



Management's Discussion and Analysis

For the years ended September 30, 2020 and 2019

DATE AND SUBJECT OF REPORT

The following management's discussion and analysis (the "MD&A") of the financial condition and results of the operations of Global Wellness Strategies Inc. (formerly Redfund Capital Corp.) (the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended September 30, 2020 and should be read in conjunction with the Company's audited annual consolidated financial statements for the years ended September 30, 2020 and 2019. The financial statements and MD&A of the Company are presented in Canadian dollars and prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. References to "US\$" are to United States dollars. Additional information relating to the Company's operations and activities can be found by visiting the Company's website at www.redfundcapital.com. You may also access the Company's disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively. The years ended September 30, 2020 and 2019, are also referred to as "fiscal 2020" and "fiscal 2019".

The effective date of this MD&A is January 28, 2021.

Forward-Looking Statements

This MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are usually preceded by, followed by or include the words 'believes', 'expects', 'anticipates', 'estimates', 'intends', 'plans', 'forecasts', 'may', 'will', or similar expressions, although not all forward-looking statements contain these words. These forward-looking statements are based on management's current expectations and involve numerous risks and uncertainties. Such uncertainties may include general economic, political or market uncertainties in Canada or elsewhere, changes to regulatory or compliance requirements, changes in government policies, the risks inherent in a development stage business, the possible future impact of tax exposures, currency and exchange rate fluctuations, changes in interest rate, all of which are difficult or impossible to predict accurately. While we believe the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. Forward-looking statements are not guarantees of future performance. Actual results may differ materially from those implied by the forward-looking statements. These factors should be considered carefully, and readers should not place undue reliance on forward-

looking statements. The Company has no intention and undertakes no obligation to update or revise any forward-looking statements, whether written or oral that may be made by or on the Company's behalf.

Description of Business

The Company was incorporated under the Business Corporation Act of Alberta on August 31, 1998 and was continued to British Columbia on January 30, 2006. On August 2, 2018, the Company completed a change of business and corporate name change to become a merchant bank focused on medical cannabis and hemp. Previously, the Company changed its name from AAN Ventures Inc. to Parana Copper Corporation on May 25, 2017. The Company's shares are publicly traded on the OTC Markets, Frankfurt Exchange and Canadian Stock Exchange (the "CSE") under the symbol "LOAN".

The Company provides advisory services, debt and equity funding in the mid to late stages of a target company's development, or in technologies that are developed and validated but may be in the early stage of commercialization in the medical cannabis, hemp and CBD markets. The head office, principal address and records office of the Company are located at 100 - 1111 Melville St Vancouver, British Columbia V6E 3V6.

Directors and Officers of the Company

The board of directors of the Company consists of Meris Kott, Eugene Hodgson, Mark Ireton, Amanda de Freitas, Ashleigh Vogstad and Lindsey Perry Jr. The management team of the Company is comprised of Meris Kott, CEO, and Stephen Brohman, CFO (effective December 12, 2019, with Kelly McQuiggan until December 11, 2019 and Ryan Cheung as CFO until July 1, 2019).

Outlook

Global Wellness Strategies has established the first tier of its investment client portfolio during its first fiscal year. The Company will focus in 2021 on developing additional revenue streams with their Best in Class Corporate Advisory Services, joint venture partnerships, corporate re-organizations, valuation adjustments, and corporate development strategy.

Going Concern

The Company incurred a net loss of \$1,374,989 for the year ended September 30, 2020, has an accumulated deficit of \$36,925,029 and has had recurring losses since inception. The Company does not have sufficient funds to sustain its operations over the next twelve months. Management is considering all possible financing alternatives, including equity and debt financing to finance the future operations.

The ability to continue operating as a going concern is dependent on raising additional funding to develop successful businesses. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. These circumstances lead to substantial doubt as to the ability of the Company to meet its obligations as they become due and, accordingly, as to the appropriateness of the use of accounting principles applicable to a going concern.

OVERALL PERFORMANCE

The Company is classified as a merchant bank focused on medical cannabis, hemp and CBD markets both Canada and the United States. The Company made several secured loans to cannabis companies during the year ended September 30, 2019.

Convertible Loan Portfolio and Investments

Biolog, Inc.

On August 21, 2018 ("Effective Date"), the Company subscribed for a convertible secured promissory note with Biolog, Inc. ("Biolog"), a private company incorporated in the State of Utah. The Company has agreed to advance up to USD\$800,000 in tranches. Advances are secured by the assets of Biolog and bear interest at 14%, payable monthly, and the promissory note is due on September 1, 2020. On the Effective Date, the Company advanced \$194,000. The note may be converted into common shares of Biolog at a price equal to a 10% discount to the valuation of Biolog immediately from any financing immediately prior to the date of conversion.

In addition, Biolog issued warrants equivalent to 20% of the amount of the note based upon its valuation as of the Effective Date which is stipulated to be USD\$10,000,000. The option to settle the convertible note and warrants in common shares of Biolog represents an embedded derivative in the form of a call option to the Company. Biolog is a private company and its shares cannot be reliably valued using any market-derived indicators. Accordingly, the derivative asset was initially recognized by the Company at \$nil value. As at September 30, 2019 and September 30, 2020, the fair value of the derivative asset remained the same.

Management completed a thorough analysis as to any expected credit losses on certain of its financial assets. Accordingly, management has been unable to review financial information of Biolog and has assessed the high likelihood of un-collectability in respect to the principal portion of the loan. Thus, the entire balance of convertible note receivable remains impaired. As such time the loan is repaid in full, the Company will recognize a recovery of the impairment amount. This loan continues to be secured by the borrowers' assets. As at September 30, 2020, the loan is now in default. The Company will be taking the steps of recovery through the borrowers' assets.

Biominales Pharma Corp.

On August 27, 2018 ("Effective Date"), the Company subscribed for a convertible secured promissory note with Biominales Pharma Corp. ("Biopharma"), a private company incorporated under the laws of the Province of Quebec. The Company has agreed to advance up to USD\$196,184. Advances are secured by the assets of Biopharma and bears interest at 14% annually, payable monthly; and the promissory note is due on October 1, 2020. On the Effective Date, the Company advanced \$255,000 under the note. The note may be converted into common shares of Biopharma at a price equal to a 10% discount to the price assigned to the common shares of Biopharma from any financing immediately prior to the date of conversion. The Company is not able to exert significant influence over the operations of Biopharma.

In addition, Biopharma issued 18,684 warrants, exercisable at a price of \$2.10 per warrant, to acquire one Class A common share in the capital of Biopharma for a period of 24 months. The option to settle the convertible note and the stock warrants in Class A common shares of Biopharma represents an embedded derivative in the form of a call option. Biopharma is a private company and its shares cannot be reliably valued using any market-derived indicators. As at September 30, 2018, the Company had not received repayment of such note and management has assessed the high likelihood of collectability. Thus, the entire balance of convertible note receivable had been impaired.

On October 1, 2018, a further \$250,000 was loaned to Biopharma under the same terms as the previously loaned \$255,000. This loan continues to be secured by the borrowers' assets. During the period ended September 30, 2020, Biopharma has made monthly interest payments in accordance with the promissory note totaling \$47,176.

Management completed a thorough analysis as to any expected credit losses on certain of its financial assets. Accordingly, management has not been satisfied through the review of financial information of Biominales and has assessed the high likelihood of un-collectability in respect to the principal portion of

the loan. Thus, the entire balance of convertible note receivable has been impaired \$505,000 as at September 30, 2020. As such time the loan is repaid in full, the Company will recognize a recovery of the impairment amount. This loan continues to be secured by the borrowers' assets.

Subsequent to the year ended September 30, 2020, the Company extended the loan payable maturity date to May 1, 2021.

RxMM Health Capital Inc.

On October 1, 2018, the Company entered into a US\$500,000 promissory note with RxMM Health ("RxMM"). The loan is secured by a general security agreement on assets of RxMM. The loan bears an interest at 14% compounded monthly and is repayable within 24 months. Furthermore, RxMM granted additional consideration to the Company providing an option to purchase common shares of RxMM equal to 20% of the amount of the loan based on a valuation agreed upon between RxMM and the Company. On October 9, 2018, the Company made a first tranche loan of \$220,740 CDN to RxMM. This loan continues to be secured by the borrowers' assets.

Management completed a thorough analysis as to any expected credit losses on certain of its financial assets. Accordingly, management has been unable to review financial information of RxMM and has assessed the high likelihood of un-collectability in respect to the principal portion of the loan. Thus, the entire balance of convertible note receivable has been impaired. As such time the loan is repaid in full, the Company will recognize a recovery of the impairment amount. This loan continues to be secured by the borrowers' assets. Subsequent to the year ended September 30, 2020, the loan is now in default. The Company will be taking the steps of recovery through the borrowers' assets.

Mary's Wellness Ltd.

On October 15, 2018, the Company entered into a \$1,000,000 promissory note with Mary's Wellness Ltd. ("MWL"). The loan was secured by a general security agreement on assets of MWL. The loan bore an interest rate of 12.5% per annum compounded monthly and was repayable by November 1, 2020. Furthermore, MWL granted additional consideration to the Company providing an option to purchase common shares of MWL equal to 20% of the amount of the loan based on a valuation agreed upon between MWL and the Company. On October 19, 2018, the Company made a first tranche loan of \$100,000 CDN to MWL. This loan was secured by the borrowers' assets. The entire loan was converted on March 20, 2019 to a 5% equity interest in MWL.

Winterlife Inc.

On November 1, 2018, the Company entered into a USD\$1,000,000 promissory note with Winterlife Inc. ("Winterlife"). The loan is secured by a general security agreement on assets of Winterlife made effective on November 1, 2018. The loan bears an interest rate of 14% per annum compounded monthly and is repayable by November 1, 2020. Furthermore, Winterlife granted additional consideration to the Company providing an option to purchase common shares of Winterlife equal to 20% of the amount of the loan based on a valuation agreed upon between Winterlife and the Company. On November 6, 2018, the Company made a first tranche loan of \$100,080 CDN to Winterlife. This loan continues to be secured by the borrowers' assets.

Management completed a thorough analysis as to any expected credit losses on certain of its financial assets. Accordingly, management has been unable to review financial information of Winterlife and has assessed the high likelihood of un-collectability in respect to the principal portion of the loan. Thus, the entire balance of convertible note receivable has been impaired. As such time the loan is repaid in full, the Company will recognize a recovery of the impairment amount. This loan continues to be secured by the borrowers' assets. Subsequent to the year ended September 30, 2020, the loan is now in default. The Company will be taking the steps of recovery through the borrowers' assets.

Ultra Invest

On August 2, 2018, the Company issued 2,576,000 common shares to the shareholders of Ultra Invest, to acquire all of the issued and outstanding shares of Ultra Invest, a private company controlled by the Company's CEO, Meris Kott, with a fair value of \$1,932,000 (the "Acquisition"). At the time of the Acquisition, Ultra Invest did not constitute a business as defined under IFRS 3, as it had neither operations nor assets; therefore, the Acquisition was accounted under IFRS 2.

Sunshine State Tea Company, LLC ("SSTC")

On February 6, 2020, the Company entered into a Limited Liability Company Membership Interest Purchase Agreement (the "Agreement") with SSTC, a private Florida, United States company controlled by the Company's CEO, Meris Kott, to purchase 18% membership interest in SSTC. The assets in SSTC include formulas related to SSTC tea product line.

On April 1, 2020, the Company issued 1,125,000 common shares to Meris Kott, to acquire an 18% membership interest of SSTC. As additional consideration of the transaction, the Company shall loan the sum of \$500,000 to SSTC for project and business development over the next 3 years, which the loan shall be repaid within 5 years from the date of the last funding and shall bear interest at 6% per annum. This acquisition has been accounted for as a asset acquisition as SSTC does not meet the definition of a business under IFRS 3, Business Combinations.

In accordance with IFRS 2 – Share based payments, the equity consideration on transfer was measured at fair value on the date of acquisition, which is the date control was obtained.

Consideration paid:	
1,125,000 common shares at \$0.24 per share	\$ 270,000

The fair value share consideration pertaining to the asset acquisition was \$270,000. The consideration paid was recognized as stock-based compensation in the amount of \$270,000.

RESULTS OF OPERATIONS

Selected Annual Information

The following table summarizes selected financial data for the Company for each of the three most recently completed fiscal years. The information set forth below should be read in conjunction with the audited consolidated annual financial statements of the same years.

	Years ended September 30,		
	2020	2019	2018
	\$	\$	\$
Net loss	(1,374,989)	(2,370,499)	(3,752,216)
Comprehensive loss	(1,374,989)	(2,370,499)	(3,752,216)
Total assets	3,999	769,442	1,092,832
Net loss per share (basic and diluted)	0.10	0.20	0.40

Selected Quarterly Information

The following table summarized the results of operations for the eight most recent quarters:

<i>(in thousands of dollars, except per share amounts)</i>	2020				2019			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net income (loss)	(1,189)	(121)	8	(73)	(75)	(839)	(17)	(63)
Loss per share	0.09	0.01	0.00	0.00	0.00	0.02	0.00	0.00

Weighted averages are consolidated shares. See Disclosure of Outstanding Share Data section.

Results for the three and twelve months ended September 30, 2020

During the three and twelve months ended September 30, 2020 the Company incurred a net loss of \$1,190,726 and \$1,374,989, respectively compared to net loss of \$74,717 and \$2,370,499 in the comparable prior periods. The company had a decreased in business operations resulting in an decrease in consulting, investor relations and marketing, public relations, travel and regulatory costs from the prior year which comprised the primary decrease from operating expenses. The Company also granted fewer stock options resulting in non-cash stock-based compensation expense to be recognized during the period.

Related Party Transactions

A number of key management personnel and Directors hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities. There were no loans to management personnel or Directors, or entities over which they have control or significant influence, during the years ended September 30, 2020 and September 30, 2019.

Meris Kott, the Company's President and CEO receives a monthly consulting fee and incentive stock options. All other key management personnel and Directors receive no salaries, non-cash benefits (other than incentive stock options), or other remuneration directly from the Company, other than noted below, and there are no employment contracts with them that cannot be terminated without penalty on thirty days notice. Key management personnel and Directors participate in the Company's stock option plan.

Stock options were granted during the year ended September 30, 2020 and September 30, 2019 to Directors and Officers which had a fair value on grant date of \$31,000 (2019 - \$291,892).

The Company transacted with the following related parties:

- (a) 1060606 BC Ltd. ("106 BC Ltd.") is a consulting firm over which the CEO of the Company has significant influence and ownership. Charges are for consulting, travel, office rent and administration.
- (b) Kelly McQuiggan was a former CFO. He is a consultant of Invictus Accounting Group LLP ("Invictus") a firm in which he has influence. Invictus provided the Company with professional services.
- (c) Ryan Cheung was the former CFO. He is owner of MCPA Services Inc. ("MCPA"). MCPA provided the Company with professional services.
- (d) Stephen Brohman is the Company's CFO. He is a principal of Donaldson Brohman Martin CPA Inc. ("DBM CPA"), a firm in which he has significant influence. DBM CPA provides the Company with professional services.

The aggregate value of transactions and outstanding balances with key management personnel and Directors and entities over which they have control or significant influence were as follows:

	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
	\$	\$	\$	\$
106 BC Ltd.				
- consulting services	120,000	325,696	89,991	-
- travel	-	106,400	-	-
- rent and administration	-	7,194	-	-
	120,000	439,290	89,991	-
Amanda de Freitas	-	40,000	-	40,000
Meris Kott	-	-	17,150	-
DBM CPA	35,425	-	32,425	-
Invictus	-	10,763	-	9,013
MCPA	-	18,950	-	-
	155,425	509,003	139,566	49,013

All related party balances are unsecured and are due within thirty days without interest.

The transactions with the key management personnel and Directors are included in operating expenses as follows:

- (a) Consulting service
 - Includes Meris Kott fee related to consulting service.
- (b) Professional fees
 - Includes the accounting services of Company's former CFO's, Ryan Cheung and Kelly McQuiggan, charged to the Company by MCPA and Invictus.
 - Includes the accounting services of the Company's current CFO, Stephen Brohman, charged to the Company by DBM CPA.

Disclosure of Outstanding Share Data

The Company's share structure as at the date of this MD&A are as follows:

Authorized Share Capital: Unlimited number of voting common shares without par value

Issued and outstanding: As at the date of this document, there were 15,854,726 common shares issued and outstanding, 3,214,395 share purchase warrants outstanding at the date of this document, and 487,500 share purchase options.

Liquidity and Capital Resources

At September 30, 2020, the Company had a working capital deficit of \$260,655 (2019 - \$117,099)

	September 30, 2020	September 30, 2019
	\$	\$
Current assets	3,999	42,556
Current liabilities	264,564	159,655

Transactions for the issue of share capital during the year ended September 30, 2020:

On April 1, 2020, the company issued 1,125,000 shares at a deemed price of \$0.24 per common share for consideration of an 18% membership interest in SSTC at a deemed value of \$270,000 (Note 3). Each common share is subject to a four month hold restriction.

The Company issued a total of 725,000 shares to consultants on the following dates for consulting services rendered:

- October 2, 2019: 125,000 shares for \$25,000;
- November 4, 2019: 50,000 shares for \$16,000;
- April 1, 2020: 50,000 shares for \$12,000; and
- May 15, 2020: 500,000 shares for \$120,000.

The fair value of the above share issuances was recognized and included in consulting expenses. No gain or loss was recognized in respect of any of the shares issued for services during the year.

On December 30, 2019, the Company entered into a Debt Settlement Agreement whereby the Company issued a total of 185,294 common shares with a fair value of \$12,044 (\$0.065 per share) to settle an amount owing of \$15,750. In connection with the debt settlement, the Company recognized a gain of \$3,706.

Transactions for the issue of share capital during the year ended September 30, 2019:

During the year ended September 30, 2019, the Company issued a total of 1,123,958 shares to consultants on the following dates for Consulting services rendered:

- February 19, 2019: 50,000 shares for a total value of \$40,000;
- April 5, 2019: 315,625 shares for a total value of \$220,937;
- April 24, 2019: 208,333 shares for a total value of \$141,667;
- May 13, 2019: 250,000 shares for a total value of \$150,000;
- July 8, 2019: 250,000 shares for \$125,000; and
- September 6, 2019: 50,000 shares for \$17,000.

The above share issuances were recognized as share-based payments and included in consulting expenses. The Company recognized a gain on contract settlements of \$267,062.

On October 11, 2018, the Company closed a private placement by issuing 1,431,250 units at \$1.20 per unit for gross proceeds of \$1,717,500. Each unit consisted of one common share and one warrant entitling the holder to one additional common share for \$2.20 for a period of two years from date of issuance. \$564,208 of the subscription proceeds were received during the year ended September 30, 2018. A cash commission of \$29,467 was paid and 5,367 broker warrants were issued, containing the same exercise terms as the private placement warrants. The fair value of the 5,367 broker warrants was estimated at \$6,700 using the Black-Scholes option pricing model.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet transactions.

Accounting Policies

The significant accounting policies of the Company are listed in the Note 2 to the Company's audited financial statements for the year ended September 30, 2020.

New Accounting standards

The Company adopted the following accounting standards that were effective for the Company beginning on October 1, 2019.

- **New standard IFRS 16 - Leases**
IFRS 16, Leases ("IFRS 16") was issued by the IASB on January 13, 2016, and replaced IAS 17, Leases. It was effective for annual periods beginning on or after January 1, 2019, with earlier application permitted. IFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, IFRS 16 requires a single, on-balance sheet accounting model that is similar to current finance lease accounting. Leases become an on-balance sheet liability that attract interest, together with a new asset.

The Company does not have any leases and there were no material reporting changes as a result of adopting the new standard.

- **New Interpretation IFRIC 23 - Uncertainty over Income Tax Treatments**
On June 7, 2017, the IASB issued IFRIC Interpretation 23 - Uncertainty over Income Tax Treatments. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation was applicable for annual periods beginning on or after January 1, 2019.

There were no reporting changes as a result of adopting the new interpretation.

Financial Instruments and Risks Management

The Company is exposed in varying degrees to a variety of financial instrument related risks.

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. The Company's primary exposure to credit risk is on its bank account. All of its cash is deposited in a bank account held with a major bank in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using

a major bank that is a high credit quality financial institution as determined by rating agencies. The maximum exposure to credit risk is the carrying amount of the Company's financial instruments.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to significant foreign exchange risk.

Liquidity risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time.

Historically, the Company's main source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Capital Management

Management's objective is to manage its capital to ensure that there are adequate capital resources to safeguard the Company's ability to continue as a going concern through the optimization of its capital structure. The capital structure consists of share capital and working capital.

In order to achieve this objective, management makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets. To maintain or adjust capital structure, management may invest its excess cash in interest bearing accounts of Canadian chartered banks and/or raise additional funds externally as needed. The Company is not subject to externally imposed capital requirements. The Company's management of capital did not change during the year ended September 30, 2020.

Fair Value

The fair value of the Company's financial assets and liabilities approximate the carrying amount wither due to their short-term nature or because the interest rates applied to measure their carrying amount approximate current market rates.

Financial and Disclosure Controls and Procedures

Venture issuers are not required to include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52- 109"). In particular, the Company's certifying officers are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's generally accepted accounting principles.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company are certifying officers to design and implement on a cost-effective basis.

Subsequent event

On January 22, 2020, the Company consolidated the Company's issued share capital on a ratio of four (4) old common shares for every one (1) new post-consolidated common share. All current and comparative references to the number of common shares, weighted average number of common shares, loss per share, stock options and warrants have been restated to give effect to this Share Consolidation. Additionally, the Company changed their name to Global Wellness Strategies Inc.