VINERGY RESOURCES LTD.

(the “Company”)

FORM 51-102F1
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTH PERIODS ENDED NOVEMBER 30, 2016

The following Management’s Discussion and Analysis, prepared as of January 19, 2017, should be read together with the condensed consolidated interim financial statements for the three and nine month periods ended November 30, 2016 and the related notes attached thereto. These condensed consolidated interim financial statements and MD&A include the results of operations and cash flows for the three and nine month periods ended November 30, 2016 and the reader must be aware that historical results are not necessarily indicative of the future performance. The reader may also wish to refer to the Company’s audited financial statements and MD&A for the year ended February 29, 2016. All amounts are reported in Canadian dollars.

The aforementioned documents and additional disclosures pertaining to the Company’s press releases and other information are also available on the SEDAR website www.sedar.com.

Certain statements contained in this interim management discussion and analysis may contain words such as "could", "should", "expect", "believe", "will" and similar expressions and statements relating to matters that are not historical facts but are forward-looking statements. Such forward-looking statements are subject to both known and unknown risks and uncertainties which may cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Such factors include, among other things, the receipt of required regulatory approvals, the availability of sufficient capital, the estimated cost and availability of funding for the continued exploration and development of The Company’s prospects, political and economic conditions, commodity prices and other factors.

Description of Business

Vinergy Resources Ltd. (the “Company”) was incorporated as Vanguard Investments Corp. on March 20, 2001 under the provisions of the Alberta Business Corporations Act. On May 10, 2011, the Company changed its name to Vinergy Resources Ltd. and continued the Company’s registered jurisdiction from Alberta to British Columbia. The Company’s head office is located at 6012 – 85 Avenue, Edmonton, Alberta, T6B 0J5 and its shares are listed on the Canadian Securities Exchange under the symbol “VIN”.
On November 30, 2009, the Company entered into a Share Purchase Agreement (the “Agreement”) with Zeus Energy Inc. (“Zeus”) and its shareholders to acquire 100% of the issued and outstanding shares of Zeus. Zeus was incorporated on November 7, 2007 under the Alberta Business Corporations Act. Since the closing of the Agreement on November 30, 2009, the Company has been in the business of oil and gas acquisition, exploration and development.

On December 12, 2016 the Company announced the appointment of Mr. Glen Macdonald as the President and CEO of the Company and the resignation of Mr. Paul Chow as an officer and director of the Company.

On December 16, 2016 the Company announced that it had signed a letter agreement dated December 14, 2016 (the “Assignment Agreement”) with an arm’s length private British Columbia company (the “Assignor”), pursuant to which the Assignor has assigned to the Company the rights and obligations of a letter agreement dated December 13, 2016 (the “Letter Agreement”) between the Assignor and MJ Biopharma (1099955 B.C. LTD.) (“MJ Biopharma”) a private British Columbia company. Pursuant to the terms of the Letter Agreement, the Company will acquire all of the issued and outstanding securities of MJ Biopharma.

Pursuant to the terms of the Letter Agreement, the Company will, upon closing of the Transaction, issue to MJ BioPharma shareholders an aggregate of 5,000,000 common shares in the capital of the Company (the “Payment Shares”) at a deemed price of CDN$0.20 per Payment Share. An additional 2,750,000 Payment Shares will be issued upon the commercialization of MJ BioPharma’s strip technology. An additional 1,000,000 Payment Shares will be issued when each of two alternative selected extractions/products are ready for commercialization. In aggregate, up to 9,750,000 Payment Shares may be issued to MJ BioPharma shareholders in connection with the Transaction. The Payment Shares will be subject to escrow conditions and/or resale restrictions as required by applicable securities laws and the policies of the Canadian Securities Exchange (the “CSE”).

Description of Business (continued)

In connection with the Transaction, the Company is announced that it intended to complete a non-brokered private placement offering of up to 10,000,000 units (the "Units") at a price of $0.20 per Unit for gross proceeds of up to $2,000,000 (the "Offering"). Each Unit would consist of one common share in the capital of the Company (a "Share") and one-half of one transferable common share purchase warrant (each whole warrant, a "Warrant"), with each Warrant exercisable into one additional Share at a price of $0.55 for a period of twelve months from the date of closing (subject to acceleration in certain circumstances).

In connection with the Offering, the Company advised that finder's fee on the Offering may be payable within the amount permitted by the policies of the CSE. This could include cash, common shares and/or warrants of the Company, again subject to CSE approval.

On January 10, 2017 The Company announced that it had closed its previously announced non-brokered private placement for gross proceeds of $2,083,400 through the sale of 10,417,000 units ("Units") at a price of $0.20 per Unit. Each Unit is comprised of one common share ("Common Share") and one-half of one transferable common share purchase warrant ("Warrant"). Each whole Warrant is exercisable to acquire one additional Share at a price of $0.40 cents until January 9, 2018, subject to an early acceleration provision which provides for the mandatory exercise or expiry of the Warrants in the event the Company's shares close at $0.55 or higher for at least 10 consecutive trading days after the hold period on the shares has expired. In such event, the Warrants will accelerate and expire 30 days after the Company has given notice of the accelerated conversion to the Warrant holders.

In connection with the private placement, the Company paid eligible finders aggregate cash finder's fees of $65,840 and issued an aggregate of 329,200 finder's warrants which are exercisable at $0.40 cents per common share until January 9, 2018.

All of the securities issued in the private placement are subject to a hold period of 4 months and a day pursuant to applicable securities laws which expires on May 10, 2017. The proceeds of the private placement will be used for working capital purposes.

On January 18, 2017 the Company announced that in conjunction with its proposed acquisition of MJ Biopharma (announced December 14, 2016) the Company had appointed Dr. William Panenka, MD as Chair of the Company's Scientific Advisory Board (SAB). The Company believes that bringing the right human capital through strategic hires is an important part of the Company's strategy to develop, test and identify specific cannabinoid isolates for targeted therapeutic purposes.

These condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at November 30, 2016, the Company had a working capital deficiency of $860,958, has no revenue generated from operations, and has an accumulated deficit of $1,738,030. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that with its current cash and other funds that may be obtained from external financing that it has sufficient working capital to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing may not be available on a timely basis or on terms acceptable to the Company. These condensed consolidated interim financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

Selected Annual Information

The following table sets forth selected audited financial information of the Company from the last three completed financial years. This information has been prepared in accordance with IFRS and is presented in Canadian Dollars which is the functional currency of the Company.

	2016 $	2015 $	2014 $
Total revenue	–	–	–
Net loss for the year	(99,814)	(151,361)	(163,720)
Basic and diluted loss per share	(0.00)	(0.01)	(0.01)
Total assets	44,187	70,072	77,274
Total long-term financial liabilities	–	–	25,000

Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	November 30, 2016 $	August 31, 2016 $	May 31, 2016 $	February 29, 2016 $
Revenue	–	–	–	–
Net loss for the period	(22,598)	(24,817)	(22,460)	(23,433)
Basic and diluted loss per share	0.00	0.00	0.00	0.00

	November 30, 2015 $	August 31, 2015 $	May 31, 2015 $	February 28, 2015 $
Revenue	–	–	–	–
Net loss for the period	(25,188)	(27,963)	(23,230)	(27,755)
Basic and diluted loss per share	0.00	0.00	0.00	0.00

Results of Operations

During the three and nine month periods ended November 30, 2016, the Company incurred a net loss of $22,598 and $69,875 respectively compared to a net loss of $25,188 and $76,381 respectively for the three and nine month periods ended November 30, 2015. The marginal reduction losses was mainly attributable to lower professional and transfer agent and filing fees for the three and nine month periods ended November 30, 2016 compared to the three and nine month periods ended November 30, 2015.

Liquidity and Capital Resources

As at November 30, 2016, the Company had cash of $632 and a working capital deficiency of $860,958.

The Company is actively seeking opportunities to provide shareholder value. Although historically the Company has been involved in oil and gas exploration and production, please refer to the Description of Business in regard to its future prospects. While management is confident that it will be able to raise any funds that may be required to meet the Company's needs for the next year, there can be no assurance that these funds will be available on terms acceptable to the Company in the future.

Operating activities

During the nine month period ended November 30, 2016, the Company's operating activities used cash of $96 compared to $454 for the nine month period ended November 30, 2015.

Related Party Transactions

(a) As at November 30, 2016, the amount of $368,313 (2015 - $317,605) is owed to the former President of the Company and companies controlled by the President of the Company which is non-interest bearing, unsecured, and due on demand.

(b) As at November 30, 2016, the amount of $122,600 (2015 - $103,400) is owed to the spouse of the former President of the Company, which is non-interest bearing, unsecured, and due on demand.

(c) For the nine month period ended November 30, 2016, the amount of $21,600 (2015 – $21,600) was incurred to the former President of the Company for management fees.

(d) For the nine month period ended November 30, 2016, the amount of $14,400 (2015 – $14,400) was incurred to the spouse of the former President of the Company for professional fees.

Financial Instruments and Risks

(a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at November 30, 2016 is as follows:

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, November 30, 2016 $
Cash	632	–	–	632

The fair values of other financial instruments, which include amounts receivable, loans receivable, advances to operator, accounts payable and accrued liabilities, loans payable, and amounts due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments. The fair value of the convertible debenture is estimated to approximate its carrying value based on borrowing rates currently available to the Company for a loan with similar terms.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. Amounts receivable consist of GST refunds due from the Government of Canada. The carrying amount of financial assets represents the maximum credit exposure.

(c) Foreign Exchange Rate Risk

The Company is not exposed to any significant foreign exchange rate risk.

(d) Interest Rate Risk

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

(e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

Financial Instruments and Risks (continued)

(f) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities. As the Company does not have any producing assets or any current programs for exploration, management considers the Company's commodity price risk to be minimal.

Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital and equity component of convertible debt.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remained unchanged from the year ended February 29, 2016.

Accounting Standards Issued But Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended November 30, 2016, and have not been applied in preparing these condensed consolidated interim financial statements.

IFRS 9, *Financial Instruments* (New)
IAS 1, *Presentation of Financial Statements* (Amended)

The Company has not early adopted these revised standards and is currently assessing the impact that these standards will have on the condensed consolidated interim financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's condensed consolidated interim financial statements.

Disclosure by Venture Issuer Without Significant Revenue

An analysis of the material components of the Company's general and administrative expenses is disclosed in the condensed consolidated interim financial statements for the three and nine month periods ended November 30, 2016 to which this MD&A relates.

Disclosure of Outstanding Share Data

Share Capital

Authorized: Unlimited common shares without par value

As at November 30, 2016 the Company had 26,333,330 shares issued and outstanding, and at January 19, 2017 the Company had 36,750,330 shares issued and outstanding.

Disclosure of Outstanding Share Data (continued)

Share Purchase Warrants

As at November 30, 2016 there were no share purchase warrants issued and outstanding, and at January 19, 2017 the Company had a total of 5,537,700 share purchase warrants issued and outstanding. 5,208,500 of the warrants are exercisable at a price of $0.40 cents until January 9, 2018, subject to an early acceleration provision which provides for the mandatory exercise or expiry of the warrants in the event the Company's shares close at $0.55 or higher for at least 10 consecutive trading days after the hold period on the shares has expired. In such event, the warrants will accelerate and expire 30 days after the Company has given notice of the accelerated conversion to the warrant holders. The 329,200 broker's warrants are exercisable at $0.40 cents per common share until January 9, 2018.

Stock Options

As at November 30, 2016 and January 19, 2017, the Company had no stock options issued and outstanding.