MANAGEMENT DISCUSSION AND ANALYSIS

RewardStream Solutions Inc. (“RewardStream” or the “Company”)

For the year ended September 30, 2019

Dated – February 10, 2020

This management’s discussion and analysis (MD&A) was prepared in accordance with National Instrument 51-102, Continuous Disclosure Obligations, and should be read in conjunction with the audited financial statements and accompanying notes for the year ended September 30, 2019. These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and are reported in Canadian dollars.

Certain information included in this MD&A contains forward-looking statements or forward-looking information within the meaning of applicable Canadian securities laws, including, without limitation, in respect of the Company’s priorities, plans and strategies and the Company’s anticipated financial and operating performance and prospects. All statements and information, other than statements of historical fact, included in or incorporated by reference into this MD&A are forward-looking statements and forward-looking information, including, without limitation, statements regarding activities, events or developments that we expect or anticipate may occur in the future. Such forward-looking statements and information can be identified by the use of forward-looking words such as "will", "expect", "intend", "plan", "estimate", "anticipate", "believe" or "continue" or similar words and expressions or the negative thereof. There can be no assurance that the plans, intentions or expectations upon which such forward-looking statements and information are based will occur or, even if they do occur, will result in the performance, events or results expected.

We caution readers of this MD&A not to place undue reliance on forward-looking statements and information contained herein, which are not a guarantee of performance, events or results and are subject to a number of risks, uncertainties and other factors that could cause actual performance, events or results to differ materially from those expressed or implied by such forward-looking statements and information. These factors include: the Company’s ability to raise additional financing through debt, equity or other form of financing; the ability to retain or add customers, complete product development plans, retain key staff; changes in priorities, plans, strategies and prospects; general economic, industry, business and market conditions; changes in law; the ability to implement business plans and strategies, and to pursue business opportunities; rulings by courts or arbitrators, proceedings and investigations; disruptions or changes in the credit or securities markets; inflationary pressures; challenges such as lawsuits, to the intellectual property of the Company; and various other events, conditions or circumstances that could disrupt RewardStream’s priorities, plans, strategies and prospects. Readers are cautioned that all forward-looking statements and information involve risks and uncertainties. RewardStream undertakes no obligation to publicly release the results of any revisions to forward-looking statements and information that may be made to reflect events or circumstances after the above-stated date or to reflect the occurrence of unanticipated events.

OVERVIEW

RewardStream was a provider of Software as a Service ("SaaS") marketing technology through its Spark System (the "Spark System") product. The Spark System allows RewardStream's clients to operate marketing programs that acquire, engage, optimize, and retain customers and sales channels. The Spark System lets marketers combine all types of referrals, such as email, mobile, social or word-of-mouth, with a powerful mix of software, promotion, and management tools into customer acquisition strategies. The Spark System makes it fast and easy for companies to engage and convert customers, activate employees, and mobilize brand influencers to spread the word about offers to friends and family.

The Company was incorporated under the laws of British Columbia on March 23, 1999 and continued under the Canada Business Corporations Act on December 22, 1999. RewardStream continued to a British Columbia Corporation under the Business Corporations Act (British Columbia) and changed its name to RewardStream Solutions Inc. on October 21, 2015. The head office and records are located at 800-1199 West Hastings Street Vancouver, British Columbia, V6E 3T5.

On July 28, 2016, the Company completed an amalgamation with Musgrove Minerals Corp. ("Musgrove") a publicly traded company on the TSX Venture Exchange (the "Exchange"), to form a single amalgamated company (the "Amalgamation"). On August 4, 2016, the Company commenced trading on the Exchange under the symbol REW.

Effective January 29, 2018, the Company completed a consolidation of its issued and outstanding shares on the basis of one new common share for every 10 old common shares. All share and share equivalent amounts have been restated to retrospectively reflect this consolidation.

On December 13, 2017, the Company incorporated a wholly-owned subsidiary, RewardStream Solutions NA Inc. ("RSNA"). On June 15, 2018, the Company completed the transfer of all of the assets of its referral and rewards business to RSNA and sold the subsidiary, RewardStream Solutions NA Inc. ("RSNA") to Buyapowa Ltd. in consideration for an upfront cash payment of $150,000 (the "Closing Payment") and sliding-scale royalty payment based on license fees received from existing and active RSNA customers. The royalty commences at a 15% rate for an initial 11-month period and decreases over time, resulting in a perpetual 1% royalty after a period of 47 months. The royalty will be first applied against the Closing Payment until such fees equal $150,000.

On June 12, 2019, the Company announced that it has entered into a definitive share purchase agreement effective June 11, 2019 to acquire (the "**Transaction**") all of the outstanding share capital of EuroMed Therapeutics Ltd. ("**EuroMed**"). EuroMed is an arms'-length company, established under the laws of the Province of British Columbia, involved in the cultivation and exporting of medical grade cannabis produced in greenhouse facilities located in Israel. EuroMed aims to be a leading low-cost high-quality medical grade cannabis producer in Israel with a focus on both the domestic Israeli market and the emerging European cannabis market. The definitive agreement replaces the existing letter of intent entered into on April 30, 2019.

EuroMed, through its wholly-owned Israeli subsidiary, Eurocann Agritech Ltd., owns a 74% equity stake in a 269,098 square foot (25 dunam) cannabis designated cultivation property located 45 minutes outside of Jerusalem, Israel. EuroMed inteads to build a 22,000 square feet greenhouse facility on the property to cultivate medical grade cannabis for the purposes of servicing the domestic medical cannabis market and exports into Europe. EuroMed will be working with leading greenhouse engineering and construction firm Eisenberg Agri Company (Israel) Limited (EACi) to design and build a state of the art modular greenhouse facility with expected completion by March 2020.

On November 12, 2019, the Company and EuroMed terminated the definitive share purchase agreement. As a result, the Company no longer has any active operations and will not meet the continued listing requirements of the TSX Venture Exchange. While the Company intends to apply for the reinstatement of trading in its common shares on the exchange, it is anticipated that the Company's listing will be transferred to the NEX board of the exchange.

The Company will continue with its search for other business opportunities.

MANAGEMENT CHANGES

On August 17, 2018, Rob Goehring resigned from the board of directors and as the chief executive officer of the Company. In his place, Patrick C.T. Morris was appointed as interim president and a director to the board.

On January 24, 2019, Cam Paddock resigned from the board of directors. In his place, Geoff Balderson was appointed as a director of the Company. On March 19, 2019, Geoff Balderson was appointed CFO and Corporate Secretary.

SELECTED ANNUAL INFORMATION

	For the twelve months ended		
	September 30, 2019 $	**September 30, 2018 $**	**September 30, 2017 $**
Revenue	-	-	-
Loss from continuing operations	(888,357)	(1,738,901)	(1,120,394)
Loss from discontinued operations	-	(453,389)	(1,237,006)
Net loss and comprehensive loss	(888,357)	(2,192,290)	(2,357,400)
Basic and diluted loss per share from continuing operations	(0.05)	(0.16)	(0.26)
Basic and diluted loss per share from discontinued operations	-	(0.04)	(0.29)
Basic and diluted loss per share	(0.05)	(0.20)	(0.55)
Total assets	118,742	945,945	349,325
Long-term financial liabilities	-	-	67,565
Dividends distributed	-	-	-

During the year ended September 30, 2018, the Company disposed of its referral and reward business to Buyapowa Ltd. Accordingly, the Company reclassified the operation as discontinued operations in its financial statements. Total net loss for 2018 amounted to $2,192,290, which is lower than the $2,357,400 for 2017, can be attributed to the recognition of a gain on sale of subsidiary of $125,708. During the year ended September 30, 2019, the Company recorded a net loss of from continuing operations of $888,357 as compared to the net loss of $1,738,901 from continuing operations for 2018. The decrease can be attributed to the reduced operations and to the sale of the referral and reward business.

INTERIM QUARTERLY HIGHLIGHTS

For the quarter ended:	**September 30, 2019**	**June 30, 2019**	**March 31, 2019**	**December 31, 2018**
Revenue	$ -	$ -	$ -	$ -
Loss from continuing operations	(232,101)	(119,230)	(206,336)	(330,690)
Loss from discontinued operations	-	-	-	-
Net and comprehensive loss	(232,101)	(119,230)	(206,336)	(330,690)
Loss per share from continuing operations*	(0.01)	(0.01)	(0.01)	(0.02)
Loss per share from discontinued operations*	0.00	0.00	0.00	0.00
Comprehensive loss per share*	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.02)
Weighted average number of shares*	17,483,123	17,483,123	17,483,123	17,483,123

For the quarter ended:	**September 30, 2018**	**June 30, 2018**	**March 31, 2018**	**December 31, 2017**
Revenue	$ -	$ -	$ -	$ -
Loss from continuing operations	(798,451)	(752,009)	(88,886)	(99,555)
Income (loss) from discontinued operations	125,708	(80,189)	(285,025)	(213,883)
Net and comprehensive loss	(672,743)	(832,198)	(373,911)	(313,438)
Loss per share from continuing operations*	(0.05)	(0.05)	(0.02)	(0.02)
Income (loss) per share from discontinued operations*	0.00	(0.01)	(0.06)	(0.04)
Comprehensive loss per share*	$ (0.04)	$ (0.05)	$ (0.08)	$ (0.06)
Weighted average number of shares*	17,483,123	15,147,958	4,983,124	4,983,124

* Effective January 29, 2018, the Company completed a consolidation of its issued and outstanding shares on the basis of one new common share for every ten old common shares. All share and loss per share amounts have been restated to retrospectively reflect this consolidation.

FOURTH QUARTER

During the fourth quarter ended September 30, 2019, the Company reported a net loss of $232,101 as compared to a net loss of $798,451 for the corresponding period in 2018. The decline in net loss can be attributed to the decline in operations for 2019 as the Company continues its search for new business opportunities. The majority of the expenses for 2019 relates to consulting fees incurred in its searches for new business opportunities after the sale of its business in the previous year.

RESULTS OF OPERATIONS

During the year ended September 30, 2019, the Company reported a net loss from continuing operations of $888,357 as compared to $2,192,290 net loss for the previous year ended September 30, 2018 which consisted of a net loss of $1,743,901 from continued operations and a net loss of $453,389 from discontinued operations.

Total expenses for the current year amounted to $888,357 as compared to $1,726,894 for the prior year. The majority of the expenses in the current year relates to consulting fees paid to numerous consultants that were engaged by previous management in its search for new business opportunities at the beginning of the year. On June 12, 2019, the Company announced that it has entered into a definitive share purchase agreement to acquire all of the outstanding share capital of EuroMed, which was terminated in November 2019. The Company also incurred professional fees and travel cost associated with EuroMed. All other costs were consistent with that of maintaining the Company's reporting issuer status.

Total expenses from 2018 amounted to $1,726,894 of which $1,445,150 were to consultants that were engaged by previous management in its search for new business opportunities and the increase in cost associated with the referral and reward program which the Company operated for nine months of the year.

LIQUIDITY

Liquidity is the risk of the Company not being able to meet its financial obligations as they become due. The Company manages its liquidity risk through budgeting, ongoing management and forecasting of operating cash flows, reviews of trade receivables, management of cash, and use of equity financings when appropriate.

Cash used in operating activities was $858,096 for the year ended September 30, 2019, compared to $1,142,417 which was used in the previous year ended September 30, 2018. The decrease in cash is due to the disposal of the referral and reward business in the prior year.

Cash used in financing activities was $5,650 for the year ended September 30, 2019 as the Company repaid its loans payable as compared to cash provided by financing of 2,401,975 for the previous year ended September 30, 2018, which was comprised of proceeds from issuance of shares net of issuance cost of $2,478,232, net repayment of $72,277 and the repayment of $3,980 on the finance lease obligations

There was no investing activity during the years ended September 30, 2019 and 2018.

As at September 30, 2019, the Company had cash of $1,221, accounts receivable of $74,452 and prepaid expenses and deposit of $43,069 as compared to a cash balance of $864,967, accounts receivable of $57,670 and prepaid expenses and deposits of $23,308 at September 30, 2018. The Company's current liabilities at September 30, 2019 were $133,319 and at September 30, 2018 were $72,165. At September 30, 2019, the Company's working capital deficit was $14,577 as compared to $873,780 in working capital for September 30, 2018. The Company's estimated budget for the next twelve months is its current working capital.

Since the Company will not be able to generate cash from its operations, it will be dependent on outside financing to continue operations until it is able to achieve positive cash flow. The Company has historically been able to secure financing from outside parties (see above). However, there is no guarantee that cash generated from external financing or operations will be sufficient to sustain the Company's operations for the foreseeable future. In order to maintain sufficient liquidity, the Company may be required to issue additional shares, incur more debt or further reduce operating costs.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Related party transactions not otherwise described in these financial statements are shown below.

The remuneration of the Company's directors and other members of key management, individuals who have the authority and responsibility for planning, directing and controlling the activities of the Company, for years ended September 30, 2019 and 2018 are as follows:

		2019		2018
Wages and benefits	$	-	$	653,876
Consulting fees		110,400		21,684
Share-based compensation		-		6,777
	$	110,400	$	682,337

Prepaid expenses at September 30, 2019, includes $43,069 (2018 - $NIL) in advances to a company controlled by the CEO for travel expenses and consulting fees.

Accounts payable and accrued liabilities at September 30, 2019 includes $7,230 (2018 - $NIL) owing to a company controlled by the CFO for unpaid fees and expense reimbursements.

During the year ended September 30, 2018, the Company paid additional fees of $100,000 to companies controlled by a former director. Additional fees of $100,000 were also paid to a company controlled by the former CEO during the year.

Wages and benefits of $Nil (2018 - $653,876) are included in the following expenses:

		2019		2018
Sales and marketing	$	-	$	254,402
General and administrative		-		331,974
Research and development		-		67,500
	$	-	$	653,876

FINANCIAL INSTRUMENTS

The type and nature of financial instruments are disclosed in the financial statements of the Company. All of these financial instruments are currently reported at their carrying value as the Company believes that this approximates their fair value due to their short-term nature. As discussed in the financial statements, the Company is exposed to certain risks associated with these financial instruments. These include credit, liquidity and market risk. The Company does not anticipate any significant credit risk at September 30, 2019 as the Company had no accounts receivable related to customers. Liquidity risk and its management has been previously discussed above (see Liquidity). Market risk includes interest rate and foreign currency risk. Due to the short-term nature of its borrowing, the Company does not believe that it is exposed to significant interest rate risk and has therefore, not undertaken any action to mitigate this risk. The Company exposed to foreign currency risk to the extent of expenditures incurred or funds received, and balances maintained by the Company are denominated in currencies other than the Canadian dollar (primarily United States dollars ("USD")). To mitigate this risk, the Company has not historically used or entered into any foreign currency contracts. However, should the need arise, the Company will consider the use of such contracts. The changes in foreign currency with respects to the financial instruments are recorded in the Company's statement of comprehensive loss under foreign exchange gain. The Company does not have significant exposure to foreign currency rate fluctuations.

ACCOUNTING STANDARD AND AMENDMENTS ADOPTED

Accounting Standards and Amendments Issued But Not Yet Effective

The following new standard and interpretation will be adopted on October 1, 2019.

IFRS 16 *Leases* replaces IAS 17, Leases and its associated interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a services contract on the basis of whether the customer controls the assets begin leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting remains similar to current accounting practice. The standard is effective for annual periods beginning on or after January 1, 2019, with early application permitted for entities that have also adopted IFRS 15.

The Company anticipate that there will be no material changes to the financial statements upon adoption.

DISCLOSURE OF OUTSTANDING SHARE DATA

As at September 30, 2019, the Company had 17,483,123 common shares.

As at the date of this MD&A, the Company had 17,483,123 common shares.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The Company's financial statements and the other financial information included in this management report are the responsibility of the Company's management and have been examined and approved by the Board of Directors. The financial statements were prepared by management in accordance with generally accepted Canadian accounting principles and include certain amounts based on management's best estimates using careful judgment. The selection of accounting principles and methods is management's responsibility.

Management recognizes its responsibility for conducting the Company's affairs in a manner to comply with the requirements of applicable laws and established financial standards and principles, and for maintaining proper standards of conduct in its activities.

The Board of Directors supervises the financial statements and other financial information through its audit committee, which is comprised of a majority of non-management directors.

This committee's role is to examine the financial statements and recommend that the Board of Directors approve them, to examine the internal control and information protection systems and all other matters relating to the Company's accounting and finances. In order to do so, the audit committee meets annually with the external auditors, with or without the Company's management, to review their respective audit plans and discuss the results of their examination. This committee is responsible for recommending the appointment of the external auditors or the renewal of their engagement.