costs associated with acquisitions and supporting the development of the

Company's projects and increased audit fees due to the higher complexity of the audit. Stock based compensation expenses for the three months ended May 31, 2018 were \$511,791 compared to \$122,160 during the same period in 2017. The Company uses the Black Scholes valuation model for options granted at fair value of shares issued to officers, management and consultants.

During the three months ended May 31, 2018, the company recorded interest revenue of \$19,651 (2017: \$Nil) from short-term investments, acquisition costs of \$Nil (2017: \$65,000) for the Sublime acquisition, a writedown of \$Nil (2017: \$1,500) on intangible assets, and a finders' fee of \$184,000 for the HempMed acquisition.

During the three months ended May 31, 2018, the Company used \$3,738,063 for operating activities. The operating activities included increases in inventories of \$1,048,542 and prepaid expenses and deposits of \$968,165. During the same period, the Company used \$1,890,192 investing activities, primarily for the Weedon project. During the same period, the Company raised \$2,153,722 through financing activities, primarily through the exercise of warrants.

Critical Accounting Estimates

The financial statements of the Company are prepared in accordance with IFRS. Management makes estimates and assumptions and uses judgement in applying these accounting policies and reporting the amounts of assets and liabilities, revenue and expenses and other related disclosure. Significant estimates in the accompanying financial statements relate to the valuation of stock-based compensation, warrants, the estimated lives of property, plant and equipment and the carrying value of intangible assets and goodwill. Actual results could differ from these estimates.

Changes in Accounting Policies including Initial Adoption

The following new standards, and amendments to standards and interpretations, are not yet effective for the current period and have not been applied in preparing these financial statements. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below:

- (a) IFRS 9 is a new standard that replaced IAS 39 for classification and measurement, tentatively effective for annual periods beginning on or after January 1, 2018. The Company will adopt IFRS 9 effective June 1, 2018. The Company is currently evaluating the impact of this standard;
- (b) IFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The Company will adopt IFRS 15 effective June 1, 2018. The Company is currently evaluating the impact of this standard; and
- (c) IFRS 16, "Leases", was issued in January 2016, and replaces IAS 17, "Leases". IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. Certain leases will be exempt from these requirements. IFRS 16 is effective for periods beginning

on or after January 1, 2019. The Company is currently evaluating the impact of this standard on its financial position and financial performance. The Company will apply the new rules retrospectively from June 1, 2018.

Financial Instruments

Financial assets and financial liabilities are recognized on the statement of financial position when the Company becomes a party to the contractual provisions of the financial instrument. The Company does not have any derivative financial instruments.

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or financial assets acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statements of financial position at fair value with changes in fair value recognized in net income/loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost less any provision for impairment. Significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest rate method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in net income/loss.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is recognized in the statements of comprehensive income/loss.

Transaction costs associated with fair value through profit or loss financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in net income/loss.

Other financial liabilities - This category includes promissory notes, amounts due to related parties and accounts payables and accrued liabilities, all of which are recognized at amortized cost.

The Company has classified cash as fair value through profit or loss and amounts receivable as loans and receivables. Accounts payable and accrued liabilities, due to related parties, and notes payable are classified as other financial liabilities.

Fair Value Hierarchy

The fair value hierarchy that prioritizes the inputs used to measure fair value is as follows:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 - Inputs that are not based on observable market data.

The fair value of cash is determined based on Level 1 inputs which consist of quoted prices in active markets for identical assets. As at May 31, 2018, the Company believes that the carrying values of accounts payable, accrued liabilities, and due to related parties approximate the fair values because of their nature and relatively short maturity dates or durations.

Financial Risk Exposure and Risk Management

The Company is exposed in varying degrees to a number of risks arising from financial instruments. Management's close involvement in the operations allows for the identification of risks and variances from expectations. The Company does not participate in the use of financial instruments to mitigate these risks and has no designated hedging transactions. The Board approves and monitors the risk management processes. The Board's main objectives for managing risks are to ensure liquidity, the fulfillment of obligations, the continuation of the Company's exploration activities and limited exposure to credit and market risks. There were no changes to the objectives or the process from the prior period.

The types of risk exposure and the way in which such exposures are managed are as follows:

a) Credit Risk

Credit risk primarily arises from the Company's cash and cash equivalents and amounts receivable. The risk exposure is limited to their carrying amounts at the statement of

financial position date. Cash and cash equivalents are held as cash deposits or invested in guaranteed investment certificates with various maturity dates. The Company does not invest in asset-backed deposits or investments and does not expect any credit losses. The Company periodically assesses the quality of its investments and is satisfied with the credit rating of the bank and the investment grade of the guaranteed investment certificates. Amounts receivable primarily consists of Trade Receivables and Goods and Services Tax (GST) credits.

b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company ensures there is sufficient capital to meet short term business requirements. One of management's goals is to maintain an optimal level of liquidity through the active management of assets, liabilities and cash flows.

The Company's cash and cash equivalents are deposited in major banks or invested in guaranteed investment certificates, which are available on demand to fund the Company's operating costs and other financial demands.

c) Market Risk

The significant market risks to which the Company is exposed are currency and interest rate risk.

d) Currency Risk

The operating results and financial position of the Company are reported in Canadian dollars. As the Company is exploring opportunities in an international environment, some of the Company's financial instruments and transactions are denominated in currencies other than the Canadian dollar. The results of the Company's operations are subject to currency risk.

The majority of the Company's costs are incurred in Canada and are denominated in Canadian dollars. Foreign currency transactions are booked at historical cost in Canadian dollars.

e) Interest Rate Risk

The Company's policy is to invest excess cash in guaranteed investment certificates (GIC) at fixed or floating rates of interest and cash equivalents are to be maintained in floating rates of interest in order to maintain liquidity, while achieving a satisfactory return for shareholders. As at May 31, 2018 the Company held \$3,500,000 in a redeemable GIC with interest accruing at 1.35%. There were no interest bearing deposits as at May 31, 2017. Fluctuations in interest rates impact the value of cash and cash equivalents. The Company manages risk by monitoring changes in interest rates in comparison to prevailing market rates.

Currently, the Company believes that it is not exposed to significant interest, currency or credit risks arising from its financial instruments.

Non-GAAP Measures

The Company has included certain non-GAAP financial measures to supplement its Consolidated Financial Statements, which are presented in accordance with IFRS, including the following:

- Working capital.

The Company believes that this measure, together with measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. Non-GAAP financial measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Management's determination of the components of non-GAAP and additional measures are evaluated on a periodic basis influenced by new items and transactions, a review of investor uses and new regulations as applicable. Any changes to the measures are duly noted and retrospectively applied as applicable.

Working capital

The Company uses “working capital” to explain and analyze Capital Resources. Working capital is defined as current assets less current liabilities. To be conservative, the Company deducts deposit and prepaids from working capital to illustrate its short term liquidity position.

Disclosure of Outstanding Share Data

As of the date of this MD&A, the Company's authorized share capital consists of an unlimited number of common shares without par value. The Company had the following securities outstanding as at September 27, 2018:

Type of Security	Number Outstanding
Common Shares	119,811,200
Stock Options	7,332,500
Warrants	16,675,541
Fully Diluted	143,819,241

Risk Factors

Any investment in the securities of the Company is speculative, due to the nature of its business and its general stage of development. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward looking-statements relating to the Company. In addition to the usual risk associated with investment in a business, investors should carefully consider the following risk factors as well as the risk factors set out in the Company's other public disclosure.

The Company's business and results of operations are subject to a number of risks and uncertainties, including but not limited to the following:

- the Company's limited operating history and inability to assure profitability;

- the Company's reliance on licensing and renewals of such licenses, including licenses to produce and sell cannabis oil products;
- changes in laws, regulatory regimes and guidelines relating to the marketing, acquisition, manufacture, management, transportation, storage, sale and disposal of medical marijuana;
- the potential for adverse changes or developments affecting the Company's projects, such as the Laval Facility, the Weedon Facility and the Northern Rivers Project;
- the Company's dependence on key personnel, including directors, officers and other employees;
- the Company's reliance on the parties to its joint ventures;
- the Company's dependence on development of its joint ventures;
- increased competition in the medical marijuana industry;
- the Company will need to obtain additional debt or equity financing in the future to support ongoing operations, and there can be no assurance that such financing will be available to the Company when needed or on terms acceptable to the Company;
- the medical marijuana industry is in its early development stage and is subject to restrictions on sales and marketing activities, as imposed by Health Canada and various other regulatory bodies;
- the potential for security breaches of the Company's properties, products, equipment, information technology systems and software, among other things;
- fluctuation of the market price of the Company's common shares; and
- the other risks identified in the Company's most recent Annual Information Form under the "Risk Factors" section and in the Company's other public disclosure, available under the Company's profile on SEDAR at www.sedar.com.

Caution Regarding Forward-Looking Information

Certain information in this MD&A contains or incorporates comments that constitute forward-looking information within the meaning of applicable securities legislation.

*This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities laws ("**forward-looking information**") concerning the Company including, but not limited to, anticipated results and developments in the Company's operations in future periods, and other matters that may occur in the future. Forward-looking information contained in this MD&A includes, but is not limited to, statements regarding:*

- *the anticipated growing space to be operated by the Company;*
- *the competitive conditions of the industry;*
- *the Company's plans to sell cannabis to the Quebec Government;*
- *the expected costs and investments for construction of the Company's projects;*
- *the anticipated key dates and anticipated production capacity associated with the development of the Laval Project, the Weedon Project and the Northern Rivers Project;*
- *the expected development of the CannaCentre;*
- *completion of the investment related to the joint venture with Colombia Organica S.A.S;*
- *the plan to build and operate a cannabis production facility in Medellin, Colombia in partnership with Colombia Organica S.A.S;*
- *MJT Manufacturing receiving its ISO certification and operating a GMP certified 5,000 sq foot production facility;*
- *MJT's dealer license to be grandfathered and transitioned into 3 new licenses;*

- *the reintroduction of Joshua Tree's products;*
- *the further development of Budly and its plan to commence operations locally and globally; and*
- *the research and development goals of the Company in conjunction with its partners, including CEGEP (college).*

Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, including, without limitation, assumptions about:

- *the anticipated growing space to be operated by the Company;*
- *the Company's construction plans and timeframe for completion of such plans;*
- *the anticipated costs and investments for construction of the Company's projects;*
- *general economic, financial market, regulatory and political conditions in which the Company operates;*
- *general demand and consumer interest in the Company's products;*
- *competition;*
- *anticipated and unanticipated costs;*
- *the ability of the Company to generate cash flow from operations and obtain necessary financing on acceptable terms;*
- *government regulation of the Company's activities and products, including in the areas of taxation and environmental protection;*
- *the timely receipt of any required regulatory approvals;*
- *the ability of the Company to obtain qualified staff, equipment and services in a timely and cost-efficient manner; and*
- *the ability of the Company to conduct operations in a safe, efficient and effective manner.*

Forward-looking information involves a variety of known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, events, results, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include, without limitation, those related to:

- *the industry-wide risks;*
- *the Company's ability to obtain financing;*
- *the Company's dependence on key personnel;*
- *availability of third party contractors or equipment;*
- *difficulties in construction or in obtaining qualified contractors to complete construction projects;*
- *the Company's reliance on joint venture parties and other counterparties;*
- *the Company's ability to manage anticipated and unanticipated costs;*
- *the costs of construction of the Company's projects being higher than anticipated by the Company;*
- *the time to complete the Company's projects being longer than anticipated by the Company;*
- *failure of equipment to operate as anticipated;*
- *unfavorable publicity or consumer perception of the cannabis industry or the Company;*

- *the impact of any negative scientific studies on the effects of cannabis;*
- *environmental risks;*
- *changes in laws and regulations may increase costs of doing business and/or restrict the Company's activities and operations or plans for international and domestic expansion;*
- *community relations;*
- *changes in the Company's over-all business strategy;*
- *restrictions imposed by the Canadian Securities Exchange on the Company's business;*
- *the Company's lack of operating revenues;*
- *inability to obtain necessary licenses and permits, including Health Canada licenses;*
- *governmental regulations;*
- *delays in, or the Company's inability to execute on, its multi-phase expansion plan together with its joint venture partners and other counterparties for the Northern Rivers Project, Laval Facility and the Weedon Facility; and*
- *inability to complete, or to achieve the expected production capacity of, the Northern Rivers Project, Laval facility or the Weedon Facility.*

This is not an exhaustive list of the risks and factors that may cause actual results to differ materially from the Company's forward-looking information. There may be other factors that cause actions, events, conditions, results, performance or achievements not to be as anticipated, estimated or intended. In addition to those discussed in this MD&A, please refer to the risks described in the Company's public disclosure record, including the Company's Annual Information Form. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.