Digicann Ventures Inc.

Management's Discussion and Analysis

For the Years Ended December 31, 2024 and 2023

(Expressed in Canadian Dollars)

Date: March 21, 2025

INTRODUCTION

This Management's Discussion and Analysis ("**MD&A**") of the operating results and financial condition of Digicann Ventures Ltd. ("**Digicann**" or the "**Company**") for the years ended December 31, 2024 and 2023 should be read in conjunction with the consolidated financial statements and accompanying notes for the years ended December 31, 2024 and 2023, which are prepared in accordance with IFRS Accounting Standards ("**IFRS**").

Management is responsible for the preparation and integrity of the consolidated financial statements, including the maintenance of appropriate information systems, procedures, and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, are complete and reliable. The Company's board of directors (the "**Board**") follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board's Audit Committee meets with management quarterly to review the financial statements, the MD&A and to discuss other financial, operating, and internal control matters. The reader is encouraged to review the Company's statutory filing on www.sedarplus.ca.

This MD&A is prepared as at March 21, 2025. All dollar figures stated herein are expressed in Canadian dollars unless otherwise indicated.

Readers should use the information contained in this report in conjunction with all other disclosure documents including those filed on SEDAR+ at www.sedarplus.ca.

Forward-Looking Statements

Information set forth in this MD&A may involve forward-looking statements within the meaning of Canadian securities laws. These statements relate to future events or future performance and reflect management's expectations regarding the Company's growth, results of operations, performance and business prospects and opportunities. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", "target" or the negative of these terms or other comparable terminology. Forward-looking statements in this MD&A include, but are not limited to: volatility of stock price and market conditions, regulatory risks, difficulty in forecasting, key personnel, limited operating history, competition, investment capital and market share, market uncertainty, additional capital requirements, management of growth, pricing policies, litigation, no dividend history. The risk factors described in this MD&A are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in the Company's forward-looking statements. In addition, any forward-looking statements represent the Company's estimates only as of the date of this MD&A and should not be relied upon as representing the Company's estimates as of any subsequent date. The material factors and assumptions that were applied in making the forward-looking statements in MD&A include:

- the Company's use of proceeds and business objectives and milestones and the anticipated time of execution, see "Use of Proceeds";
- the performance of the Company's business and operations;
- the intention to expand the business, operations and potential activities of the Company;
- the projected increase in production capacity;
- the competitive and business strategies of the Company;

INTRODUCTION (CONTINUED)

Forward-Looking Statements (continued)

- the Company's anticipated operating cash requirements and future financing needs;
- the anticipated future gross revenues and profit margins of the Company's operations;
- the Company's expectations regarding its revenue, expenses and operations;
- impacts of potential litigation;
- the receipt of any regulatory and stock exchange approvals required at any given time;
- the applicable laws, regulations and any amendments thereof;
- the ability to successfully leverage current and future strategic partnerships and alliances;
- the ability to attract and retain personnel;
- anticipated labour and materials costs;
- the Company's competitive condition and expectations regarding competition, including pricing and demand expectations and the regulatory environment in which the Company operates; and
- anticipated trends and challenges in the Company's business and the markets and jurisdictions in which the Company operates or may operate.

The preceding list is not exhaustive of all possible factors. All factors should be considered carefully when making decisions with respect to the Company. Readers should not place undue reliance on the Company's forward-looking statements, as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that such forward-looking statements will materialize. Unless required by applicable securities laws the Issuer disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. For a description of material factors that could cause the Company's actual results to differ materially from the forward-looking statements in this MD&A, see "Risk Factors".

While the Company considers these assumptions may be reasonable based on information currently available to it, these assumptions may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in the section titled "Risk Factors".

OVERVIEW

On August 8, 2023, the Company changed its name to Digicann Ventures Inc. from Agra Ventures Ltd. The Company was incorporated on June 24, 2004 under the laws of the Province of British Columbia. It currently trades on the Canadian Stock Exchange (the "**CSE**") under the symbol "DCNN". The Company also trades on the OTC Pink Sheets ("**OTC**") under the symbol "AGFAF" unless temporarily trading under the symbol "AGFAD" during the 20 business days after a share consolidation event. The diversified Company is focused on opportunities within and outside of the cannabis industry.

Proposed Reverse Takeover Transaction

On September 28, 2024, the Company signed a definitive agreement in respect of a proposed reverse takeover transaction (the "RTO") by 3Win Corp. ("3Win") (the "Proposed Transaction") to ultimately form the resulting issuer (the "Resulting Issuer") expected to be named "Serewin Corp." (the "Definitive Agreement"). Pursuant to the terms of the Definitive Agreement, it is intended that the Proposed Transaction be effected by way of a three-cornered amalgamation, share exchange, plan of arrangement or such other transaction structure as will result in 3Win becoming a wholly owned subsidiary of the Company or otherwise combining its corporate existence with that of the Company.

Pursuant to the terms of the Definitive Agreement, 3Win shall acquire all the shares of the Company, in the exchange ratio of ninety-eight shares of the Company per one share of 3Win. Upon completion of the Proposed Transaction, the resulting holders of all issued and outstanding shares of 3Win ("3Win Shares") shall hold approximately 97.3% of the issued and outstanding common shares of the Resulting Issuer (the "Exchange Ratio"), subject to adjustment in certain circumstances and for any additional amounts invested by third parties into 3Win to satisfy any liquidity conditions imposed by the Exchange in connection with the Proposed Transaction. It is also anticipated that all securities convertible, exercisable or exchangeable for 3Win Shares will be converted or exchange (or otherwise become convertible or exercisable in accordance with their terms) into similar securities of the Resulting Issuer on substantially similar terms and conditions based on the Exchange Ratio. All outstanding stock options and common share purchase warrants of the Company are anticipated to remain in effect on substantially the same terms.

On January 13, 2025, 3Win has elected to postpone the Proposed Transaction to the second quarter of 2025 in order to include its 2024 audited financial results in the disclosures required for listing on the CSE. Accordingly, the special shareholder meetings called by the Company and 3Win to consider the Proposed Transaction and related matters will be held at a later date. The Company expects to distribute a management information circular to its shareholders in April of 2025.

OVERALL PERFORMANCE

During the year ended December 31, 2024, the Company had the following activities:

- Amended the convertible debenture maturity date to March 12, 2025 (the "Fourth Amendment") and issued 2,501,807 common shares to settle interest of $125,090 on the convertible debentures.
- Repaid CEBA loans of $70,000.
- Granted 1,696,815 Restricted Share Units ("RSUs") to certain Directors and Officers for a total fair value of $33,937

OUTLOOK

The Company is currently seeking out new business opportunities. The Company has divested some of its assets, and its near-term outlook includes increasing the stability of its current cash position.

As of the date of this MD&A the Company is in the process of completing the RTO pursuant to the Definitive Agreement with 3Win subject to approval by the CSE and shareholders of the Company.

SELECTED ANNUAL INFORMATION

A summary of selected annual financial information for the last three fiscal years as follows, as expressed in Canadian dollars:

	As at December 31, 2024 ($)	As at December 31, 2023 ($)	As at December 31, 2022 ($)
Total revenues	-	-	673,416
Net income (loss)	(576,264)	17,809,552	(41,934,737)
Comprehensive income (loss)	(576,264)	17,771,282	(41,969,746)
Net income (loss) per share – basic	(0.03)	1.30	(19.73)
Net income (loss) per share – diluted	0.00	0.23	(18.67)
Total assets	293,907	739,192	1,094,736
Total liabilities	1,406,558	1,359,552	20,033,183

During the year ended December 31, 2022, the Company recorded gains on debt settlement of $3,381,551, a gain on modification of debt of $1,529,911, a gain on fair value movement of investments of $16,790, realized losses of $1,528 on sale of marketable securities, recovered $382,669 from sale of subsidiaries from the prior year, impaired intangible assets by $802,261, impaired investments by $15,612,428, recorded provision on loan receivable of $18,088,318, and wrote-off investments of $1,288,600 which increased its overall net loss for the year.

During the year ended December 31, 2023, the Company recorded a gain on modification of debt of $643,019, a gain on debt settlement of $16,157,433, an unrealized loss on marketable securities of $499,550, a gain on loan forgiveness of $754,383, a write-off of accounts payable of $679,417, a gain from write-off of deferred revenue of $297,001 and a gain from sale of investments of $225,000, which resulted in an overall net income from operations in 2023. In the prior year, the Company sold subsidiaries which reduced its net assets and recorded gains on sale, recorded transaction costs for amendment of a prior year agreement, recorded gains on debt settlement, recorded gains on extinguishment of debt, and recorded a gain on fair value movement of investments. During 2023, the Company recorded net income from discontinued operations of $3,206,402 as a result of the sale of its wholly owned subsidiary AgraFlora Europe GmbH.

During the year ended December 31, 2024, the Company incurred operating expenses of $895,151 which was offset by a gain on debt settlement of $75,054, a gain on modification of debt of $163,514, and a gain on write-off of accounts payable of $73,932.

SUMMARY OF QUARTERLY RESULTS

Quarter Ended	Total Assets ($)	Revenue ($)	Comprehensive Income (loss) for the period ($)	Income (loss) per Share (Basic & Diluted) ($)
March 31, 2023	885,089	-	10,712	0.00
June 30, 2023	2,773,346	-	3,891,887	0.64
September 30, 2023	3,092,209	-	920,755	0.11
December 31, 2023	739,192	-	12,947,928	1.30
March 31, 2024	573,660	-	(20,660)	(0.00)
June 30, 2024	419,981	-	(104,275)	(0.01)
September 30, 2024	340,982	-	(197,668)	(0.01)
December 31, 2024	293,907	-	(253,661)	(0.01)

SUMMARY OF QUARTERLY RESULTS (CONTINUED)

Fluctuations in assets are mostly due to cash from financing activities and the acquisition of certain businesses and assets during a specific quarter. The amount and timing of expenses and availability of capital resources vary substantially from quarter to quarter, depending on the availability of funding from investors or collaboration partners.

For the period ended March 31, 2023, the Company's operating losses before other items was offset primarily by the gain on debt settlement from the conversion of its convertible debentures payable, recorded income from discontinued operations and realized gains and unrealized losses on marketable securities.

A comprehensive income was noted for the three month period ended June 30, 2023, the Company had a gain on debt settlement of $1,128,000, a gain on loan forgiveness of $752,703, a gain on sale of subsidiary of $1,969,099 which is part of discontinued operations, and a loan recovery of $225,000 which offset the net operating loss of $1,101,146.

A comprehensive income was noted for the three month period ended September 30, 2023, the Company had a gain on sale of subsidiary of $1,322,958 in relation to the sale of SUHM from prior years which is recorded in discontinued operations, termination of sale of SGSCC agreement and the sale of AgraFlora Europe, a gain on debt settlement of $179,190 related to conversion of debentures payable, which was offset by the net operating loss of $992,936.

A comprehensive income was noted for the three month period ended December 31, 2023, the Company recorded gain on debt settlement of $13,945,910 related to conversion of debentures payable, a gain on write-off of deferred revenue of $297,001 and a gain from write-off of accounts payable of $213,595, which was offset by the net operating loss of $510,039.

A comprehensive loss was noted for the three month period ended March 31, 2024, the Company had consulting and management fees, finance and other costs, professional fees, and regulatory fees which were offset by a gain on modification of debt which was related to the extension of the convertible debentures to March 12, 2025.

A comprehensive loss was noted for the three month period ended June 30, 2024, the Company had consulting and management fees, finance and other costs, professional fees, share-based payments and regulatory fees which were offset by a gain on debt settlement and a gain from write-off of accounts payables.

A comprehensive loss was noted for the three month period ended September 30, 2024, the Company had consulting and management fees, finance and other costs, professional fees, share-based payments and regulatory fees.

A comprehensive loss was noted for the three month period ended December 31, 2024, the Company had consulting and management fees, finance and other costs, professional fees, and regulatory fees.

RESULTS OF OPERATIONS

The Company's net and comprehensive loss for the year ended December 31, 2024 was $576,264 compared to a net and comprehensive income of $17,771,282 for the year ended December 31, 2023. In general, for the comparative year ended December 31, 2023, the Company had higher general and administrative costs (which include consulting and management, corporate development, finance costs, foreign exchange, insurance, investor communication, office and sundry, professional fees, regulatory and transfer agent fees, share-based payments, and wage and salary expenses), and a gain on debt settlement, gain on loan forgiveness, gain on modification of debt, gain on write-off of accounts payable, a gain on loan recovery, and a gain on write-off of deferred revenues which were offset by a loss on sale of marketable securities and unrealized losses on marketable securities. In the current period, the Company noted a gain on debt settlement, gain on write-off of accounts payable and a gain on modification of debt which are lower than the prior year comparative period. Explanations of the nature of costs incurred, along with explanations for those changes in costs are discussed below for the year ended December 31, 2024:

- Professional fees decreased to $165,034 from $382,852. The decrease during the current year relates to a decrease in complex transactions as compared to the prior year comparative period, sale of the subsidiary in prior year, and the Company's efforts to reduce cash spent as a cost-saving measure.
- Consulting and management fees decreased to $334,240 from $491,472. The Company relies heavily on consultants to achieve its goals on all facets of business and these industry consultants bring a wide range of expertise and connections to the Company. The decrease during the current year relates to a decrease in complex transactions as compared to the prior year comparative period and the Company's efforts to reduce cash spent as a cost-saving measure.
- Finance and other costs decreased to $254,921 from $2,278,833. In the prior year, the Company bought back certain convertible debentures from debenture holders thereby reducing the interest accrued on convertible debentures in the current period.
- Regulatory and transfer agent fees decreased to $74,570 from $152,018 as a result of the Company's preparations in the prior period to complete regulatory filings for its acquisitions and the shares issued. The decrease is related to the issuance of shares, no shares were issued in the current period and the Company disseminated less news releases.
- Insurance costs decreased to $18,205 from $126,367 in the prior year. There is a decrease noted as the Company had an extension to insurance in the prior year period for an additional amount.
- The Company recorded a $75,054 gain on debt settlement (2023: $16,157,433). The Company issued shares to settle interest owed on its convertible debentures. During the year ended December 31, 2023, the Company issued an aggregate of 9,959,333 common shares with a fair value of $374,643 pursuant to the conversion of $1,412,000 of convertible debentures and also satisfied aggregate interest of $160,366 on the conversions.
- The Company recorded a gain on sale of marketable securities of $Nil (2023: loss of $81,000) as a result of the sale of marketable securities received from the sale of SUHM in prior years.
- The Company recorded an unrealized loss of marketable securities of $450 (2023: $499,550) as a result of the change in fair value of marketable securities during the period.
- The Company recorded a gain on modification of debt of $163,514 (2023: $643,019). In the current year, the Company extended the maturity date of the convertible debentures to March 12, 2025 and recognized a gain on modification of $163,514. In the prior year, the Company extended the maturity date of convertible debentures to March 12, 2024 and recognized a gain on modification of $643,019.
- The Company recorded income from discontinued operations of $6,837 (2023: $3,206,402) related to the equity investment in PSC, gain from sale of SUHM Investments and sale of AgraFlora Europe. In the current period, the Company recorded a gain of $6,837 as a result of adjustments of previously recorded balances in AgraFlora Europe. In the prior year comparative period, the Company had a gain on SUHM from receipt of shares of $2,354,691, a gain of $601,711 for AgraFlora Europe and a gain for PSC of $250,000.
- The Company recorded a gain on write-off of accounts payable of $73,932 (2023 – $679,417) as a result of writing off statute barred accounts payables.
- The Company recorded a sale of investment of $Nil (2023 – $225,000) which relates to the sale of convertible notes on August 17, 2023 for aggregate cash of $225,000 to a third party in the prior year.
- The Company recorded a gain on loan forgiveness of $Nil (2023 – $754,393) as JJ Wolf agreed to forgive the Company's loans in the prior year.

(Expressed in Canadian Dollars)

RESULTS OF OPERATIONS (CONTINUED)

- The Company recorded a write-off of deferred revenues of $Nil (2023: $297,001) as the Company determined the deferred revenues would not be realized in 2023.

The Company's net and comprehensive loss for the three-month period ended December 31, 2024 was $253,661 compared to a net and comprehensive income of $12,947,928 for the period ended December 31, 2023. In general, for the comparative period ending December 31, 2023, the Company had higher general and administrative costs (which include consulting and management, corporate development, finance and other costs, foreign exchange, insurance, investor communication, office and sundry, professional fees, regulatory and transfer agent fees, share-based payments, and wage and salary expenses) and the primary gain was related to the gain on debt settlement of $13,954,910. In the current period, the Company had lower general and administrative costs (included expense items discussed above) and no other items.

Below is a break-down of the various consulting fees incurred by the Company:

	Year ended December 31,	
	2024	**2023**
	$	**$**
Management fees	334,240	475,145
Advisory and business development consulting fees	-	16,327
Total	334,240	491,472

DISCONTINUED OPERATIONS: REVENUE AND COST OF SALES ANALYSIS

	Year ended December 31,	
	2024	**2023**
	$	**$**
Sales	-	389,073
Cost of goods sold	-	(190,532)
Gross profit	-	198,541
Gross profit %	Nil%	51%

- The Company sales recorded in discontinued operations include various hemp health products and cannabis to pharmacies, medical and recreational customers. The majority of the sales were earned in the Company's subsidiary, AgraFlora Europe. During the year ended December 31, 2023, the Company sold AgraFlora Europe and thus no longer had sales revenue in Europe subsequent to the sale.
- Cost of goods sold include all expenditures related to the products. This includes ingredients and manufacturing costs, as well as the cost of purchasing the products.
- The Company's revenues decreased to $Nil from $389,073 in the prior period. During the year ended December 31, 2023, the Company sold AgraFlora Europe and thus no longer had sales revenue in Europe subsequent to the sale.

LIQUIDITY

Liquidity and Capital Resources

The consolidated financial statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. Continuing operations, as intended, are dependent on management's ability to raise required funding through future equity issuances, its ability to execute the Company's business interests and develop profitable operations or a combination thereof, which is not assured, given today's volatile and uncertain financial markets. The Company may revise the Company's business programs depending on its working capital position.

(Expressed in Canadian Dollars)

LIQUIDITY (CONTINUED)

Liquidity and Capital Resources (Continued)

The Company has financed its operations to date through the issuance of common shares.

	December 31, 2024 $	December 31, 2023 $
Working capital (deficit)	(1,112,651)	(620,360)
Total liabilities	1,406,558	1,359,552
Deficit	(216,084,001)	(217,414,551)

Other than the above-mentioned current liabilities, the Company has no short-term capital spending requirements and future plans and expectations are based on the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. There can be no assurance that the Company will be able to obtain adequate financing in the future or if available that such financing will be on acceptable terms. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Company may seek such additional financing through debt or equity offerings. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

The Company is in the process of completing the reverse takeover transaction with 3Win and is expected to receive shares of 3win upon completion of the transaction. There is no guarantee that the Company will be able to successfully raise funds.

Liquidity and Capital Resources – Cash Flow

Operating Activities:

During the year ended December 31, 2024, $374,835 of cash was used in operating activities from continuing operations (2023 – $2,747,771). This consisted mainly of cash paid for consulting, corporate development, and day-to-day expenditures related to the various transactions completed during the period and non-cash gain on modification of debt, share-based payments and write-off of accounts payables. In the comparative year, the Company had non-cash transactions related to the gains on modification of debt, loss on sale of marketable securities, unrealized losses on marketable securities, gain on loan forgiveness, gain on debt settlement, and shares issued for interest expense. For operating activities, $6,837 income (2023 – $3,206,402 income) are included in the Company's consolidated statement of comprehensive income (loss) is from discontinued operations. Overall, the Company spent more cash in the prior year comparative period to pay vendors and repay creditors.

Financing Activities:

During the year ended December 31, 2024, $70,000 of cash was used in financing activities (2023 - $Nil). In the current year, the Company repaid CEBA loans of $70,000.

Investing Activities:

During the year ended December 31, 2024, $Nil cash was used in investment activities (2023 – $3,182,258 was received from investment activities). In the prior year comparative period, the Company received cash proceeds of $2,349,038 for sale of marketable securities, $608,220 received for the sale of AgraFlora Europe, and $225,000 received for the sale of the C Notes.

LIQUIDITY (CONTINUED)

Liquidity and Capital Resources – Cash Flow (Continued)

Investing Activities (Continued):

In the event that proceeds from any future financings are insufficient to cover planned expenditures, Management will allocate available resources in such manner as deemed to be in the Company's best interest. This may result in a significant reduction in the scope of existing and planned operations.

The consolidated financial statements do not reflect any adjustments related to the recoverability and classification of assets or the amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements that would potentially affect current or future operations or the financial condition of the Company.

PROPOSED TRANSACTIONS

The Company's RTO has been approved by the Board of Directors but has not yet been completed as of the date of this Management's Discussion and Analysis. All current transactions are fully disclosed in the consolidated financial statements for the year ended December 31, 2024.

INVESTOR RELATIONS

The Company has not entered into any investor relations contracts and all investor relation activity is carried out by officers of the Company.

RELATED PARTY TRANSACTIONS

The Directors and Executive Officers of the Company as of the date of this report are as follows:

Nick Kuzyk	CEO and Director (Appointed as CEO on March 1, 2023, formerly Interim CEO)
Fiona Fitzmaurice	CFO and Director
Anthony Carnevale	Director
Jonathan Hirsch	Director (Appointed June 5, 2023)

(Expressed in Canadian Dollars)

RELATED PARTY TRANSACTIONS (CONTINUED)

The Company has identified the directors and senior officers as key management personnel. The following table lists the compensation costs paid directly or to companies controlled by key management personnel for the years ended December 31, 2024 and 2023:

Year ended December 31, 2024	**Share-based payments**	**Consulting and Management Fees $**
Consulting fees paid/accrued to Longford Consulting Inc, a private company controlled by Fiona Fitzmaurice, the CFO	8,484	40,680
Consulting fees paid/accrued to Meadowbank Strategic Partners Inc., a private company controlled by Nick Kuzyk, the CEO	8,485	189,000
Consulting fees paid/accrued to Jonathan Hirsh, a Director	8,484	14,000
Consulting fees paid/accrued to 12250586 Canada Inc., a private company controlled by Anthony Carnevale, a Director	8,484	14,000
	33,937	334,240

Year ended December 31, 2023	**Share-based payments $**	**Consulting and Management Fees $**
Consulting fees paid/accrued to Longford Consulting Inc, a private company controlled by Fiona Fitzmaurice, the CFO	10,275	94,920
Consulting fees paid/accrued to a private company controlled by the CEO	20,547	372,225
Directors fees fees paid/accrued to 12250586 Canada Inc., a private company controlled by Anthony Carnevale, a Director	5,137	8,000
Share-based payments to Jonathan Hirsch, a Director	5,137	-
	41,096	475,145

Amounts due to and from related parties are unsecured, non-interest bearing and due on demand. At December 31, 2024, $257,671 (December 31, 2023 – $56,325) is owing to related parties for unpaid fees which are included in accounts payable and accrued liabilities.

As at December 31, 2024, the CEO holds $500,000 (December 31, 2023 – $Nil) of the principal amount of the convertible loans payable with accrued interest of $23,016 (December 31, 2023 – $Nil) for total convertible loans payable of $523,016 (December 31, 2023 – $Nil).

(Expressed in Canadian Dollars)

CONFLICTS OF INTEREST

The Company's directors and officers may serve as directors or officers, or may be associated with other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act (BC) ("Corporations Act") dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith, and in the best interest of the Company.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value of financial instruments

The carrying values of cash, marketable securities, accounts payable and accrued liabilities, loans payable, convertible loans payable, and derivative liabilities approximate their carrying values due to the immediate or short-term nature of these instruments.

IFRS 13, *Fair Value Measurement,* establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's cash is measured using level 1 inputs and marketable securities are measured using level 2 inputs.

For the Company's derivative liabilities at level 3, the fair value was determined on a binomial lattice methodology considering both expected values with and without the conversion features of the derivative liabilities. The inputs used were the stock price on the valuation date, the risk-free rate, and a risk-adjusted discount rate, dividend yield, stock volatility and trading restrictions.

For the Company's convertible loan receivable at level 3 as of December 31, 2023, management assessed the collectability of the convertible loan receivable as low and impaired the convertible loan to $Nil as the collectability of debt component was assessed to be low, and convertibility feature has expired.

The following is an analysis of the Company's financial assets measured at fair value as at December 31, 2024 and December 31, 2023:

	As at December 31, 2024		
	Level 1	**Level 2**	**Level 3**
Cash	$ 293,907	-	-
Derivative liabilities	-	-	$ 28

(Expressed in Canadian Dollars)

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Fair value of financial instruments (continued)

	As at December 31, 2023		
	Level 1	**Level 2**	**Level 3**
Cash	$ 738,742	-	-
Marketable securities	-	$ 450	-
Derivative liabilities	-	-	$ 28

Financial risk management

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

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist primarily of cash, convertible loan receivable and loans receivable. The Company's maximum exposure to credit risk associated with those financial instruments is $293,907 being the face value of those instruments at December 31, 2024 (December 31, 2023 - $738,742). The Company limits its exposure to credit risk by placing its cash with a high credit quality financial institution in Canada.

The Company actively manages its exposure to credit risk, reducing the amount and duration of credit exposures, through close monitoring of relevant accounts. The Company's management of credit risk has not changed materially from that of the prior year.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk by maintaining adequate cash balances.

The Company's expected source of cash flow in the upcoming year will be through equity financing. In addition to cash on hand, the Company will need additional funding through equity or debt financing, or a combination thereof, to complete its obligations. The Company's convertible loans are due on March 12, 2025 and extended to March 12, 2026 subsequent to year end, and the accounts payable and accrued liabilities are due on normal trade terms. The Company's management of liquidity risk has not changed materially from that of the prior year.

Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

a) 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. For the Company, interest rate risk consists of two components: to the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates the Company is exposed to interest rate cash flow risk; and to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities the Company is exposed to a change in fair value of the financial instruments. Assuming all other variables remain constant, a 1% (December 31, 2023 – 1%) change in the interest rate would result in approximately increase of $2,939 (December 31, 2023 – increase of $7,398) in interest expense in profit or loss.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Financial risk management (Continued)

b) ***Currency risk***
Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to currency risk to the extent that monetary assets and liabilities are denominated in foreign currencies. The Company has not entered into any foreign currency hedging contracts to mitigate foreign currency risk. During the year ended December 31, 2023, the Company sold AgraFlora Europe. As such, the Company is no longer exposed to material currency risk.

c) ***Other price risk***
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market prices (other than those arising from interest rate or foreign currency risk). The Company is exposed to risk of loss of those investments in the amount recorded on the consolidated statement of financial position, should those investments become listed on a stock exchange and suffer a decline in fair value, and or fail to have a market develop where those investments can be sold.

During the year ended December 31, 2024, the Company had immaterial investments with private entities, which would not have increased or decreased profit or loss by a material amount if the fair value increased or decreased by 10%.

d) ***Capital risk management***
The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through a suitable debt and equity balance appropriate for an entity of the Company's size and status. The Company's overall strategy remains unchanged from last year.

The capital structure of the Company consists of shareholders' deficit, which totaled $1,112,651 at December 31, 2024 (December 31, 2023 – deficit of $620,360). The availability of new capital will depend on many factors including positive stock market conditions, and the experience of management. The Company is not subject to any external covenants on its capital.

ADDITIONAL SHARE INFORMATION

On August 8, 2023, the Company consolidated its shares on a twenty-five (25) pre-consolidated to one (1) post-consolidation share basis.

As at the date of this MD&A, the Company had 23,055,294 common shares outstanding, 79,739 warrants outstanding with exercise prices of $375.00 and expiring at various dates to July 8, 2025; 21,733 stock options outstanding with exercise prices of $281.25 and expiring at on April 30, 2025; and 88,852 RSUs outstanding with expiry dates on October 7, 2027.

On March 18, 2025, the Company issued 1,000,000 common shares with a fair value of $20,000 to purchase $50,000 of the principal of the convertible loans to satisfy the interest owing on March 12, 2025.

NEW MATERIAL ACCOUNTING POLICIES

Adoption of new and revised standards and interpretations

The Company adopted the following amendment to IFRS Accounting Standards that are mandatorily effective for accounting periods beginning on or after January 1, 2024. Their adoption has not had a material impact on disclosures or amounts reported in these consolidated financial statements.

NEW MATERIAL ACCOUNTING POLICIES (CONTINUED)

Adoption of new and revised standards and interpretations (continued)

Amendments to IAS 1 - Presentation of Financial Statements

In October 2022, the IASB issued amendments to IAS 1, Presentation of Financial Statements titled non-current liabilities with covenants. These amendments sought to improve the information that an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within 12 months after the reporting period. These amendments to IAS 1 override but incorporate the previous amendments, Classification of liabilities as current or noncurrent, issued in January 2020, which clarified that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Liabilities should be classified as non-current if an entity has a substantive right to defer settlement for at least 12 months at the end of the reporting period.
The Company has not yet adopted certain new standards, amendments and interpretations to existing standards as outlined below, which have been published but are only effective for accounting periods beginning on or after January 1, 2025 or later periods.

Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements

In May 2023, the IASB issued amendments to IAS 7, Statement of Cash Flows and IFRS 7, Financial Instruments Disclosures to provide guidance on disclosures related to supplier finance arrangements that enable users of financial statements to assess the effects of these arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk.

Future accounting standards

The Company has not yet adopted certain new standards, amendments and interpretations to existing standards as outlined below, which have been published but are only effective for accounting periods beginning on or after January 1, 2025 or later periods.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements. This standard aims to improve the consistency and clarity of financial statement presentation and disclosures by providing updated guidance on the structure and content of financial statements. Key changes include enhanced requirements for the presentation of financial performance, financial position, and cash flows, as well as additional disclosures to improve transparency and comparability. In addition, IFRS 18 requires entities to classify income and expenses into five categories, three of which are new – i.e. operating, investing and financing – and the income tax and discontinued operation categories. The new standard sets out detailed requirements for classifying income and expenses into each category. These amendments are effective for annual periods beginning on or after January 1, 2027. The Company is currently assessing the impact that the adoption of IFRS 18 will have on its consolidated financial statements.

IFRS 9 Financial Instruments
IFRS 9 requires entities to recognize financial assets and liabilities when they become party to the contractual terms and to measure them initially at fair value, adjusted for directly attributable transaction costs where applicable. The standard is being clarified to provide better guidance on the derecognition of financial liabilities, which can impact bank reconciliation processes, especially during debt restructuring based on the timing of payments on financial liabilities as compared to the actual settlement of those debts. This clarification may result in a change in the derecognition timing of financial liabilities in situations where electronic payments are involved. The Company is currently assessing the impact that the adoption of this clarification of IFRS 9 will have on its consolidated financial statements.

OTHER RISKS AND UNCERTAINTIES

In conducting its business, the Company is subject to a number of other risks and uncertainties that could have a material adverse effect on the Company's business prospects or financial condition that could result in a delay or indefinite postponement in the development of the Company's interests.

Going concern

The Company's consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to obtain the necessary financing to meet its on-going commitments.

Risks Related to the Company's Business

This section discusses factors relating to the business of Company that should be considered by both existing and potential investors. The information in this section is intended to serve as an overview and should not be considered comprehensive and the Company may face risks and uncertainties not discussed in this section, or not currently known to us, or that we deem to be immaterial. All risks to the Company's business have the potential to influence its operations in a materially adverse manner.

Change in Law, Regulations and Guidelines

The Company's business is subject to a variety of laws, regulations and guidelines relating to Company's business activities. Changes to such laws, regulations and guidelines may cause adverse effects to the Company's operations.

Regulatory Risk

Achievement of the Company's business objectives are contingent, in part, upon compliance with the regulatory requirements, enacted by these government authorities and obtaining all regulatory approvals, where necessary, for the sale of its products. The Company cannot predict the time required to secure all appropriate regulatory approvals for its products, or the extent of testing and documentation that may be required by government authorities. Any delays in obtaining, or failure to obtain regulatory approvals would significantly delay the development of markets and products and could have a material adverse effect on the Company's business, results of operation and financial condition.

Limited Operating History and No Assurance of Profitability

The Company is subject to all of the business risks and uncertainties associated with any early-stage enterprise, including under-capitalization, cash shortages, limitation with respect to personnel, financial and other resources, and lack of revenue. The Company has incurred operating losses in recent periods. The Company may not be able to achieve or maintain profitability and may continue to incur significant losses in the future.

In addition, if the Company's revenues do not increase to offset its costs and operating expenses, then the Company will not be profitable. There is no assurance that the Company will be successful in achieving a return on shareholders' investments and the likelihood of success must be considered in light of the early stage of operations.

OTHER RISKS AND UNCERTAINTIES (CONTINUED)

Additional Financing

There is no guarantee that the Company will be able to execute on its strategy. The continued development of the Company may require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of current business strategy or the Company ceasing to carry on business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable to the Company. If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution. In addition, from time to time, the Company may enter into transactions to acquire assets or the shares of other Companies. These transactions may be financed wholly or partially with debt, which may temporarily increase the Company's debt levels above industry standards. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the obtain additional capital and to pursue business opportunities, including potential acquisitions. Debt financings may contain provisions, which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in such an event or prevent the enforcement of security granted pursuant to such debt financing. The Company may require additional financing to fund its operations to the point where it is generating positive cash flows. Negative cash flow may restrict the Company's ability to pursue its business objectives.

Uninsured or Uninsurable Risk

The Company may be subject to liability for risks against which it cannot insure or against which the Company may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for the Company's normal business activities. Payment of liabilities for which the Company does not carry insurance may have a material adverse effect on the Company's financial position and operations.

Key Personnel

The Company's success will depend on its directors' and officers' ability to develop and execute on the Company's business strategies and manage its ongoing operations, and on the Company's ability to attract and retain key quality assurance, scientific, sales, public relations and marketing staff or consultants now that production and selling operations have begun. The loss of any key personnel or the inability to find and retain new key persons could have a material adverse effect on the Company's business. Competition for qualified technical, sales and marketing staff, as well as officers and directors can be intense, and no assurance can be provided that the Company will be able to attract or retain key personnel in the future, which may adversely impact the Company's operations.

Strategic Alliances

The Company currently has, and may in the future enter into, strategic alliances with third parties that the Company believes will complement or augment its existing business. The Company's ability to complete strategic alliances is dependent upon, and may be limited by, the availability of suitable candidates and capital. In addition, strategic alliances could present unforeseen integration obstacles or costs, may not enhance our business, and may involve risks that could adversely affect the Company, including significant amounts of management time that may be diverted from operations in order to pursue and complete such transactions or maintain such strategic alliances. Future strategic alliances could result in the incurrence of additional debt, costs and contingent liabilities, and there can be no assurance that future strategic alliances will achieve, or that the Company's existing strategic alliances will continue to achieve, the expected benefits to the Company's business or that the Company will be able to consummate future strategic alliances on satisfactory terms, or at all. Any of the foregoing could have a material adverse effect on the Company's business, financial condition and results of operations.

OTHER RISKS AND UNCERTAINTIES (CONTINUED)

Litigation

The Company may become party to litigation, mediation and/or arbitration from time to time in the ordinary course of business which could adversely affect its business. Monitoring and defending against legal actions, whether or not meritorious, can be time-consuming, divert management's attention and resources and cause the Company to incur significant expenses. In addition, legal fees and costs incurred in connection with such activities may be significant and we could, in the future, be subject to judgments or enter into settlements of claims for significant monetary damages. While the Company has insurance that may cover the costs and awards of certain types of litigation, the amount of insurance may not be sufficient to cover any costs or awards. Substantial litigation costs or an adverse result in any litigation may adversely impact the Company's business, operating results or financial condition.

Political and Economic Instability

The Company may be affected by possible political or economic instability. The risks include, but are not limited to, terrorism, military repression, extreme fluctuations in currency exchange rates and high rates of inflation. Changes in medicine and agriculture development or investment policies or shifts in political attitude in certain countries may adversely affect the Company's business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, distribution, price controls, export controls, income taxes, expropriation of property, maintenance of assets, environmental legislation, land use, land claims of local people and water use. In 2025, there may be uncertainty surrounding the new US tariffs that may cause volatility for financial markets in Canada. The effect of these factors cannot be accurately predicted.

Execution of Future Acquisitions or Dispositions

Material acquisitions, dispositions and other strategic transactions involve a number of risks, including: (i) potential disruption of the Company's ongoing business; (ii) distraction of management; (iii) the Company may become more financially leveraged; (iv) the anticipated benefits and cost savings of those transactions may not be realized fully or at all or may take longer to realize than expected; (v) increasing the scope and complexity of the Company's operations, and (vi) loss or reduction of control over certain of the Company's assets. The presence of one or more material liabilities of an acquired company that are unknown to the Company at the time of acquisition could have a material adverse effect on the results of operations, business prospects and financial condition of the Company. A strategic transaction may result in a significant change in the nature of the Company's business, operations and strategy. In addition, the Company may encounter unforeseen obstacles or costs in implementing a strategic transaction or integrating any acquired business into the Company's operations.

Market Risk for Securities

The market price for the Common Shares of the Company could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the Company. The stock market has from time-to-time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

OTHER RISKS AND UNCERTAINTIES (CONTINUED)

Competition

There is potential that the Company will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and manufacturing and marketing experience than the Company. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of the Company.

Because of the early stage of the industry in which the Company intends to operate, the Company expects to face additional competition from new entrants. If the number of users of medical cannabis in Canada increases, the demand for products will increase and the Company expects that competition will become more intense, as current and future competitors begin to offer an increasing number of diversified products. To be competitive, the Company will require a continued high level of investment in research and development, marketing, sales and client support. The Company may not have sufficient resources to maintain research and development, marketing, sales and client support efforts on a competitive basis which could materially affect the business, financial condition and results of operations of the Company.

Global Economy

An economic downturn of global capital markets has been shown to make the raising of capital by equity or debt financing more difficult. The Company will be dependent upon the capital markets to raise additional financing in the future, while it establishes a user base for its products. As such, the Company is subject to liquidity risks in meeting its development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the Company's ability to raise equity or obtain loans and other credit facilities in the future and on terms favorable to the Company and its management. If uncertain market conditions persist, the Company's ability to raise capital could be jeopardized, which could have an adverse impact on the Company's operations and the trading price of the Company's shares on the Exchange.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on the SEDAR+ at www.sedarplus.ca.