VIREO HEALTH INTERNATIONAL INC.

(Formerly, Darien Business Development Corp.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following information, prepared as of April 29, 2019 should be read in conjunction with the financial statements of Vireo Health International Inc., formerly Darien Business Development Corp. ("the Company" or "Vireo International") for the year ended December 31, 2018. The referenced financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars unless otherwise indicated.

Additional information relating to the Company and its operations is available under the Company's profile on SEDAR at www.sedar.com.

FORWARD-LOOKING STATEMENTS

The Company's financial statements for the years ended December 31, 2018 and 2017, and this accompanying MD&A contain statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators.

Generally, any statements that are not historical facts may contain forward-looking information. Forward-looking information often, but not always, can be identified by the use of future-looking terminology such as "plans," "expects" or "does not expect," "is expected," "look forward to," "budget," "scheduled," "estimates," "forecasts," "will continue," "intends," "anticipates" or "does not anticipate," or "believes," or variations of such words and phrases or indicates that certain actions, events or results "may," "will," "could," "would," "might" or "will be" taken, "occur" or "be achieved" and other similar expressions.

Forward looking information may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, milestones, strategies and outlook of Vireo, and includes statements about, among other things, future developments, the future operations, potential market opportunities, strengths and strategy of the Company. Forward-looking information is provided for the purpose of presenting information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. These statements should not be read as guarantees of future performance or results. These statements are based upon certain material factors, assumptions and analyses that were applied in drawing a conclusion or making a forecast or projection, including Vireo's experience and perceptions of historical trends, current conditions and expected future developments, as well as other factors that are believed to be reasonable in the circumstances.

Examples of the forward-looking statements contained in this MD&A include statements regarding the Company's future plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a party, the ability of the Company to hire and retain employees and consultants and estimated administrative and other expenses. These statements should not be read as guarantees of future performance or results. The forward-looking statements that are contained in this MD&A are based upon certain material factors, assumptions and analyses that were applied in drawing a conclusion or making a forecast or projection, including the Company's experience and perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be reasonable under the circumstances. Thus, these forward-looking statements involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Some of these risks and uncertainties are identified under the heading "RISKS AND UNCERTAINTIES" in this MD&A.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

COMPANY DESCRIPTION

Vireo Health International Inc. formerly Darien Business Development Corp. was incorporated under the Alberta Business Corporations Act on November 23, 2004. The Company's main activities during the year ended December 31, 2018 have been maintaining its public listing and pursuing potential business opportunities as they arise. On March 13, 2019 the Company completed a Business Combination transaction with Vireo Health, Inc. ("Vireo"), a corporation incorporated under the laws of the state of Delaware, USA.

The Business Combination was completed by way of, among other things, (i) a consolidation of the common shares of the Company on the basis of 19.4024 pre-consolidation shares for every one post consolidation share; (ii) several share exchanges between certain Canadian holders of preferred stock of Vireo and the Company, pursuant to which such holders were issued subordinate voting shares of the Company; (iii) a three-cornered amalgamation among the Company, Vireo Finco Canada and 1197027 B.C. Ltd. ("BC Subco"), a wholly-owned subsidiary of the Company incorporated for the purposes of the business combination, pursuant to which Vireo Finco Canada shareholders (including former holders of Subscription Receipts) received subordinate voting shares of the Company, and pursuant to which BC Subco amalgamated with Vireo Finco to form a new company, which was subsequently wound up into the Company; and (iv) Darien Merger Sub, LLC ("US Subco"), a wholly-owned subsidiary of the Company incorporated for the purposes of the transaction, and Vireo effected a merger under Delaware law whereby US Subco merged with and into Vireo with Vireo surviving and becoming a wholly-owned subsidiary of the Company, and the shareholders of Vireo in exchange for their common shares of Vireo, received, Super Voting Shares, Subordinate Voting Shares or Multiple Voting Shares of the Corporation, as applicable. Each share of common stock of Vireo issued and outstanding immediately prior to the closing of the Business Combination and held by a non-U.S. resident was exchanged for 30.0048 Subordinate Voting Shares. Each share of common stock of Vireo issued and outstanding immediately prior to the closing of the Business Combination and held by a U.S. resident was exchanged for 0.300048 of a Multiple Voting Share. Each share of common stock of Vireo issued and outstanding immediately prior to the closing of the Business Combination and held by Kyle Kingsley was exchanged for 0.300048 of a Super Voting Share. Pursuant to steps (ii) through (iv), the Company issued 65,411 Super Voting Shares, 514,388 Multiple Voting Shares and 8,217,695 Subordinate Voting Shares.

SELECTED ANNUAL INFORMATION

The following is a summary of certain selected audited financial information of the Company for the years ended December 31, 2018, 2017 and 2016:

	2018 **$**	**2017** **$**	**2016** **$**
Total Revenues	-	-	-
Loss	(189,791)	(105,597)	(144,913)
Loss Per Share (basic and diluted)[1]	(0.02)	(0.01)	(0.02)
Total Assets	199,781	303,037	15,361
Long-term Liabilities	-	-	-
Dividends Declared	-	-	-

(1) The basic and diluted loss per share calculations result in the same amount due to the anti-dilutive effect of outstanding stock options and warrants.

The loss for the year ended December 31, 2016 was greater than that for the year ended December 31, 2017 due to increased consulting fees during 2016. The increase in loss for the year ended December 31, 2018 is primarily due to share based payments of $93,230 during the year.

RESULTS OF OPERATIONS

The Company recorded a loss of $189,791($0.02 per share) for the year ended December 31, 2018 as compared to a loss of $105,597 ($0.01 per share) for the year ended December 31, 2017. The increase in loss is primarily due to share based payments of $93,230 during the year ended December 31, 2018 (2017 - $nil) as the Company granted 1,240,000 stock options to consultants of the Company.

SELECTED QUARTERLY FINANCIAL INFORMATION

The following table sets out financial information for the past eight quarters:

	Three Months Ended ($)			
	December 31, 2018	**September 30, 2018**	**June 30, 2018**	**March 31, 2018**
Total Revenues	-	-	-	-
Loss	(136,175)	(32,776)	(8,044)	(12,796)
Loss Per Share (basic and diluted)(1)	(0.02)	(0.00)	(0.00)	(0.00)

	Three Months Ended ($)			
	December 31, 2017	**September 30, 2017**	**June 30, 2017**	**March 31, 2017**
Total Revenues	-	-	-	-
Loss	(31,801)	(18,352)	(29,552)	(25,892)
Loss Per Share (basic and diluted)(1)	(0.00)	(0.00)	(0.01)	(0.00)

(1) The basic and diluted loss per share calculations result in the same amount.

The loss for the quarter ended December 31, 2018 includes $93,230 of share based payments as the Company granted 1,240,000 stock options to consultants.

The loss for the quarters ended June 30, 2018 and March 31, 2018 are lower than other periods due to decreased consulting fees. The loss for the quarter ended September 30, 2018 increased as the Company incurred consulting fees.

LIQUIDITY AND CAPITAL RESOURCES

The Company's operations consumed $107,575 of cash for the year ended December 31, 2018. The Company's aggregate operating, investing, and financing activities during the year ended December 31, 2018 resulted in a decrease in its cash balance from $286,868 at December 31, 2017 to $179,293 at December 31, 2018. The Company's working capital at December 31, 2018 was $181,806 compared to working capital of $277,989 at December 31, 2017. These factors indicate a material uncertainty that casts significant doubt upon the Company's ability to continue as a going concern and, therefore, that it may be unable to discharge its liabilities in the normal course of business.

The Company has no long-term debt.

FINANCING ACTIVITIES AND CAPITAL EXPENDITURES

The Company had no financing activities or capital expenditures during the year ended December 31, 2018.

During the year ended December 31, 2017 the Company received $21,000 in advances payable, including $16,000 from a director of the Company. The amounts were unsecured, non-interest bearing and due on demand. The advances payable were repaid during the year ended December 31, 2017.

On November 7, 2017, the Company completed a private placement in which a total of 6,000,000 units were issued at a price of $0.10 per Unit for gross proceeds of $600,000. Each Unit consists of one common share of the Company and one common share purchase warrant. Each Warrant entitles the holder to purchase one additional common share at a price of $0.15 per common share for a period of one year from the date of issue.

RELATED PARTY TRANSACTIONS

The Company incurred the following charges with directors and officers of the Company and/or companies controlled by them during years ended December 31, 2018 and 2017:

	2018 **$**	**2017** **$**
Accounting fees[1]	7,520	13,436
Consulting fees[2]	30,000	30,000
	37,520	43,436

(1) Includes fees billed by a company owned, until July 31, 2018, by Rob McMorran, a director of the Company and a company controlled by Harry Nijjar, CFO at December 31, 2018.
(2) Includes fees billed by the CEO, Gunther Roehlig.

Included in accounts payable and accrued liabilities as at December 31, 2018 is $2,177 (2017 - $3,830) due to current directors and officers of the Company and/or companies controlled by them. The amounts owing are unsecured, non-interest bearing and due on demand.

During the year ended December 31, 2017 the Company received $16,000 in advances payable from a director of the Company and repaid $84,000 in advances payable to the same director.

Key management includes the directors of the Company. The compensation paid or payable to key management for services during the years ended December 31, 2018 and 2017 is identical to the table above.

SUBSEQUENT EVENTS

On February 13, 2019, the Company entered into a Business Combination Agreement with Vireo Health Inc. (“Vireo”), whereby the Company agreed to complete a reverse take-over transaction whereby Vireo would acquire the Company and the shareholders of the Company would become the controlling shareholders of Darien (the “Transaction”). The transaction was completed on March 18, 2019.

In connection with the Business Combination Agreement, the Company completed a private placement and issued a total of 12,090,937 subordinate voting shares of the capital stock of the Company at a price of US$4.25 per share for gross proceeds of US$51,386,482. In connection with the financing, the Company paid a cash fee to the agents equal to US$3,243,222 and the agents were granted a combined 763,111 in warrants. The agent’s warrants will be exercisable at a price of US$4.25 per share for a period of two years. In addition, the Company paid a financial advisory fee of US$415,000. As at December 31, 2018 and pre-business combination, Vireo Health, Inc. had deferred financing costs of US$448,480 recorded on the statement of financial position related to this financing.

FINANCIAL INSTRUMENTS

Classification of Financial Instruments

The Company's financial instruments consist of cash and accounts payable and accrued liabilities and are measured at amortized cost.

Fair Value

Financial instruments measured at fair value are classified into one of the three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The carrying value of the Company's financial assets and liabilities measured at amortized cost approximate their fair value due to their short terms to maturity.

Discussions of risks associated with financial assets and liabilities are detailed below:

Credit Risk

Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company's cash is primarily held with a Schedule I Bank in Canada.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss is limited because at present the Company's liabilities are non-interest bearing or have fixed interest rates.

Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they become due. The Company manages its liquidity risk by continuously monitoring forecasted and actual cash flows, as well as anticipated investing and financing activities. At December 31, 2018 the Company had working capital of $181,806 compared to working capital of $277,989 at December 31, 2017. At December 31, 2018 all Company's liabilities are short-term in nature.

OUTSTANDING SHARE DATA

Authorized: Unlimited common shares without par value.
Unlimited preferred shares issuable in series.

Effective March 14, 2017, the Company consolidated its common shares on the basis of one new common share for every ten old common shares issued and outstanding at the time. All references to share and per share amounts in these financial statements have been retroactively restated to reflect the share consolidation.

All share information is reported as of April 29, 2019 in the following table:

Type of Security	Number
Outstanding subordinate voting shares	86,229,841
Stock options	22,215,704
Compensation warrants	1,193,256
Advisory warrants	1,226,971
Convertible notes	1,016,807
Total	**111,882,624**

RISKS AND UNCERTAINTIES

The Company has incurred significant losses since inception. The continued operations of the Company are dependent on its ability to generate future cash flow and obtain additional financing. The Company has traditionally financed its cash requirements through the issuance of common shares. If the Company is unable to generate cash from operations or obtain additional financing its ability to continue as a going concern could be impaired.

DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the financial statements for the year ended December 31, 2018 and this accompanying MD&A (together the "Annual Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.

ACCOUNTING STANDARDS

The following standard was adopted by the Company during the period:

IFRS 9 Financial Instruments

On January 1, 2018 the Company adopted IFRS 9, Financial Instruments ("IFRS 9"), which replaces IAS 39, "Financial Instruments: Recognition and Measurement" ("IAS 39").

Recognition and Classification

The Company recognized a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument.

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.

The Company completed a detailed assessment of its financial assets and liabilities as at January 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

	Original classification IAS 39	**New classification IFRS 9**
Cash	Amortized cost	Amortized cost
Accounts payable and accrued liabilities	Amortized cost	Amortized cost

The Company did not restate prior periods as there was no impact at the date of initial application. The adoption of IFRS 9 resulted in no impact to the opening accumulated deficit nor to the opening balance of accumulated comprehensive income on January 1, 2018.