CULTIVAR HOLDINGS LTD.

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended January 31, 2019

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MANAGEMENT DISCUSSION AND ANALYSIS

For the Year Ended April 30, 2019

(Information as at September 3, 2019 unless otherwise noted)

Introduction

Management's Discussion and Analysis ("MD&A") is intended to help the reader understand Cultivar Holdings Ltd., (the “Company”) consolidated financial statements for the year ended January 31, 2019. This MD&A should be read in conjunction with the consolidated financial statements of the Company and the notes thereto for the year ended January 31, 2019. The effective date of this report is September 3, 2019. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”). Unless expressly stated otherwise, all financial information is presented in Canadian dollars. This MD&A contains certain forward-looking information and involves risks and uncertainties, including but not limited to, those described in the “Risk Factors” section.

Forward-Looking Statements

Certain statements contained in the following MD&A constitute forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements may include statements regarding work programs, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not statement of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company’s expectations include uncertainties involved in disputes and litigation, fluctuations in commodity prices and currency exchange rates; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and economic return; the need for cooperation of government agencies; the need to obtain additional financing and uncertainty as to the availability and terms of future financing; uncertainty related to the completion of the amalgamation.

It is the Company’s policies that all forward-looking statements are based on the Company’s beliefs and assumptions which are based on information available at the time these assumptions are made. The forward- looking statements contained herein are as of January 31, 2019 and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws.

Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate. Forward-looking information or statements in this MD&A include, but are not limited to, information or statements concerning our expectations regarding the ability to raise additional funds, results of the research and development performed in relation to the products and services of the Company, positive result due to the change in business model, possibility of entering into strategic alliance, distribution agreements and other arrangements to market their products and services and possibility of producing viable products through the use of the new technologies purchased and developed.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and factors including: the possibility that opportunities will arise that require more cash than the Company has or can reasonably obtain; dependence on key personnel; dependence on corporate collaborations; potential delays; uncertainties related to early stage of technology and product development; uncertainties as to fluctuation of the stock market; uncertainties as to future expense levels and the possibility of unanticipated costs or expenses or cost overruns; and other risks and uncertainties which may not be described herein. The Company has no policy for updating forward looking information beyond the procedures required under applicable securities laws.

CORPORATE OVERVIEW

Cultivar Holdings Ltd was incorporated on December 6, 2017, pursuant to the Ontario Business Corporations Act is a holding company in the cannabis space and through its three vertically integrated businesses, is engaged in the global cannabis market and are offering products for testing technology, Cultivation & Distribution of Extracts as well as Derivative Nutraceutical Products.

On February 15, 2018, the Company acquired a 49% interest in a newly incorporated Cultivar JA Limited, (the "CJA") a corporation incorporated under the laws of Jamaica. The remaining 51% interest is owned by local business partners. CJA has already received the pre licenses (conditional licenses) from CLA Jamaica and once we setup our infrastructure after CLA inspects our facilities, the conditional license will be converted into a full license

On July 16, 2018 the Company acquired a 100% interest in a newly incorporated Cann IP Holdings Inc. (prior name 2639745 Ontario Inc.) (the "Cann") a corporation incorporated under the laws of the province of Ontario. Cann is engaged in the development of cosmetic and edible product lines, as well as investment in technology to detect an individual influence of cannabis. The Company did a one for one share exchange with Cann and issued 29,800,000 common shares to the shareholders of Cann.

The Company's corporate head office is located at 77, King Street West, Suite 3000, Toronto, Ontario, Canada, M5K 1G8.

The legalization of cannabis has brought upon the issue of cannabis impairment to the forefront both for law enforcement agencies along with workplace. Moreover, in several international jurisdictions with tropical climate, cannabis does grow like a "weed" and is in fact a cheaper alternative to alcohol. As such cannabis impairment is turning out to be a universal problem but there is a complete lack of tools to identify cannabis impairment.

Currently, companies are in the process of trying to develop breathalyzers for THC (Tetrahydrocannabinol), the psychoactive ingredient in cannabis. However, the biggest drawback with THC breathalyzers is the lack of correlation with impairment which has been brought up in several studies conducted to date. Furthermore, breathalyzer technology (cannabis or alcohol) is not suited for use at workplace.

Our first vertical, PredictMedix has been working towards development of Artificial Intelligence powered facial and voice recognition technology to detect cannabis along with alcohol impairment. Predict MEDiX has developed a market viable product (MVP) to detect drug impairment using proprietary Artificial Intelligence (AI) technology algorithms with a decision-making ability to identify if someone is driving under the influence of cannabis and alcohol. The AI algorithms use several unique data points with facial and voice recognition to identify impairment. Applications for detecting drug impairment can range from roadside impairment tests to workplace safety. We have filed patents to protect our technology and are currently patent pending; these are effectively with the first set of patents in the world that incorporate and utilize AI to detect impairment. Predict MEDiX is in the process of starting a large-scale study with over 3500 participants, which will further solidify our technology.

Predict MEDiX signed a JV with Tech Mahindra (subsidiary of Mahindra Group) to allow them to sell our drug impairment testing technology to their clients. Tech Mahindra was rated ranked 15th globally in Forbes digital 100; the top 100 public companies shaping the digital economy (which also included Google and Amazon). They are a provider of information technology, networking technology solutions, integrated engineering solutions and business process outsourcing to various industries. Tech Mahindra had $4.77 Billion (USD) of revenue in 2018 with a current market capitalization of over $11 Billion (USD).

Predict MEDiX has also signed a MOU with Hindalco Industries for conducting pilot studies using our proprietary drug impairment detection technology to detect impairment among their employees and also to explore business opportunities together. Hindalco Industries is one of the largest aluminium and copper manufacturing company globally and a subsidiary of the Aditya Birla Group; an Indian Multinational Conglomerate with operations in 35 countries and over $44 Billion (USD) in revenue. Hindalco is one of the largest aluminum rolling companies in the world with revenue exceeding $18 Billion (USD) in 2018.

We will license our software to two distinct markets; law enforcement agencies and a variety of industries that are concerned about impairment in the workplace such as manufacturing, mining, and aviation. Our partnerships with Tech Mahindra and Hindalco Industries Ltd will be of immense value in marketing to the workplace related markets.

Our second vertical, Cultivar Jamaica (Cultivar JA) is a grower, supplier and distributor of cannabidiols (CBD oils) and tetrahydrocannabinols (THCs) with registration in Jamaica. Cultivar's mission is to be a manufacturer and wholesaler of consumable cannabis products including cosmetics, natural health products, pharmaceuticals, veterinary health products, vaporizer oil and edibles.

Jamaica provides many unique advantages to grow and distribute cannabis. Jamaica's hot climate creates more growth cycles per year (5/6 8-week cycles). Growing conditions in Jamaica are significantly less expensive due to utilities and labor cost when compared to indoor growers in Canada. The Jamaican growing environment also provides the advantage of more unique strains than other traditional growers giving Cultivar an edge in product differentiation, quantity and price.

On May 1st, 2019, the company has received four conditional approvals for licenses in:

1. Cultivation

2. Processing

3. Transportation

4. Retail (Herb House): Pharmacy/dispensary

Conditional approvals are subject to the property meeting the Cannabis Licensing Authority's pre-license site inspection.

The Company is taking a very disciplined approach with their Jamaican operations and firstly want to prove our profitability on 2 acres on land. It is only after we can prove our profitability in 2 acres that we will expand further. Additionally, with the Jamaican government finalizing their export strategy over the next couple of months, we anticipate targeting the export market.

Our third vertical, Dazed Leaf, is a cannabis nutraceutical company which is reinventing health and wellness teas and cosmetics by offering unique health focused Cannabidiol (CBD) infused products which have been scientifically formulated and are free of chemicals and preservatives.

Dazed Leaf saw a growing demand in CBD infused products coupled with a growing health and wellness trend in North America. Therefore, we sought to create scientifically proven health and wellness teas infused with CBD to be at the forefront of this new industry. Over a rigorous research and development phase Dazed Leaf has come up with five unique tea blends.

These five blends are: Total Detox, Athletic Power, Skin Glow, Immune Balance, and Passion Redefined. Each of these teas has an unique herbal blend which, once combined with the CBD, creates very powerful effects to promote health and wellness. An initial survey saw massive customer demand and excitement over the possibility of this new and innovative product.

Vivir Cosmetics is part of Dazed Leaf CBD infused product portfolio. CBD infused cosmetics has many benefits including reduced inflammation, anti-aging, moisturizing and efficacy in treating skin disorders. Currently, we are working on three product lines including a face mask, serum and moisturizer.

Letter of Intent

On December 12, 2018, the Company entered into a non-binding letter of intent with Admiral Bay Resources Inc. ("Admiral") with respect to a reverse take-over transaction which would ultimately result in the Company's common shares being listed on the Canadian Securities Exchange.

Directors and Management

The Company's current leadership team includes:

Sheldon Kales, CEO and Director

Eugene Anthony Ffolkes, Director

Rakesh Malhotra, CFO

SELECTED FINANCIAL INFORMATION

The following table contains selected financial information of the Company for the period from December 6, 2017 (date of incorporation) to January 31, 2019.

	From December 6, 2017 to January 31, 2019
Revenues	**-**
Total operating expenses	**(364,141)**
Net loss and comprehensive loss for the period	**(364,141)**
Loss per share	
Loss per common share:	
Basic and diluted	**(0. 01)**
Weighted average number of common shares outstanding:	
Basic and diluted	**57,369,525**

The chart below presents the summary financial information of the Company:

	As at January 31, 2019
Current assets	**$1,715,621**
Noncurrent assets	**$14,106**
Total assets	**1,729,727**
Current liabilities	**47,113**
Total long-term liabilities	**-**
Shareholders’ equity	**1,682,614**
Cash dividends per common share	**NIL**

The chart below presents the summary financial information of the Company for the year ended January 31, 2019:

Expenses		
	Administration and general	33,526
	Amortization of property and equipment (Note 7)	4,395
	Leasing costs (Note 10)	32,366
	Legal fees	86,840
	Management fees (Note 10)	59,955
	Patent and trademark expenses	17,288
	Research and development	49,205
	Samples and testing	21,886
	Share based compensation (Note 8)	5,535
	Taxes and related	2,697
	Travel, entertainment and related	47,518
	Vehicle use expenses (Note 10)	4,750
	Total operating expenses	365,961
	Gain on foreign exchange	(1,820)
	Loss and comprehensive loss	$ 364,141

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

Expenses and Net Loss for the period from December 6, 2017 to January 31, 2019

Total operating expenses for the period ended January 31, 2019, were $365,961.

Significant items

Management fees consist of fees paid to senior management or to Companies owned by senior management, including (1) $56,000 paid to the CEO for services and (2) $3,955 paid to the CFO.

Share-based compensation of $5,535 consists of the fair value (Black- Scholes calculation) of the vesting of 100,000 options to consultants.

Research and development costs for $49,205 are costs incurred by outside research provider for development of Artificial Intelligence powered facial and voice recognition technology to detect cannabis along with alcohol impairment.

No cash dividends have been paid by the Company. The Company has no present intention of paying cash dividends on its common shares as it anticipates that all available funds will be invested to finance existing activities.

CRITICAL ACCOUNTING ESTIMATES

Preparing financial statements in conformity with IFRS requires the Company to select from possible alternative accounting principles. Estimates also affect classification and reported amounts for various assets, liabilities, equity balances, revenues and expenses. Prior estimates are revised as new information is obtained and are subject to change in future periods. Management believes the accounting policies and estimates used in preparing the consolidated financial statements are considered appropriate in the circumstances but are subject to numerous judgments and uncertainties inherent in the financial reporting process.

The preparation of these consolidated financial statements requires management to make judgements regarding the going concern of the Company, as well as the determination of functional currency. The functional currency is the currency of the primary economic environment in which an entity operates and has been determined for each entity within the Company. The functional currency for the Company and its subsidiary has been determined to be the Canadian dollar.

Income taxes - There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities based on the Company's current understanding of tax laws as applied to the Company's circumstances. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Stock option valuation - Issuances and grants of share options are valued using the fair value method. Management uses the Black-Scholes valuation model to estimate the fair value of options determined at grant date. Grants of options result in non-cash charges to expense and a corresponding credit to share-based payment reserves. Charges associated with granted options are recorded over the vesting period. Significant assumptions affecting valuation of options include the trading value of the Company's shares at the date of grant, the exercise price, the term allowed for exercise, a volatility factor relating to the Company's historical share price, forfeiture rates, dividend yield and the risk-free interest rate.

Useful life of property and equipment – Property and equipment is depreciated over its estimated useful life. Estimated useful lives are determined based on current facts and past experience and takes into consideration the anticipated physical life of the asset, potential for technological obsolescence, and regulations.

LIQUIDITY AND CAPITAL RESOURCES

At January 31, 2019, the Company had cash and cash equivalents of $1,558,949 and working capital of $1,668,508. During the period from December 6, 2017 to January 31, 2019 the Company received $1,979,716 from financing activities (common shares), used $402,296 in operating activities and $18,471 in investing activities.

The Company has financed its operations from inception to date through the issuance of equity shares.

The Company currently has no source of revenues; as such, administrative and other expenses may exceed available cash resources and additional funding may be required to further its projects and to meet ongoing requirements for general operations. The ability of the Company to continue as a going concern is dependent on raising additional financing, development of its projects and generation of profitable operations in the future.

Subsequent to the year, the Company raised an additional $824,000 by issuance of shares. As such, the Company believes it has enough cash to maintain itself for the next 12 months.

The Company's objectives when managing its capital structure are to preserve the Company's access to capital markets and its ability to meet its financial obligations.

Based on available funds, the Company manages its capital structure and makes adjustments to it to maintain flexibility while achieving the objectives stated above as well as support future business opportunities.

To manage the capital structure, the Company may adjust its project plans, operating expenditure plans, or issue new common shares. The Company monitors its capital structure using annual forecasted cash flows, expenditure budgets and targets for the year as well as corporate capitalization schedules. This is achieved by the Board of Directors' review and acceptance of expenditure budgets that are achievable within existing resources and the timely matching and release of the next stage of expenditures with the resources made available from private placements or other funding.

The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company is not subject to externally imposed capital requirements or covenants.

OUTSTANDING SHARE DATA

At January 31, 2019, the Company had 93,277,500 common shares outstanding. As of date of the MD&A, the Company has 97,439,900 common shares outstanding.

At January 31, 2019, the Company had 350,000 outstanding stock options and nil warrants.

As of date of this MD&A, the Company had 350,000 outstanding stock options and 1,648,000 warrants outstanding.

Information with respect to outstanding common shares, stock options and warrants as at January 31, 2019 and the date of the MD&A are as follows:

	Date of MD&A	**January 31, 2019**
Common shares	97,439,900	93,277,500
Stock options	350,000	350,000
Warrants	1,648,000	-
Fully diluted shares outstanding	**99,437,900**	**93,627,500**

a) Share issuances during the period ended January 31, 2019:

- The Company issued 30,000,000 common shares, as founders' shares, for $30.
- The Company issued 29,800,000 common shares in a share exchange agreement with Cann, valued at $30 (Note 4).
- The Company issued 24,995,000 common shares at $0.05 per share in private placements and raised $1,249,750. The Company issued 275,000 common shares as finders shares.
- The Company issued 8,207,500 common shares at $0.10 per share in private placements and raised $820,750.

In conjunction with the above private placements, the Company incurred cash share issuance costs of $29,340.

b) Stock Options during the period ended January 31, 2019:

In October 2018, the Company granted options to a consultant to acquire a total of 250,000 common shares. These options were issued at an exercise price of $0.10 per share and vested 75,000 immediately, and balance 175,000 on completion of milestones, with an expiry term of two years. The fair value of each option used for the purpose of estimating the stock-based compensation is estimated using the Black-Scholes option pricing model with the following assumptions:

Risk free rate		2.26%
Expected dividends		0%
Expected forfeiture rate		0%
Expected volatility		100%
Expected life		2 years
Stock-based compensation cost expensed during the period	$	3,973
Unvested stock-based compensation expense	$	9,272

In November 2018, the Company granted options to a consultant to acquire a total of 100,000 common shares. These options were issued at an exercise price of $0.10 per share and vested 25,000 immediately, and 25,000 each on April 1, 2019, September 1, 2019 and March 1, 2020 with an expiry term of three years. The fair value of each option used for the purpose of estimating the stock-based compensation is estimated using the Black-Scholes option pricing model with the following assumptions:

Risk free rate		2.30%
Expected dividends		0%
Expected forfeiture rate		0%
Expected volatility		100%
Expected life		3 years
Stock-based compensation cost expensed during the period	$	1,562
Unvested stock-based compensation expense	$	4,686

As of January 31, 2019, there was $13,958 of unvested stock-based compensation expense.

As at January 31, 2019, the Company had the following share purchase options outstanding and exercisable:

Outstanding	**Exercisable**	**Exercise Price**	**Remaining Life (Years)**	**Expiry Date**
250,000	75,000	$0.10	1.73	October 25, 2020
100,000	25,000	$0.10	2.77	November 8, 2021
350,000	100,000	$0.10	2.03	

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognized on the consolidated statements of financial position when the Company becomes a party to the contractual provisions of the financial instrument.

The following is the Company's accounting policy for financial instruments under IFRS 9:

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Measurement

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise.

Debt investments at FVOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI
These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

The Company's financial assets and liabilities are recorded and measured as follows:

Asset or Liability	**Category**	**Measurement**
Cash	FVTPL	Fair value
Loans and advances	Loans and receivables	Amortized cost
Accrued liabilities	Other liabilities	Amortized cost

The Company determines the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Cash has been measured at fair value using Level 1 inputs.

Financial risk management and objectives

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and market risk (including interest rate risk, foreign currency risk, and commodity price risk).

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by the Board of Directors.

<u>Credit risk</u>

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company is not exposed to significant credit risk.

<u>Liquidity risk</u>

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flows primarily from its financing activities.

The Company manages its liquidity needs by carefully monitoring scheduled costs. Liquidity is measured in various time bands, on day to day and week-to-week basis, as well as on long term liquidity needs over 180 day to 360 day look out periods. Funding for long term liquidity needs is based on the ability of the Company to successfully complete private placements.

As at January 31, 2019, the Company had sufficient cash of $1,558,949 to settle current liabilities of $47,113.

<u>Market Risk</u>

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

(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. The Company is not exposed to significant interest rate risk.

(b) Price risk

The Company is not exposed to significant price risk as it does not possess investments in publicly traded securities.

(c) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument denominated in a foreign currency will fluctuate because of changes in foreign exchange rates. The Company operates internationally, which gives rise to the risk that cash flows may be adversely impacted by exchange rate fluctuations. Amounts subject to currency risk are prepaid expenses held by a Director in US Dollars in a

Jamaican bank account as well as operating expenses incurred by CJA in US Dollars and Jamaican Dollars. As a result, the Company is exposed to foreign exchange rate risk with respects to the US Dollar and the Jamaican Dollar. The Company has not entered into any foreign exchange contracts to hedge this risk.

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 instrument obligations, or with respect to any obligations under a variable interest entity arrangement.

TRANSACTIONS WITH RELATED PARTIES

Related parties include key management personnel, the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Key management of the Company are members of the Board of Directors, the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO").

Transactions with key management personnel not disclosed elsewhere in the financial statements include the following:

				January 31, 2019
Management fees to the CEO	$	56,000		
Management fees to the CFO	$	3,955		
Total Management fees			$	59,955
Vehicle expense to the CEO				4,750
Leasing costs to the CEO				14,250
			$	78,955

As of January 31, 2019, there was $17,113 due to the CEO included in accrued liabilities.

BOARD PURPOSE AND FUNCTION

The directors and management of the parent company have experience operating in Canada and the United States and taking projects through to various stages of development.

The Board's purpose is to ensure corporate governance, risk, strategy and shareholder interests are priorities at all times. At the end of the financial year under review, the board consisted of two members.

PROPOSED TRANSACTIONS

The Company is continuing work to complete the RTO transaction with Admiral Bay Resources Inc.

COMMITMENTS AND CONTINGENCIES

Effective July 1, 2018, the Company signed a two- year contract with a corporation owned and controlled by the CEO to pay monthly compensation of $8,000 for CEO services. In addition, the Company is obligated to pay monthly rent for $1,500 and an additional $500 for the use of a personal vehicle.

The Company's operations were governed by governmental laws and regulations regarding environmental protection. Environmental consequences are difficult to both predict and identify, in terms of level, impact or timeline. At the present time and to the best knowledge of its management, the Company is in conformity with the laws and regulations in effect. Restoration costs will be accrued in the financial statements only when they will be reasonably estimated and will be charged to the earnings at the time.

CONTROL AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this Management Discussion and Analysis.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could burden the Company's financial resources, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and workload will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial accounting and reporting.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risks and uncertainties due to the nature of its business and the present stage of development of its business. Current and potential investors should give special consideration to the risk factors involved, should the Company continue in the cannabis business.

<u>Management</u>

Dependence on Key Personnel, Contractors and Service Providers, shareholders of our Company rely on the good faith, experience and judgment of the Company's management and advisors in supervising and providing for the effective management of the business and the operations of the Company and in selecting and developing new investment and expansion opportunities. The Company may need to recruit additional qualified contractors and service providers to supplement existing management. The Company will be dependent on a relatively small number of key persons, the loss of any one of whom could have an adverse effect on the Company.

Value of Our Common Shares

The value of the Company’s common shares could be subject to significant fluctuations in response to variations in quarterly and annual operating results, the success of the Company's business strategy, competition or other applicable regulations which may affect the business of the Company and other factors.

Additional Funding and Financing Risk

Additional funds will be required for future development. The source of future funds available to the Company is through the sale of additional equity capital or borrowing of funds. There is no assurance that such funding will be available to the Company. Furthermore, even if such financing is successfully completed, there can be no assurance that it will be obtained on terms favorable to the Company or will provide the Company with sufficient funds to meet its objectives, which may adversely affect the Company's business and financial position. In addition, any future equity financings by the Company may result in substantial dilution for existing shareholders.

Environmental Risk

Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes to environmental regulation, if any, will not adversely affect the Company’s operations.

Uninsured Hazards

The Company currently carries no insurance coverage. The potential costs that could be associated with any liabilities not covered by insurance or compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting the Company’s financial position.

Conflicts of Interest

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

Permits, Licenses and Approvals

The operations of the Company may require licenses and permits from various governmental authorities. The Company believes it holds or is in the process of obtaining all necessary licenses and permits to carry on the activities which it is currently conducting under applicable laws and regulations. Such licenses and permits are subject to changes in regulations and in various operating circumstances. There can be no guarantee that the Company will be able to obtain all necessary licenses and permits that may be required to maintain its activities, construct facilities and commence operations. of any of their properties. In addition, if the Company proceeds to production on any property, it must obtain and comply with permits and licenses which may contain specific conditions concerning operating procedures, water use, the discharge of various materials into or on land, air or water, waste disposal, spills, environmental studies, abandonment and restoration plans and financial assurances. There can be no assurance that the Company will be able to obtain such permits and licenses or that it will be able to comply with any such conditions.

Regulatory Matters

The Company's business is subject to various federal, provincial and local laws governing prospecting and development, taxes, labor standards and occupational health, safety, toxic substances, environmental protection and other matters. Cannabis cultivation and extraction are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws impose high standards on the cannabis industry to monitor the discharge of waste water and report the results of such monitoring to regulatory authorities, to reduce or eliminate certain effects on or into land, water or air, to progressively rehabilitate cannabis properties, to manage hazardous wastes and materials and to reduce the risk of worker accidents. A violation of these laws may result in the imposition of substantial fines and other penalties.

General Venture Company Risks

The common shares must be considered highly speculative due to the nature of the Company's business, the early stage of its deployment, its current financial position and ongoing requirements for capital. An investment in the common shares should only be considered by those persons who can afford a total loss of investment and is not suited to those investors who may need to dispose of their investment in a timely fashion. Investors should consult with their own professional advisors to assess the legal, financial and other aspects of an investment in common shares.

Uncertainty of Revenue Growth

There can be no assurance that the Company can generate substantial revenue growth, or that any revenue growth that is achieved can be sustained. Revenue growth that the Company has achieved or may achieve may not be indicative of future operating results. In addition, the Company may increase further its operating expenses in order to fund increase its sales and marketing efforts and increase its administrative resources in anticipation of future growth. To the extent that increases in such expenses precede or are not subsequently followed by increased revenues, the Company's business, operating results and financial condition will be materially adversely affected.

Marketing and Distribution Capabilities

In order to commercialize its technology, the Company must either acquire or develop an internal marketing and sales force with technical expertise and with supporting distribution capabilities or arrange for third parties to perform these services. In order to market certain of its products, the Company must either acquire or develop a sales and distribution infrastructure. In order to maximize sales of other products, the Company may determine that it needs to either acquire or develop a sales and distribution infrastructure. The acquisition or development of a sales and distribution infrastructure would require substantial resources, which may divert the attention of its management and key personnel and defer its product development and deployment efforts. To the extent that the Company enters into marketing and sales arrangements with other companies, its revenues will depend on the efforts of others. These efforts may not be successful. If the Company fails to develop substantial sales, marketing and distribution channels, or to enter into arrangements with third parties for those purposes, it will experience delays in product sales and incur increased costs.

Rapid Technological Development

The markets for the Company's products and services are characterized by rapidly changing technology and evolving industry standards, which could result in product obsolescence or short product life cycles. Accordingly, the Company's success is dependent upon its ability to anticipate technological changes in the industries it serves and to successfully identify, obtain, develop and market new products that satisfy evolving industry requirements. There can be no assurance that the Company will successfully develop new products or enhance and improve its existing products or that any new products and enhanced and improved existing products will achieve market acceptance. Further, there can be no assurance that competitors will not market products that have perceived advantages over the Company's products or which render the products currently sold by the Company obsolete or less marketable. Regardless of the Industry as a whole, the less lethal sector moves somewhat slower in the adaptation and integration of new products.

The Company must commit significant resources to developing new products before knowing whether its investments will result in products the market will accept. To remain competitive, the Company may be required to invest significantly greater resources then currently anticipated in research and development and product enhancement efforts and result in increased operating expenses.

Competition

The Company's industry is competitive and composed of many foreign companies. The Company expects to experience competition from competitors whom it expects to continue to improve their products and technologies. Competitors may announce and introduce new products, services or enhancements that better meet the needs of end-users or changing industry standards, or achieve greater market acceptance due to pricing, sales channels or other factors. Competitors may be able to respond more quickly than the Company to changes in end-user requirements and devote greater resources to the enhancement, promotion and sale of their products.

Intellectual Property

The Company's ability to compete effectively will depend, in part, on its ability to maintain the proprietary nature of its technology and manufacturing processes. Although the Company considers certain of its product designs as well as manufacturing processes involving certain of its products to be proprietary, patents or copyrights do not protect all design and manufacturing processes. The Company has adopted procedures to protect its intellectual property and maintain secrecy of its confidential business information and trade secrets. However, there can be no assurance that such procedures will afford complete protection of such intellectual property, confidential business information and trade secrets. There can be no assurance that the Company's competitors will not independently develop technologies that are substantially equivalent or superior to the Company's technology.

To protect the Company's intellectual property, it may become involved in litigation, which could result in substantial expenses, divert the attention of its management, cause significant delays and materially disrupt the conduct of its business.

STRATEGY AND OUTLOOK

Our objective is to maximize the value of the Company for our shareholders and our strategy to obtain this result is to continually seek opportunities to participate in new ventures in any sector.

The Company's short-term list of objectives is as follows:

- The Company intends to work closely with Admiral Bay Resources Inc. to complete the proposed RTO transaction

SEGMENT INFORMATION

The Company is a holding company whose subsidiary in Jamaica is in the early stage marijuana services and products, and another subsidiary in Canada is in the early development of CBD product portfolio, as well as development of artificial intelligence powered technology to identify if someone is under the influence of cannabis and to predict substance addiction.

There are no revenues during the year. All assets are located in Canada except for property and equipment for $14,106 and prepaid expenses for $26,672 which are located in Jamaica.

SUBSEQUENT EVENTS

a) On March 18, 2019, the Company executed a teaming agreement with Tech Mahindra Limited ("TechM") incorporated under the laws of India with the desire to act as a team for the purpose of preparing and submitting a proposal of projects pertaining to detection of cannabis and alcohol impairment to customers.

b) On March 19, 2019, the Company executed an agreement with Hindalco Industries Limited ("Hindalco"), a Company incorporated under the laws of India. Both parties intend to establish an ongoing co-operative business relationship in the field of addressing impairment related to drugs and alcohol in the workplace.

c) On May 1, 2019, the Company issued 550,000 common shares to a director for services and 250,000 common shares to a consultant for services.

d) On August 12, 2019, the Company closed a private placement of 3,296,000 units at $0.25 per unit for a consideration of $824,000. Each unit is comprised of one common share and one-half of one common share purchase warrant (each whole warrant, a "Warrant"), with each Warrant exercisable into a common share of the Company at an exercise price of $0.50 per share for a period of 24 months. The Company paid finders fees for $49,320 in cash and issued 66,400 common shares at $0.25 per share.