RYAH GROUP, INC.

Management Discussion and Analysis for the Three and Nine Months Ended September 30, 2021

TABLE OF CONTENTS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis ("**MD&A**") of the activities, results of operations and financial condition of RYAH Group, Inc. ("**RYAH**" or the "**Company**") is for the three and nine month periods ended September 30, 2021, and the comparable periods in 2020.

This MD&A is dated November 30, 2021 and unless otherwise noted, should be read in conjunction with the Company's condensed consolidated interim financial statements for the three and nine months ended September 30, 2021 (and related notes thereto), which are presented on a consolidated basis with the Company's 3 wholly-owned subsidiaries, being:

- Potbotics Inc. ("**PotBotics**"), an operating, wholly-owned subsidiary of the Company existing under the laws of the State of Florida;
- RYAH Medtech Inc. ("**RYAH Medtech**"), an operating, wholly-owned subsidiary of the Company existing under the laws of the State of Florida; and
- Potbotics Financing Inc., a non-operating, wholly-owned subsidiary of PotBotics existing under the laws of the Province of Ontario.

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). These documents, as well as additional information on the Company, are filed electronically through the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and are available online at www.sedar.com.

All amounts are stated in United States ("**U.S.**") dollars unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

The following MD&A contains statements which, to the extent that they are not recitations of historical facts, may constitute forward-looking information under applicable Canadian securities legislation. Such forward-looking statements or information include financial and other projections as well as statements regarding the Company's future plans, objectives, performance, revenues, growth, profits, operating expenses or the Company's underlying assumptions. Forward-looking statements and information relating to the Company are based on the beliefs of management as well as assumptions made by and information currently available to us. The words "may", "would", "could", "will", "likely", "expect", "anticipate", "intend", "plan", "forecast", "project", "estimate" and "believe" or other similar words and phrases may identify forward-looking statements or information. Persons reading this MD&A are cautioned that such statements or information are only predictions, and that the Company's actual future results or performance may be materially different. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital and the estimated cost and availability of funding. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. Factors that could cause actual events or results to differ materially from those suggested by these forward-looking statements include, but are not limited to: the possibility of development or deployment difficulties or delays; the timing of entering into significant contracts; the performance of the global economy; industry analyst perception of the Company and its vision and future prospects; the success of certain business combinations engaged in by the Company or by its competitors; possible disruptive effects of organizational or personnel changes; new products and standards; risks related to acquisitions and international expansion; reliance on large customers; dependence upon key personnel and hiring; reliance on a limited number of suppliers; risks related to the Company's competition; the Company not adequately protecting its intellectual

property; currency exchange rate risk; and including, but not limited to, other factors described in the Company's reports filed on SEDAR, its listing statement and those referred to under the heading "*Risks and Uncertainties*".

In drawing a conclusion or making a forecast or projection set out in the forward-looking information, the Company takes into account the following material factors and assumptions in addition to the above factors: the Company's ability to execute on its business plan; timing of execution of outstanding or potential customer contracts by the Company; sales opportunities available to the Company; the Company's subjective assessment of the likelihood of success of a sales lead or opportunity; the Company's historical ability to generate sales leads or opportunities; and that sales will be completed at or above the Company's estimated margins. This list is not exhaustive of the factors that may affect the Company's forward-looking information. These factors should be considered carefully and readers should not place undue reliance on forward-looking information. All forward-looking statements made in this MD&A are qualified by this cautionary statement and there can be no assurance that actual results or developments anticipated by the Company will be realized. The Company disclaims any intention and obligation to update and revise forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

COMPANY OVERVIEW

The Company is a big data and technology company focused on valuable predictive analysis in the global medical plant intake industry. Its robust artificial intelligence platform aggregates and correlates HIPAA-compliant medical data, which is intended to help doctors and patients personalize plant-based treatments to better predict treatment outcomes. The data collection is also relevant for growers, processors, dispensaries and regulators to monitor and manage plant strain effects on patients.

The Company conducts its operations through PotBotics and RYAH Medtech**,** its core operating subsidiaries, through which the Company operates the "RYAH" and "PotBot" brands, which serve the plant-based medical industry. Through RYAH Medtech, the Company develops and produces Internet of Things ("**IoT**") dose-control and measuring devices, such as a smart dry-herb inhaler and the RYAH Smart Patch. The Company focuses on the intake, and analysis of patient demographics, patient ailments, patient dose measurement and monitoring, plant-strain analytics and patient dose session feedback. This aggregated data and is shared with its client partners via the Company's proprietary software program, the "RYAH Health Tracker" mobile application and database. The Company has also developed a personalized cannabis social aggregation software application known as "PotBot", through PotBotics, which has aggregated a large database of peer reviewed studies on the efficacy of cannabis as a medicine. The PotBot application and back-end application collects research on 37 medical indications, 6 major cannabinoids, 300+ strains and tracks over 1 million clinical studies. The associated patient mobile application has over 350,000 downloads on the App Store and Google Play Store and has over the last 3 years, been ranked at or near top ten under the keyword 'cannabis' and/or 'marijuana" in the United States.

As of the date of this MD&A, the Company conducts its operations within the U.S. and Canada, and has established relationships with industry partners in Australia and certain select jurisdictions in Europe for the supply and distribution of the Company's product offerings, including the RYAH Dry Herb Inhalers and empty cartridges designed for use with the RYAH Dry Herb Inhaler. The Company is not directly or indirectly engaged in the growth, handling, sale or distribution of medicine or any dry-herb matter (including cannabis), with counterparties with which the Company has established relationships being solely responsible for independently sourcing and filling the cartridges with dry-herb (and in some cases oil raw material). The Company continues to take steps to monitor its engagements in order to preserve its status as a non-medicine and non-dry-herb (including cannabis) touching entity, irrespective of the jurisdictions into which the Company may expand its presence.

Vision and Strategy

The Company's vision is to elevate the plant-based medical industry to higher standards by streamlining the analysis, recommendation, consumption, and plant-based medicine selection process. To this end, the Company is currently striving to achieve its vision through advancing and promoting the use of its IoT devices, its clinical study-based strain recommendation software, and subsequent combined downstream data analytics.

The Company believes that the plant based medical market is still fraught with fragmented, unstructured, incomplete and unorganized data (which is exacerbated by the complexity of cannabis plant itself and its unique effects on each individual). As a dose-measuring device and data-driven company, the Company is focused on addressing this gap in data, primarily by collecting and interpreting a consolidation of both empirical data from clinical studies as well as proprietary data on real-time patient consumption and analytics that is derived from its IoT devices. In order to differentiate itself, the Company is working towards creating a suite of IoT delivery solutions, focused on catering to clinics, doctors and their patients from a medical perspective, in order to capture patient consumption data and plant strain intake and correlate this data with its clinical study software.

As of the date of this MD&A, the Company's growth strategy is focused on the following core elements:

- developing (and further refining) a suite of complementary products (such as the RYAH Smart Patch, the RYAH Smart Pen and a doctor/patient collaboration and remote telehealth application called RYAH MD), in order to establish the Company as a vertically integrated company with a diversified portfolio offering;

- establishing a commercial presence in the plant-based markets in Canada, the U.S., and other select international markets, subject to applicable laws, by (i) entering into distribution and supply agreements with select industry partners in Germany, France, Australia, New Zealand, United Kingdom, and Italy, with a view to promoting and commercializing the Company's product offerings to over time to generate a sustained stream of revenue, and (ii) investing in multi-faceted marketing efforts to educate consumers on, and promote awareness of, the Company and its product offerings; and

- investing in the Company's internal operations, by among other things, retaining additional skilled personnel to supplement the Company's operations, advancing product research and development ("**R&D**"), and maintaining an emphasis on corporate governance.

Summary of the Development of the Business

The following is a summary description of how the business of the Company and its subsidiaries developed over the past 7 years and the current financial year:

- PotBotics is incorporated in the state of Florida in February 12, 2014.

- In June 2015, PotBotics aggregated data on plant based analytics on over 1 million + peer reviewed studies for its data analytics platform.

- In April 2016, PotBotics, launched PotBot. The Company has developed a personalized cannabis recommendation software application. This maintains a large and growing database of peer reviewed studies on the efficacy of cannabis as a medicine. The platform collects research on 37 medical indications, 6 major cannabinoids, 300+ strains and over 1 million clinical studies. The associated free patient mobile application has over 180,000 downloads on the App Store and Google Play Store and has over the last 3 years, been ranked at or near number one under the keyword 'Cannabis' in the United States[1]. Through an interactive questionnaire, the mobile application collects demographic data on patients, patient location, patient ailment

[1] App Store Rankings August 2019 keyword 'Cannabis' https://www.apple.com/us/search/cannabis?src=globalnav

indications and desired relief. The application then cross-references this patient data with the company's clinical study database to provide the patient with education and guidance on potential plant-strain matches along with local dispensaries / LPs that can further consult with the patient.

- On March 16, 2018, PotBotics Submitted a Utility Patent Application 15/924172 to the USPTO. This utility patent application covers the functionality of an electronic vaporizer and the method of its temperature and dosing control. In addition, the patent covers the type and method of the patient and plant strain data collected, which is shared with filling partners. Finally, the patent covers the process of the vaporizer that is controlled remotely, by the Company's mobile application. This patent is currently pending with the USPTO.

- RYAH Medtech was incorporated in the State of Florida in December 2018. The Company's sub-brand develops and produces IoT dose-control and measuring devices, such as a dry-herb inhaler. The Company focuses on the intake, and analysis of patient demographics, patient ailments, patient dose measurement / control, dosing session temperature settings and patient dose session efficacy feedback. The company captures the feedback and output of the patient consumption-based data that is derived from the use of its dose- measuring IoT devices and its proprietary plant-filled cartridges.

- PotBotics and RYAH Medtech executed a contribution agreement on February 1, 2019.

- On February 22nd, 2019, RYAH submitted a USPTO Design Patent for the RYAH Vaporizer Cartridge - (Patent Application 62-809266) This patent covers the design of the dry-herb inhaler cartridge. The cartridges are designed to be sealed with Company's proprietary filling machine and is used for storage of dry herb materials for use in Company's vaporizer. Airflow holes are present on both ends of the cartridge to facilitate air movement during vaporization of the materials inside the cartridge. This patent is currently pending with the USPTO.

- On April 26, 2019, RYAH submitted a USPTO Design Patent Application for the RYAH Vaporizer Mouthpiece (Patent Application 62/839450). This patent application covers the design of the dry-herb inhaler mouthpiece. The mouthpiece has an extended maze-like vapor pathway inside - where vapor travels through before reaching a user's mouth which is known to reduce the temperature of the vapor by the time it reaches the patient's mouth. The mouthpiece is made of thermal insulating material such that the mouthpiece remains cool during use and provides comfort to the user. This patent is pending with the USPTO.

- On May 29, 2019 PotBotics was granted a Utility Patent by the USPTO (patent number 10,296,714 relating to a method of Artificial Intelligence (AI) to capture, identify and interpret correlations between plant strains, patient demographics and medical indications. The invention also provides information on cannabinoid product availability. Medical professionals, cannabis growers, cannabis manufacturers, and other stakeholders may find this unique software program useful to study trends, efficacy, and other pertinent information to the medical cannabis market.

- On June 05, 2019 RYAH Medtech received a class I Medical Device license from Health Canada for its dry-herb cartridges. This is considered an important step for Licensed Producers (LPs) and other entities to be able to effectively sell RYAH products in Canada.

- On June 07, 2019 – RYAH Medtech executed a distribution agreement with Northern Green Canada, a Toronto based licensed producer (LP). The agreement opens the door for RYAH to distribute its devices and cartridges to the Canadian plant-based medical market.

- June 17, 2019: Prime entered into the letter of intent with PotBotics in connection with the Amalgamation for anticipated listing on the CSE. This transaction calls for Prime to change its name to RYAH Group, Inc. or any other name as may be requested by PotBotics/RYAH and acceptable to the regulatory authorities.

- July 15, 2019, the RYAH Dry Herb Inhaler went into commercialization stage with a launch of a pilot program in a medical dispensary in Maryland, United States. Sweetspot is a new medical cannabis dispensary in Olney, Maryland. Sweetspot caters to patients of all knowledge and experience with cannabis. We pride ourselves on educating our patients and making recommendations that can help with the patient's medical conditions.

- On July 26, 2019, RYAH submitted to the USPTO, a Utility Patent application for the RYAH Smart Patch (patent No. 62/879283). This utility patent application covers the functionality of the RYAH smart patch and the method of its temperature and dosing control. In addition, the patent covers the type and method of the patient and plant strain data collected, which is shared with filling partners. Finally, the patent covers the process of the smart patch that is controlled remotely, by the Company's mobile application. This patent is currently pending with the USPTO.

- On August 25, 2019, RYAH submitted to the USPTO, a Utility patent application for the RYAH Tincure (Patent application No. 62/891,37. This utility patent application covers the functionality of the RYAH tincture pen and the method of its liquid dispensing and dosing control. In addition, the patent covers the type and method of the patient and plant strain data collected, which is shared with filling partners. Finally, the patent covers the process of the tincture pen that is controlled remotely, by the Company's mobile application. This patent is currently pending with the USPTO.

- On September 09, 2020, PotBotics entered into a merger agreement with Prime, whereby PotBotics will amalgamate with Numco and shareholders of PotBotics will receive either Super Voting or Subordinate Voting Resulting Issuer Shares in exchange for their PotBotics Shares, resulting in the shareholders of PotBotics acquiring control of Prime by way of a reverse take-over.

- On March 23, 2021, Boris Goldstein, resigned effective immediately, as a member of the Board of Directors, and as Executive Chairman, Executive Director, Secretary and any and all other positions, official or unofficial, of and in PotBotics and RYAH Medtech.

- On April 26, 2021, the Company announced the closing of its previously announced reverse takeover transaction (the "Transaction") with PotBotics. The Transaction was effected by way of a triangular merger between the Company, PotBotics, and a wholly-owned, Florida subsidiary of the Company pursuant to the laws of the State of Florida. Following completion of the Transaction, the Company, as the combined public company resulting from the Transaction, carried on the business of its wholly-owned subsidiaries, PotBotics and RYAH Medtech.

- On May 04, 2021, RYAH Group Inc. started trading on the Canadian Securities Exchange following the closing of the reverse takeover transaction on April 26, 2021.

Operational Highlights During the Three and Nine Months Ended September 30, 2021

During the three months ended September 30, 2021, the Company continued to focus on expanding and developing the Company's business. In particular, during this period the Company advanced the development of the Transdermal iOS App (as defined below) for the Smart Transdermal Patch 'brain' hardware and accessories (versions 1.0 and 1.1), from 75% to 85% completion. While it is possible development of additional versions of the device and accessories may be contemplated, the Company is in the process of finalizing selection of a contract manufacturer (CMO) and developing manufacturing protocols for the initial Smart Transdermal Patch "brain" and accessories. The Company continues with product testing and hardware and software finalization and realization of the Smart Patch ecosystem.

During the three months ended September 30, 2021, the Company continued to engage in expert medical device regulatory consultants to advise and procure for the Company a medical device certification for the RYAH Dry Herb Smart Inhaler. Specifically, the Company applied to obtain both ISO 13485 and Medical Device Standard Audit Procedure ("**MDSAP**") certifications for its hardware and software applications for the RYAH Dry Herb Inhaler. In August 2021, a registered independent third party (such party, a "**Notified Body**") based in the U.S., and which has been designated by ISO standards to evaluate whether a certain product complies with the relevant standards in force, completed Stage II of the ISO 13485 and MDSAP audit for the RYAH Dry Herb Smart Inhaler. The purpose of the said audits is to enable the Notified Body to examine, among other things, the Company's quality management system, technical documentation, procedures, and risk management files, to determine if the Company complies to ISO 13485 and MDSAP standards. As of the date of this MD&A, the Notified Body is conducting a technical review of the final audit findings in order to determine whether the Company has met the qualifying standards for ISO13485 and MDSAP certifications and if so determined, to formally grant of the associated certifications to the Company.

During the three months ended September 30, 2021, the Company incurred approximately $198,000 in medical device regulatory consulting expenditures associated with the ISO 13485 Stage II audit, and estimates that the Company will be required to incur additional regulatory consulting expenditures associated with follow up queries associated with the post Stage II audit of the combined ISO 13485 and MDSAP audits in the amount of approximately $35,000, which expenditures are primarily expected to be associated with (i) regulatory consulting fees for the fiscal Q4 2021, and (ii) the update of technical documentation. The Company considers its pursuit of a medical device certification and investments in regulatory matters as being a critical differentiator and key step in the advancement and development of the Company product offerings.

As of the date of this MD&A, the Company has been informed by its designated Notified Body it will begin its initial conformity assessment for the Company's Smart Inhaler to be certified under the European Medical Device Registration (EU MDR). The Notified Body has requested initial MDR technical documentation to be submitted by Company for review, which follows the Company's initial application for EU MDR certification for its Smart Inhaler, in Q1 2021. The purpose of the technical documentation review is for the Notified Body to conduct a readiness assessment to determine, among other things, the Company's readiness for stage I and stage II audits for the EU MDR certification process. The Company expects to continue to utilize expert medical device regulatory consultants to prepare for EU MDR technical document submission. The Company anticipates to incur additional expenses of approximately $65,000 for the fiscal Q4, 2021 for EU MDR technical documentation preparation.

During the three months ended September, 2021, the Company also incurred approximately $10,100 in expenditures associated with desktop software development and back end (hosting) development and servicing for the RYAH MD platform (which is essentially the design and functional coding of the front end Global User Interface ("**GUI**") for the RYAH MD application), which expenditures were incurred in addition to the standard R&D expense line.

Previously, in May 2021, the Company's wholly-owned subsidiary, RYAH Medtech, entered into an exclusive software development and product distribution agreement with its France-based partner, DelleD SAS, for the distribution of the RYAH Dry Herb Inhaler. The strategic agreement further defines the previously announced arrangement with DelleD SAS to distribute the RYAH Dry Herb Inhalers in France. The strategic agreement also contemplated a statement of work for the Company to develop a customized mobile application for DelleD SAS that would cater to the French patients who intend to use and track their plant-based therapies via DelleD SAS. The custom mobile application is intended to provide a robust data collection mechanism to enable more comprehensive patient feedback and, consequently, designed to collect more accurate supporting data for clinical trials. As of the date of this MD&A, the Company advanced the development of the initial version of the custom mobile application to approximately 90% completion. Additional software customizations may be requested by the client, as user testing continues.

On September 28, 2021 the Company announced that it has entered into separate advisory services agreements with five arm's length third parties (collectively, the "Advisors"), pursuant to which the Advisors have agreed to provide the Company with business strategy and advisory services designed to achieve the Company's business and financial objectives, as established by the Chief Executive Officer of the Company. In consideration for the services to be provided by the Advisors, and in accordance with the terms of the advisory services agreements, the Company intends to issue to the Advisors an aggregate of 5,000,000 share purchase warrants of the Company (the "Warrants"). Each Warrant shall entitle the holder thereof to acquire, at any time during the period beginning four months and one day following the date of issuance and ending on the 12 month anniversary of the issue date, one fully paid and non-assessable Subordinate Voting Share at an exercise price of C$0.155 per share.

On June 25, 2021, The company completed a service agreement with EastWest Asset Management LLC ("EastWest"), an affiliate of CFN Media Group, through RYAH Medtech, under which EastWest will provide certain investor relations, advisory and Corporate exchange advisory services to the Company for a period of six (6) months. In consideration for EastWest's services, the Company has agreed to pay EastWest a fee of US$175,000, satisfied by the issuance of an aggregate 2,893,333 restricted Class A subordinated voting shares (the "Consideration Shares") to EastWest, at a deemed price of C$0.075 per share. The Consideration Shares are subject to certain contractual leak-out provisions in respect of the disposition or transfer such shares. The shares were issued on July 08, 2021.

Future Direction

Over the coming years, the Company intends to explore and develop a suite of unique, high-end, medically oriented IoT delivery device products that will complement its RYAH Dry Herb Inhaler. Specifically, the Company intends to focus on developing a vertically integrated suite of productivity technology and services that are built to address all the major patient and doctor segments, from seed to consumption. In supporting both the delivery device and data insights of the plant-based medicine industry, the Company sees the value in developing technology that will help accelerate advancement in the plant-based medicine industry, improve the performance and business of the plant-based medical community, and create valuable insights to further develop the plant-based medicine market globally. The Company believes that, by creating a closed loop enterprise data cycle throughout the value chain (from seed to consumption) which is capable of improving patient regimens, prescription insights, and strain to demographic correlations, the Company will be positioning itself to provide the medical industry a unique offering that is built to make the plant, patient and medical relationship and ecosystem successful.

The Company believes as it continues to capture patient data through its devices (via, among others, clinical trials; clinical studies, research and doctor prescriptions; and patient use), it will obtain a critical mass of plant based medicine analytics, which will be valuable to research institutions, big pharma and potentially, government entities. The Company intends to combine and monetize the significant amount of clinical data, with the growing data gathered by its core IoT device dose measurement tools. Together, these two ecosystems provide the Company with the ability to grow an enterprise-class data insights and medical business intelligence capability. The Company also sees further opportunity to develop future IP through development of unique IoT devices and AI technologies.

REGULATORY FRAMEWORK

United States

Federal legislation governing the medical and adult use cannabis industries in the U.S. is in conflict with state laws applicable to the same industries. Currently, 38 states plus the District of Columbia have legalized cannabis for medical use to some degree or recreational adult use, and six have laws in place which recognize medical benefits

for at least some cannabinoids. However, despite the permissive nature of state-level regulation of cannabis in the U.S., the cultivation, distribution, possession, and use of cannabis remains illegal federally under the *Controlled Substance Act of 1970* (the "**U.S. CSA**").

As of the date of this MD&A, neither the Company nor any of its subsidiaries is directly engaged in the U.S. adult use market for cannabis. However, the Company indirectly derives a significant portion of its revenues from the cannabis industry in certain states of the U.S., including Washington and Maryland, which industry is illegal under U.S. federal law. The Company may be considered to have ancillary involvement in the cannabis industry by virtue of having entered into, or in the future entering into, agreements, whether directly or through its subsidiaries, with licensed producers as well as clinics, dispensaries, pharmacies and health institutions with involvement in the cannabis industry, for the distribution of the Company's or its subsidiaries' products in states where local state laws permit such activities. The Company's business plan also includes the expansion of its operations into additional states of the U.S. that have legalized cannabis, but with caution to the fact that it is illegal federally.

Federal Regulatory Framework

General

In the U.S., cannabis containing in excess of 0.3% THC is categorized as a Schedule I controlled substance and is illegal under federal law, specifically the U.S. CSA. Consequently, a range of activities, including cultivation and the personal use of cannabis, are prohibited. The Supremacy Clause of the U.S. Constitution establishes that the U.S. Constitution and federal laws made pursuant to it are paramount, and in case of conflict between federal and state law, the federal law is paramount. Even in states that have legalized the use of cannabis, its sale and use remain violations of federal law that is punishable by imprisonment, substantial fines, and forfeiture.

In August 2013, then Deputy Attorney General James Cole authored a memorandum (the "**Cole Memorandum**"), which concluded that the U.S. Department of Justice should be focused on addressing only priority cannabis related conduct to enforce the U.S. CSA. States where medical cannabis had been legalized were not characterized as a priority. The enforcement priorities of the Cole Memorandum were reaffirmed, again, in a 2014 memorandum of the U.S. Department of Justice (the "**2014 Cole Memorandum**").

On January 4, 2018, then-U.S. Attorney General Jeff Sessions issued a memorandum to U.S. district attorneys, which rescinded previous guidance from the U.S. Department of Justice specific to cannabis enforcement in the U.S., including the Cole Memorandum and the 2014 Cole Memorandum. With the Cole Memorandum and the 2014 Cole Memorandum rescinded, U.S. federal prosecutors have been given discretion in determining whether to prosecute cannabis related violations of U.S. federal law. If the U.S. Department of Justice pursues prosecutions, then the Company or its subsidiaries could face: (i) the arrest of its employees, directors, officers, managers and investors, and charges of ancillary criminal violations of the U.S. CSA for aiding and abetting and conspiring to violate the U.S. CSA by virtue of providing financial support, services, or goods to participants in the cannabis industry, including state-licensed or permitted cultivators, processors, distributors, and/or retailers of cannabis, (ii) restrictions on the entry of employees, directors, officers, managers and investors who are not U.S. citizens from entry into the U.S. for life, or (iii) suspension of its U.S. business.

On March 11, 2021, Judge Merrick Garland was sworn in as the newest U.S. Attorney General. It is unclear what position Attorney General Garland will take on the enforcement of U.S. federal laws with regard to the U.S. cannabis industry. Furthermore, as of the date of this MD&A, it is unclear what specific impact the new Biden administration will have on U.S. federal government enforcement and there can be no guarantee that state laws legalizing and regulating the sale and use of cannabis will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their respective jurisdictions.

The U.S. Congress has introduced several proposed bills focused on the regulated cannabis industry, including (i) the *Marijuana Opportunity Reinvestment and Expungement Act*, (the "**MORE Act**"), which would in its current iteration, among other things, remove cannabis as a Schedule I controlled substance under the U.S. CSA, eliminate criminal penalties for an individual who manufactures, distributes, or possesses cannabis, and make available U.S. Small Business Administration funding for regulated cannabis operators), (ii) the *Secure and Fair Enforcement (SAFE) Banking Act of 2019* (the "**SAFE Banking Act**"), which would in its current iteration, among other things, provide protection from federal prosecution to banks and other financial institutions that provide financial services to state-licensed, compliant cannabis operators, which may include the provision of loans by financial institutions to such operators), and (iii) the *Cannabis Administration and Opportunity Act* (the "**CAOA**"), which would in its current iteration, among other things, remove cannabis and THC from the U.S. CSA and impose federal excise tax on the sale of cultivated cannabis. However, as of the date of this MD&A, these bills have not become law.

Unless and until the U.S. Congress amends the U.S. CSA with respect to medical and/or adult use cannabis (and there can be no assurance as to the timing or scope of any such potential amendments, if any), there is a significant risk that federal authorities may enforce current U.S. federal law. If the U.S. federal government begins to enforce U.S. federal laws relating to cannabis in states where the sale and use of cannabis is currently legal, or if existing applicable state laws are repealed or curtailed, the Company's business, results of operations, financial condition and prospects would be materially adversely affected.

In light of the political and regulatory uncertainty surrounding the treatment of U.S. cannabis- related activities, including the rescission of the Cole Memorandum and the 2014 Cole Memorandum discussed above, on February 8, 2018 the Canadian Securities Administrators published Staff Notice 51-352 (Revised) – *Issuers with U.S. Marijuana-Related Activities* ("**Staff Notice 51-352**") setting out the Canadian Securities Administrators' disclosure expectations for specific risks facing issuers with cannabis-related activities in the U.S. Staff Notice 51-352 includes additional disclosure expectations that apply to all issuers with U.S. cannabis-related activities, including those with direct and indirect involvement in the cultivation and distribution of cannabis, as well as issuers, such as the Company and its subsidiaries, that provide ancillary services to third parties involved in the U.S. cannabis industry.

Since 2014, the U.S. Congress has passed appropriations bills which included provisions to prevent the federal government from using congressionally appropriated funds to enforce federal cannabis laws against regulated medical cannabis actors operating in compliance with state and local law (currently the "**Leahy Amendment**", but also sometimes referred to as the Rohrabacher-Farr Amendment). On December 22, 2018, Congress failed to pass the *2019 Fiscal Year Appropriations Bill*, including the Leahy Amendment, causing a shutdown of the U.S. federal government. Although certain "nonessential" governmental programs are stalled during a federal government shutdown, federal law enforcement and prosecution actions are exempted from furlough. This means that drug enforcement administration agents and U.S. federal prosecutors can operate without any restriction otherwise imposed by the spending bill regarding interference with the medical cannabis industry. The Leahy Amendment was included in the fiscal year 2019 omnibus appropriations bill signed by President Trump on February 15, 2019, to prevent the U.S. federal government from using congressionally appropriated funds to enforce federal cannabis laws against regulated medical cannabis actors operating in compliance with state and local law. However, this Amendment was in effect until September 30, 2019. On September 27, 2019, President Trump signed a continuing resolution on to fund the government through November 21, 2019 to prevent a government shutdown.

On December 20, 2019, the *Further Consolidated Appropriations Act, 2020* was passed, which authorizes appropriations to fund the operation of certain agencies in the U.S. federal government through September 30, 2020. Additionally, the U.S. House of Representatives passed a federal appropriations bill for fiscal year 2021 that continues the limitation of federal prosecution, noting that funds from the bill cannot be used by the U.S. Department of Justice to prevent states from enacting "laws that authorize the use, distribution, possession, or cultivation of medical marijuana." However, it is uncertain that an appropriations bill will be enacted.

On September 30, 2021, the Leahy amendment was renewed through the signing of a short-term spending bill. The legislation is effective through December 3, 2021, after which, Congress must adopt another short-term fix or pass appropriations bills that fund agencies through the 2022 fiscal year. However, there can be no assurance that the Leahy Amendment will be included in future appropriations bills or that there will not be a shutdown of the U.S. federal government in the future. In the event of any such occurrence, there can be no assurance that the U.S. federal government will not seek to prosecute cases involving medical cannabis business that are otherwise compliant with statelaw.

Despite the current state of the federal law and the U.S. CSA, several U.S. states (including states within which the Company might indirectly derive a significant portion of its revenues from) have legalized recreational adult use of cannabis. In addition, well over half of the states of the U.S. have enacted legislation to legalize and regulate the sale and use of medical cannabis without limits on THC, while other states have legalized and regulated the sale and use of medical cannabis with strict limits on the levels of THC. However, there canbe no guarantee that state laws legalizing and regulating the sale and use of cannabis will notbe repealed or overturned, or that local government authorities will not limit the applicabilityof state laws within their respective jurisdictions.

Notwithstanding the increasing legalization of medical and/or adult use cannabis at the state-level in the U.S., there are a number of significant risks associated with the business of the Company and its subsidiaries. Unless and until the U.S. Congress amends the U.S. CSA with respect to medical and/or adult use cannabis (and there canbe no assurance as to the timing or scope of any such potential amendments, if any), there is a risk that federal authorities may enforce current U.S. federal law, and that the business of the Company or its subsidiaries may be deemed to be in violationof federal law in the U.S. For these reasons, the Company's operations in the U.S.cannabis market may subject the Company to heightened scrutiny by regulators, stock exchanges, clearing agencies and other Canadian and U.S. authorities. There area number of risks associated with the business of the Company.

Due to the illegality of cannabis at the federal level, the cannabis industry faces certain risks such as lack of protection under U.S. bankruptcy laws, violation of money laundering laws, civil asset forfeiture, lack of financial services, and high federal income taxes.

Drug Paraphernalia

U.S.C. § 863(a) holds that it is unlawful for any person to sell or offer for sale drug paraphernalia; to mail or any other facility of interstate commerce to transport drug paraphernalia; or to import or export drug paraphernalia. "Drug paraphernalia" means any equipment, product, or material of any kind which is primarily intended or designed for use in manufacturing, processing, injecting, inhaling, or otherwise introducing into the human body a controlled substance, possession of which is unlawful. It includes items primarily intended or designed for use in inhaling cannabis into the human body. However, items that are traditionally intended for use with tobacco products, such as dry herb inhalers and other electronic nicotine delivery systems are exempted from this statute. The RYAH Dry Herb Inhaler is not primarily intended or designed for use with a controlled substance.

State Regulatory Framework

As of the date of this MD&A, 18 states (Alaska, Arizona, California, Colorado, Connecticut, Illinois, Maine, Massachusetts, Michigan, Montana, Nevada, New Jersey, New Mexico, New York, Oregon, Vermont, Virginia and Washington), and the District of Columbia have legalized adult recreational use of cannabis. An additional 19 states (Alabama, Arkansas, Delaware, Florida, Hawaii, Louisiana, Maryland, Minnesota, Mississippi, Missouri, New Hampshire, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Dakota (pending), Utah, and West Virginia) have legalized medical use of cannabis to some degree. Cannabis remains completely illegal in 7 states (Idaho, Kansas, Nebraska, North Carolina, South Carolina, Tennessee, and Wyoming), and others (Georgia,

Indiana, Iowa, Kentucky, Texas, and Wisconsin) have legalized CBD oil for medicinal use. Furthermore, the Company believes that generally, it has been the trend for the states that have not legalized recreational use to at least reduce the criminality for the possession of cannabis.

Canada

As of the date of this MD&A, neither the Company nor any of its subsidiaries is directly or indirectly engaged in the Canadian adult use market for cannabis. However, federal legislation governing the medical and adult use cannabis industries in Canada does not conflict with provincial and territorial laws applicable to the same industries to the same extent as in the U.S. As a result, the Company's business plan includes the expansion of its operations into Canada to participate in the Canadian adult use market for cannabis, in compliance with all applicable federal and provincial laws and regulations. As of the date of this MD&A, the Company has entered into a product supply and distribution agreement dated June 7, 2019 (the "**Ontario Agreement**") with an arm's length third party which holds a cultivation, processing, and/or sale license in Canada, and is evaluating strategies to establish its Canadian footprint in one or more metropolitan areas within the Provinces of Ontario, Québec, and British Columbia. Although it is currently contemplated that the Company will enter the market within these Provinces within the next twelve months, the timing of such expansion remains subject to various factors, including market and regulatory conditions (including, the effects and impact of COVID-19 on the Company's proposed business plans).

Upon entering the Canadian adult use market for cannabis, the Company is not expected to directly engage in the sale, marketing, or distribution of cannabis products (within the meaning of the Cannabis Regulations, and as discussed below) within any jurisdiction in Canada. However, the Company is expected to engage in the sale, marketing, and distribution of the RYAH Dry Herb Inhaler and RYAH Cartridges, each of which may be considered a cannabis accessory (within the meaning of the Cannabis Act, and as discussed below).

Federal Regulatory Framework

General

On December 13, 2016, the Task Force on Cannabis Legalization and Regulation, which was established by the Canadian Federal Government to seek input on the design of a new system to legalize, regulate and restrict access to cannabis, published its report outlining its recommendations. On April 13, 2017, the Government of Canada released Bill C-45, *An Act respecting cannabis and to amend the Controlled Drugs and Substances Act*, *the Criminal Code and other Acts* (the "**Cannabis Act**"), to regulate the production, distribution and sale of cannabis for adult use. The Cannabis Act was passed by the Senate of Canada on June 19, 2018, receiving royal asset on June 21, 2018. The production, distribution and sale of cannabis for adult use in Canada became legal on October 17, 2018.

The Cannabis Act provides a licensing and permitting scheme for the production, testing, packaging, labelling, sending, delivery, transportation, sale, possession and disposal of cannabis. The Cannabis Act maintains separate access to cannabis for medical purposes, including providing that import and export licenses and permits will only be issued in respect of cannabis for medical or scientific purposes or in respect of industrial hemp. Below are additional highlights of the Cannabis Act:

- Introduces restrictions on the amounts of cannabis that individuals can possess and distribute, and on public consumption and use, and prohibits the sale of cannabis unless authorized by the Cannabis Act.

- Permits individuals who are 18 years of age or older to cultivate, propagate, and harvest up to and including four cannabis plants of up to 100 centimeters in height in their dwelling-house, propagated from a seed or plant material authorized by the Cannabis Act.

- Restricts (but does not strictly prohibit) the promotion and display of cannabis, cannabis accessories and services related to cannabinoids to consumers, including restrictions on branding and a prohibition on false or misleading promotion and on sponsorships.

- Permits the informational promotion of cannabis in specified circumstances to individuals 18 years and older.

- Introduces packaging and labelling requirements for cannabis and cannabis accessories, and prohibits the sale of cannabis or cannabis accessories that could be appealing to young persons.

- Provides the designated minister with the power to recall any cannabis or class of cannabis on reasonable grounds that such a recall is necessary to protect public health or public safety.

- Permits the establishment of a national cannabis tracking system.

- Provides powers to inspectors for the purpose of administering and enforcing the Cannabis Act and a system for administrative monetary penalties.

In Canada, cannabis is regulated under the Cannabis Act rather than the *Controlled Drug and Substance Act* (Canada). As of October 17, 2018, the *Access to Cannabis for Medical Purposes Regulations* and the previous *Industrial Hemp Regulations* (Canada) were replaced by the Cannabis Act, the *Cannabis Regulations* (Canada) (the "**Cannabis Regulations**"), and the new *Industrial Hemp Regulations* ("**IHR**", and together with the Cannabis Regulations, the "**Cannabis Entry Regulations**"). The Cannabis Entry Regulations, among other things, outline the rules for the legal cultivation, processing, research, testing, distribution, sale, importation and exportation of cannabis and hemp in Canada.

Cannabis Products

The Cannabis Regulations define "cannabis products" as cannabis of one of the classes of cannabis set out in Schedule 4 to the Cannabis Act (or a cannabis accessory containing such cannabis) after it has been packaged and labelled for sale to a consumer at the retail level, but does not include a drug containing cannabis. The Cannabis Regulations set out the requirements for the sale of cannabis products at the retail level and permit the sale of dried cannabis, cannabis oil, fresh cannabis, cannabis plants, and cannabis seeds, including in such forms as "pre-rolled" and in capsules. The Cannabis Regulations also limit the THC content and serving size of cannabis products, and set out strict requirements pertaining to the packaging and labelling of cannabis products. These requirements are intended to promote informed consumer choice and allow for the safe handling and transportation of cannabis, while also reducing the appeal of cannabis to youth and promoting safe consumption. The Cannabis Regulations require all cannabis products to be packaged in a manner that is tamper-proof and child-resistant. While minor allowances for branding would be permitted, Health Canada has implemented strict limits on the use of colours, graphics, and other special characteristics of packaging.

Cannabis Accessories

The Cannabis Act defines a "cannabis accessory" as a thing that is (a) represented to be used in the consumption of cannabis (e.g. rolling papers or wraps, holders, pipes, bongs, and dry herb inhalers) or (b) deemed to be represented to be used in the consumption of cannabis under the Cannabis Act. The Cannabis Act deems a thing that is commonly used in the consumption of cannabis to be "represented to be used in the consumption of cannabis" if the thing is sold at the same point of sale as cannabis. Cannabis accessories are now legal to sell for non-medical purposes within Canada, provided that such sales are conducted in compliance with the rules outlined

in the Cannabis Act and the cannabis legislation in each Province.

Pursuant to the Cannabis Act, cannabis accessories are regulated in a very similar manner as tobacco products, with some differences:

- Cannabis accessories may not be legally displayed anywhere where they might be seen by a minor, similar to tobacco.

- In establishments accessible to minors, cannabis accessories may only be promoted using a price list similar to tobacco products.

- Cannabis accessories generally cannot be advertised, promoted, discounted or be subject of inducements of any type (contests, giveaways, etc.).

Provincial Regulatory Framework

While the Cannabis Act provides for the regulation of the commercial production of cannabis for recreational purposes and related matters by the Canadian Federal Government, the Cannabis Act provides that the provinces and territories of Canada have authority to regulate other aspects of recreational cannabis, such as sale and distribution, minimum age requirements, places where cannabis can be consumed, and a range of other matters.

As of the date of this MD&A, Canadian provinces and territories have announced and adopted one of three regulatory frameworks for the distribution and sale of cannabis for recreational purposes within those jurisdictions: (i) private cannabis retailers licensed by the provincial government, (ii) government run retail stores, or (iii) a combination of both frameworks (e.g., privately licensed bricks and mortar retail stores, while online retail stores are operated by the applicable provincial government). Regardless of the framework, the recreational cannabis market is ultimately supplied by federally licensed cultivators and processors.

As noted above, the Company intends to participate in the Canadian adult use market for cannabis. As of the date of this MD&A, the Company has entered into the Ontario Agreement, and is evaluating strategies to establish its Canadian footprint in one or more metropolitan areas within the Provinces of Ontario, Québec, and British Columbia. Although it is currently contemplated that the Company will enter the adult use market within these provinces within the next twelve months, the timing of such expansion remains subject to various factors, including market and regulatory conditions (including, the effects and impact of COVID-19 on the Company's proposed business plans).

The following are brief summaries of the various approaches to legalization and regulation of cannabis announced by the three provinces within which the Company may begin operations within the next twelve months.

Ontario

On December 12, 2017, the Ontario government passed the *Cannabis Control Act, 2017* (Ontario) (the "**Cannabis Control Act**"), which regulates certain aspects of thelawful use, sale and distribution of recreational cannabis. Retail sales of recreational cannabis in Ontario are currently overseen by the Liquor Control Board of Ontario ("**LCBO**").

Ontario's legislative and regulatory framework sets out, among other matters, the following:

- Creates a new provincial retailer overseen by the existing LCBO, the Ontario Cannabis Retail Corporation (known as the Ontario Cannabis Store), to manage the distribution of recreational cannabis through stand-

alone stores and an LCBO-controlled online order and distribution service, which together, will comprise the only channels through which consumers will be able to legally purchase recreational cannabis in Ontario.

- Sets a minimum age of 19 to use, buy, possess and cultivate cannabis in Ontario.

- Allows the smoking or vaping of cannabis wherever smoking of tobacco is permitted.

On October 17, 2018, the *Cannabis Statute Law Amendment Act*, 2018 came into force and amended several aspects of Ontario's cannabis regulatory regime, including the *Cannabis Control Act*, and enacted the *Cannabis Act* (Ontario) (the "**Ontario Cannabis Act**"). The Ontario Cannabis Act sets out the licensing scheme for private cannabis retail stores in Ontario and is administered by the Alcohol and Gaming Commission of Ontario.

On November 14, 2018, the Government of Ontario enacted O. Reg. 468/18 under the *Cannabis Licence Act*, 2018 (Ontario). O. Reg. 468/18, as amended on December 12, 2019, governs several elements of the framework for the licensing of private cannabis retail in Ontario. For example, retailers are required to hold a general retail operator licence, as well as a retail store authorization for each premise. Certain employees occupying positions of authority at retail stores are required to hold cannabis retail manager licences. Further, licensees under the Cannabis Act who are authorized to produce cannabis for commercial purposes, and their affiliates, are collectively limited to a single retail store authorization. Finally, a company is not eligible to be issued a retail operator license if more than 25% of the company is owned or controlled, directly or indirectly, by one or more licensed producers or their affiliates.

The Ontario legislation has, among other matters:

- Created a subsidiary of the LCBO, known as the Ontario Cannabis Store.

- Banned the use of recreational cannabis in public places, workplaces and motor vehicles, as is the case with alcohol (restrictions relating to consumptionof medical cannabis are covered under the *Smoke-Free Ontario Act*).

- Created significant penalties for non-compliance.

Québec

On June 12, 2018, *An Act to constitute the Société québécoise du cannabis, to enact the Cannabis Regulation Act* (Québec) and to amend various highway safety-related provisions (the "**Québec Cannabis Act**") was assented to in the Province of Québec. The Québec Cannabis Act controls and regulates cannabis in Québec. With certain exceptions, the Québec Cannabis Act only permits the newly-constituted Société Québécoise du Cannabis to purchase cannabis from a producer, arrange for its transportation and storage, and sell it, with certain exceptions. Private retail shops are however permitted to sell cannabis-smoking accessories.

Québec originally set a minimum age of 18 to use, buy, and possess cannabis. However, on December 5, 2018, the Québec government tabled new legislation, which was passed, raising the legal age to 21 and prohibiting cannabis consumption in all public places, including parks and streets.

British Columbia

On December 5, 2017, the Government of British Columbia announced a hybrid retail and distribution model that would allow private retail distribution of cannabis through dispensaries. The announcement noted that the provincial

Liquor Distribution Branch would handle wholesale distribution of cannabis and both public and private retail dispensaries would be eligible to operate in the province.

On April 26, 2018, the Government of British Columbia introduced Bill C-30, the *Cannabis Control and Licensing Act*, which, along with the proposed Bill C-31, the *Cannabis Distribution Act*, contains the legal framework for recreational cannabis sales in British Columbia.

On October 17, 2018, three new regulations came into force to govern the sale of recreational cannabis in British Columbia, including the licensing of privately-owned cannabis retail outlets: the *Cannabis Licensing Regulation* (British Columbia), the *Cannabis Control Regulation* (British Columbia), and the *Cannabis Control and Licensing Transitional Regulation* (British Columbia).

The following is a general overview of certain aspects of the regulatory framework within British Columbia:

- The rules governing recreational cannabis retail stores are, generally, similar to those in place for liquor retail stores, with public and private retailers subject to similar operating rules.

- Recreational cannabis retail stores will not be co-located with any other businesses, such as liquor stores or pharmacies.

- The minimum age to purchase, sell or consume recreational cannabis in British Columbia is 19.

- Adults may possess up to 30 grams of cannabis in a public space, but the use of cannabis on school properties and in vehicles is prohibited.

- An applicant for a retail store licence or group of related persons must not hold more than 8 retail store licences, and licensees may be subject to significant penalties for non-compliance.

Compliance with Applicable Laws

Prior to commencing operations within the U.S. and Canada, and before establishing relationships with its industry partners in Australia and certain select jurisdictions in Europe, the Company conducted independent due diligence and, where necessary, obtained legal guidance in respect of the specific relationship with its industry partners and/or the regulatory framework governing the Company's proposed relationship with its industry partners, as applicable, in such jurisdictions, and the legal requirements applicable to such relationships. As of the date of this MD&A, the Company's operations within the U.S. and Canada, and its relationships with its industry partners in certain select jurisdictions in Europe (such as Germany, the United Kingdom, France, and Italy) and Australia, are conducted in accordance with such legal advice, and are compliant with all applicable laws governing such operations and relationships. Specifically, to date, the Company has not received any notice of non-compliance, or received any citations or notices of violation from any governmental authority within any of the aforesaid jurisdictions which could have an adverse impact on the Company's business operations. Further, to the best of the Company's knowledge, the activities of the Company's industry partners within the aforesaid jurisdictions are in compliance with all laws applicable to such activities in the relevant jurisdiction.

The Chief Executive Officer of the Company is generally responsible for monitoring the operations of the Company. Such monitoring is focused on, among other things, reviewing compliance with recordkeeping and standard operating procedures implemented by the Company from time to time, and overseeing all communications with applicable regulatory bodies. The Chief Executive Officer of the Company also oversees random audits of all the Company's operations, as well as the training, process validation, and problem resolution when compliance questions arise. The Company continues to monitor industry best practice and developments within the jurisdictions

within which it operates on an ongoing basis, and takes the following measures to ensure the Company's continued compliance with applicable laws:

- The Company retains appropriately experienced legal counsel and other professionals to advise the Company and conduct the necessary due diligence to ensure that the operations of the Company and its industry partners comply with applicable laws.

- Management of the Company, together with legal counsel and other professional advisors to the Company, screen industry partners with which the Company proposes to establish relationships, in order to select those partners which (i) adhere to strict business practice standards satisfactory to the Company, (ii) have established adequate internal compliance mechanisms to monitor compliance with applicable laws (if any), and, (ii) to the extent required, possess the applicable licenses, permits, and authorizations to carry on business operations in applicable jurisdiction.

- The Company reviews its products and product packaging, in consultation with appropriately experienced legal counsel and other professionals, to ensure that the products comply with applicable laws and contain the necessary disclaimers about the contents of the products to prevent adverse public health consequences from use.

In addition to the foregoing, the Company relies on the expertise and commitment of its management team, legal advisors, employees and independent consultants, and to this end, consults with such personnel on an ongoing basis, as the Company may deem appropriate in the circumstances, to ensure compliance with applicable laws. In particular, the Company retains and consults with qualified external consultants and legal counsel in order to maintain strict operating procedures, and ensure that its operations comply with applicable laws in effect from time to time.

The Company intends to continue to evaluate, monitor and reassess its disclosure in respect of its operations (and any related risks) on an ongoing basis.

RELATIONSHIP WITH THIRD PARTIES

As of the date hereof, the Company, through its wholly-owned subsidiary, RYAH Medtech, has entered into the following 10 supply and distribution agreements with arm's length third parties, pursuant to which RYAH Medtech has agreed to supply the counterparties to such agreements with a combination of, among other things, (i) the RYAH Dry Herb Inhaler, (ii) empty cartridges designed for use with the RYAH Dry Herb Inhaler, (iii) a manual filling machine designed to be used by such counterparties to fill the cartridges with dry-herb (and in some cases oil raw material) independently sourced by such counterparties, and (iv) access to certain proprietary data of the Company:

- The Ontario Agreement with an arm's length third party which holds a cultivation, processing, and/or sale license in Canada. The Ontario Agreement has an initial term of three years, and grants the third party a non-exclusive right to sell the RYAH Dry Herb Inhaler and filled cartridges in the Province of Ontario.

- A product supply and distribution agreement dated September 8, 2019 (the "**First German Agreement**") with an arm's length third party which holds certain rights to import, process and distribute medical products in Germany. The First German Agreement has an initial term of three years, and grants the third party a non-exclusive (as a result of certain milestone events not being achieved) right to sell the RYAH Dry Herb Smart Inhaler and filled Cartridges in Germany.

- A product supply and distribution agreement dated September 13, 2019 (the "**Washington Agreement**") with certain arm's length third parties which hold a Marijuana Producer, Tier 2, license in the State of Washington,

United States. The Washington Agreement has an initial term of three years, and grants the third parties a non-exclusive right to sell the RYAH Dry Herb Inhaler and filled Cartridges in the State of Washington, United States.

- A product supply and distribution agreement dated September 19, 2019 (the "**First Australian Agreement**") with an arm's length third party which holds a cultivation, processing, and/or dispensary license in Australia. The First Australian Agreement has an initial term of five years, and grants the third party a non-exclusive right to sell the RYAH Dry Herb Inhaler and filled cartridges in Australia.

- A product supply and distribution agreement dated October 15, 2019 (the "**United Kingdom Agreement**") with an arm's length pharmaceutical company and a clinical operator engaged in supplying product for clinical research programs with respect to cannabis/hemp biomass in the United Kingdom. The United Kingdom Agreement has an initial term of five years, and grants the third party an exclusive right to sell the RYAH Dry Herb Inhaler and filled Cartridges in the United Kingdom.

- A product supply and distribution agreement dated September 20, 2020 (the "**Second Australian Agreement**") with an arm's length third party which holds a cultivation, processing, and/or dispensary license in Western Australia. The Second Australian Agreement has an initial term of three years, and grants the third party a non-exclusive right to sell the RYAH Dry Herb Inhaler and filled cartridges in Western Australia.

- A product supply and distribution agreement dated November 17, 2020 (the "**Italy Agreement**") with an arm's length third party which holds certain rights to grow, import, process and distribute medical products in Italy. The Italy Agreement has an initial term of two years, and grants the third party a non-exclusive right to sell the RYAH Dry Herb Inhaler and filled Cartridges in Italy.

- A product supply and distribution agreement dated March 3, 2021 (the "**France Agreement**") with an arm's length third party which holds certain rights to grow, import, process, and distribute medical products in France. The France Agreement has an initial term of two years, and grants the third party a non-exclusive right to sell the RYAH Dry Herb Inhaler and filled Cartridges in France.

- A product supply and distribution agreement dated March 10, 2021 (the "**German Agreement**") with an arm's length third party which holds certain rights to import, process and distribute medical products within Germany. The German Agreement has an initial term of three years, and grants the third party a non-exclusive right to sell the RYAH Dry Herb Inhaler and filled cartridges within Germany.

- A product supply and distribution agreement dated May 4, 2021 (the "**New Zealand Agreement**") with an arm's length third party which holds certain rights to import, process and distribute medical products within New Zealand. The New Zealand Agreement has an initial term of three years, and grants the third party a non-exclusive right to sell the RYAH Dry Herb Inhaler and filled cartridges within New Zealand.

Each of the foregoing agreements are material to the Company and presents a revenue-generating path to the Company, particularly in light of its current stage of development. However, the Company is not substantially dependent on any one of these agreements, the vast majority of which are non-exclusive.

In addition to the supply and distribution agreements, the Company, through RYAH Medtech, its wholly-owned subsidiary, has also entered into a supplier quality agreement (the "**Manufacturing Agreement**") with an arm's length third party contract manufacturing organization ("**CMO**") based in China, for the development and manufacturing of the RYAH Dry Herb Inhalers. As of the date of this MD&A, the Company is not substantially dependent on the Manufacturing Agreement, and in particular due to the number of alternative manufacturers available to the Company at competitive pricing, whether based in China or other emerging jurisdictions. While the

Company's relationship with the CMO is important for the Company's business objectives, and in particular, its ability to meet its obligations in respect of the supply and distribution of the RYAH Dry Herb Inhalers, the Company believes that it is able to readily substitute and/or supplement its relationship with the CMO, to the extent required.

Risk Management

Supply and Distribution Agreements

With respect to the supply and distribution agreements, the Company appreciates the risks associated with its dealings with the counterparties thereto, who in some instances are located in a jurisdiction outside of Canada and the United States. In light of this, the Company's risk management approach in respect of its supply and distribution arrangements is intended to, in particular, (i) preserve the Company's status as a non-medicine and non-dry-herb (including cannabis) touching entity, irrespective of the jurisdictions into which the Company may expand its presence, and (ii) ensure that its supply and distribution arrangements are with industry partners who are in compliance with applicable laws in the relevant jurisdiction. Specifically, the Company's risk management approach with respect to its supply and distribution arrangements are comprised of the following core aspects:

- When entering into supply and distribution arrangements, the Company ensures that it does not at any time directly or indirectly engage in the growth, handling, sale or distribution of medicine or any dry-herb matter (including, cannabis). In this regard, the Company ensures that it limits its key supply obligations to the provision of empty devices, empty accessories, and data analytics to its industry partners. Such industry partners must then independently source and fill the Company's products with medicine and/or dry-herb matter for subsequent distribution within the applicable jurisdiction, to patients and other eligible parties in compliance with applicable laws.

- The Company maintains a quality management system, approved supplier list, training records, informal and formal standard operating procedures (including in respect of supplier management and regulatory matters), and a number of other processes and procedures designed to ensure that the Company can appropriately screen its industry partners, and can, both prior to and during the course of the applicable relationship, reasonably satisfy itself that its industry partners remain in compliance with applicable laws in the relevant jurisdiction.

- Prior to entering into supply and distribution arrangements, the Company obtains appropriate independent legal advice from subject matter experts that are adequately knowledgeable in regulatory matters relating to the plant-based medicine industry, in order to assist the Company (as and when needed) with its entry plan in respect of each potential market.

- The Company conducts its own research in assessing the legality of certain medicines and conducts due diligence on each industry partner to ensure the relevant industry partner has the appropriate credentials to undertake and fulfill their obligations under the relevant supply and distribution arrangement.

- The Company ensures that the supply and distribution agreements include robust language, requiring the industry partner to attest that, among other things, they are duly authorized and/or licensed to conduct their business in the applicable jurisdiction.

Manufacturing Agreement

The Company appreciates the concentration of risk associated with the Manufacturing Agreement, and specifically, its reliance on CMO that is based in China, and accordingly, has implemented certain risk diversification measures

and plans to ensure continuity of production for the RYAH Dry Herb Inhalers and future IoT products. In particular, the Company has (i) obtained possession of the reports, documentation and associated firmware related to the RYAH Dry Herb Inhaler hardware, which allows the Company to timely change manufacturers in the case of a material disruption to the Company's manufacturing relationship with the CMO, and (ii) engineered a separate, back-up smart inhaler device, which can be timely introduced as a fully manufactured product with another CMO, if necessary. In addition, the Company's risk management approach with respect to its current arrangement with its CMO is comprised of the following core aspects:

- The Company has retained a third party compliance outsource company that specializes in regulatory and risk management services to assist the Company in (i) ensuring the continuity of the Company's relationship with its CMO, and (ii) the processes, procedures and protocols employed by the CMO are compliant with applicable laws, particularly in relation to supply, quality control and quality assurance.

- The Company maintains a quality management system, approved supplier list, training records, informal and formal standard operating procedures (including in respect of supplier management and regulatory matters), and a number of other processes and procedures designed to ensure that the Company can appropriately screen its CMO, and can, both prior to and during the course of the relationship, reasonably satisfy itself that its CMO remains in compliance with applicable laws in the relevant jurisdiction.

- The Company is in discussions with a selecting a new and different CMO for its Smart Patch ecosystem than its CMO for its Smart Inhaler, in order to reduce the concentration of risk associated with the Company's reliance on a single CMO that is based in China.

The Company continues to review, on an ongoing basis, industry best practices and the competitive landscape, with a view to diversifying its manufacturing and assembly relationships into new jurisdictions and with new industry partners for its future IoT devices. The Company also employs a risk-management framework designed to minimize foreseeable risks and losses resulting to the Company, by seeking to identify, measure, monitor, and control the Company's risk exposure to the types of risks inherent in the Company's current relationships with its current industry partners. Such risks, include, among others things, the risk that a current industry partner might become bankrupt, undertake economic or business interests or goals that are inconsistent with the Company's business interests or goals, or take actions that are directly contrary to the Company's instructions or to applicable laws, or damage the Company's brand. The Company's risk management framework is undertaken by management of the Company, which together with legal counsel and other professional advisors to the Company, screen industry partners with which the Company proposes to establish relationships, in order to select those operators which, among other things, adhere to strict business practice standards satisfactory to the Company, and have established adequate internal compliance mechanisms to monitor compliance with applicable laws.

SIGNIFICANT PROJECTS

As of the date of this MD&A, the Company has 3 significant projects and one product modification which have not generated revenue, related to the operations of the Company within the plant-based medicine industry. The following is a description of each such project, including a description of the Company's plan for such project, the status of the project relative to the Company's plan for such project, the expenditures made by the Company in respect of such project to date and how such expenditures relate to anticipated timing and costs to advance the project to the next stage of the Company's plan for the specific project.

Smart Transdermal Patch

The Smart Transdermal Patch is an IoT device intended to be used by healthcare practitioners and patients to

topically apply plant-based medicine. The technology is designed to integrate with a mobile application to collect data to be used in predictive analytics to produce insightful, and value-added data intelligence for use within the plant-based medicine industry.

The Company had previously completed the design and development of the first working prototype of the Smart Transdermal Patch. During the three months ended September 30 2021, the Company incurred approximately $18,000 in costs to advance the development of both its Apple iOS mobile application (the "**Transdermal iOS App**") and its Google Play mobile application for the Smart Transdermal Patch, from 75% to 85% completion, which development covered, among other things, UX/UI design, front end coding, and UX/UI testing. The Company is in the process of integrating an initial version of the front end mobile application into the back-end (hosting) platform.

During the same period, the Company also incurred approximately $11,600 in design and development engineering consulting costs in order to advance hardware design, prototyping and development for the initial Smart Transdermal Patch “brain”, from 75% to 85% completion. The hardware design upgrades included, among other things, ultrasonic welding testing, fenster re-design for reservoir style patches, assessment of near-field communication chip feasibility, and development of the heating firmware algorithm.

The Company is developing a line of over the counter vitamin and other health related patches (“**Nutraceutical Patches**") to accompany the Smart Transdermal Patch ecosystem, which patches are expected to be developed by third party patch manufacturers for distribution by the Company to retail pharmacy chains and via an e-commerce platform. In respect of the said Nutraceutical Patches, during the same period, senior management and staff of the Company also spent significant time and effort to, among other things, develop relationships with potential distributors, assess suitable providers of Nutraceutical Patches, review select nutraceutical formulations, assess biocompatibility (of three confidential targeted patch formulations), review third-party validation (assay testing) for epidermis penetration, and analyze packaging and logistics parameters. As of the date of the MD&A, the company has received two patch prototypes from a third party provider as hired by the Company to create certain nutraceutical formulations to work in conjunction with the Smart Transdermal Patch brain and ecosystem. The Company is in the process of selecting topical testing sites to assess the bioavailability of these initial patch prototypes.

In order to launch the Smart Transdermal Patch, the Company will need to complete the next phase of development, which involves finalizing the design history files, designing a master record, and completing usability testing, and contracting with one or more manufacturers to reverse engineer and develop a manufacturing production line, which will require the Company to incur an estimated amount of up to $95,000 in costs and expenses associated with the foregoing. Once completed, the final pre-commercialization stage will be focused on selecting a manufacturer and negotiating an acceptable agreement to cover the launch of the Smart Transdermal Patch, the costs of which the Company has not currently determined. Subject to market demand, and no unforeseen delays, the Company's goal is to introduce a final product to market in fiscal Q2 2022.

Tincture Pen Device

The Tincture Pen Device is an IoT device intended to be used to administer liquid, plant-based medicine for oral consumption. The technology is intended to be integrated with a software application to collect data to be used in predictive analytics to produce insightful, and value-added data intelligence for use within the plant-based medical industry. As of the date of this MD&A, the Company is in the process of reviewing proposals for a design and engineering company to reverse-engineer a previous prototype and prepare the updated prototype for commercial production. At present, the Company has not completed its assessment of a suitable reverse-engineering partner to develop the updated prototype.

Following the listing of the Company on the Canadian Securities Exchange, and amid the uncertainty inherent in

prevailing market and economic conditions due to COVID-19, the Company focused its efforts primarily on (i) marketing efforts, to promote its existing suite of products in order to generate additional, immediate streams of revenue, (ii) advancing the Smart Transdermal Patch towards commercialization, (iii) pursuing medical device certifications for the Company's smart inhaler IoT device, and (iv) exploring and implementing certain improvements to the RYAH Dry Herb Inhaler. Amid this background, the Company reassessed its corporate objectives and priorities for the fiscal year 2021, and determined to postpone the development of the Tincture Pen Device until fiscal Q1 2022, at which time the Company intends to finalize the selection of a design partner to reverse engineer the original Smart Tincture Pen prototype, develop a mobile software application to control the Smart Pen hardware and to select a manufacture for the production of the product. Notwithstanding the Company's decision to delay further development of the Smart Tincture Pen Device, during the three months ended September 30, 2021, the Company (i) engaged a third party to assess the Tincture Pen Device in order to reverse engineer the technology, and (ii) engaged in preliminary discussions with potential designers and manufacturers for the Tincture Pen Device.

In order to launch the Tincture Pen Device, the Company will need to finalize the selection of a design partner to reverse engineer the original Smart Tincture Pen prototype, develop a mobile software application to control the Smart Pen hardware and select a manufacture for the production of the product, which will require the Company to incur an estimated amount of up to $215,000 in costs and expenses associated with the foregoing. Subject to market demand, and no unforeseen delays, the Company's goal is to introduce a final product to market in fiscal Q4 2022.

RYAH Medical Portal (RYAH MD)

The RYAH Medical Portal is a software portal intended to be used by healthcare practitioners and patients within the plant-based medical industry. The software portal is intended to facilitate patient-provider communications with respect to dosing and prescription activities, and in particular, allow doctors to electronically recommend or prescribe plant medicine to patients using RYAH devices. The RYAH Medical Portal allows patient to review and accept the dose recommended by their doctor, which, once accepted, will lock the RYAH devices according to the doctors prescribed dosing recommendation.

During the nine months ended September 30, 2021, the Company incurred approximately $37,200 in costs associated with the development and advancement of the desktop software application for the RYAH Medical Portal, from 75% to 85% completion. The desktop software application advancements included, among other things, advancements in UX/UI design, advancements in the front end coding, UX/UI testing, and back-end infrastructure development, with the material components of the overall costs comprised of (i) approximately $22,100 associated with lead code front end development consulting, (ii) $11,100 associated with back end development and internal consulting, and (iii) $7,300 associated with third-party front end design and re-design for the initial version of RYAH MD.

In order to launch the RYAH Medical Portal, the Company will need to conduct any recommended design and functional changes to the application, review and complete regression testing and bug fixes, finalize the production of the GUI, finalize the integration of the application into the back-end (server and hosting), and launch into production. The foregoing activities will require the Company to incur an estimated amount of up to $38,000 in costs and expenses. Subject to market demand, and no unforeseen delays, the Company's goal is to introduce a final product to market in fiscal Q2 2022**.**

Reusable RYAH Dry Herb Inhaler Cartridges

During the nine months ended September, 2021, the Company continued to experiment with creating a re-usable version of the stainless steel cartridges for the RYAH Dry Herb Inhaler, and commenced the development of an advanced version of its existing disposable stainless steel cartridges for the RYAH Dry Herb Inhaler. This particular

initiative was driven by clients located in certain European countries, that are seeking ways to reduce the need to rely on pharmacies to refill their cartridges with medicine. The re-usable version is intended to allow patients to fill the cartridges at home, based on guidance from the appropriate healthcare practitioner. As of the date of this MD&A the initial prototype of the reusable cartridges are 100% complete and have been shipped to the Company to undergo further usability testing. The Company has incurred costs of approximately $19,000 in engineering consulting fees and salaries in respect of this initiative.

In order to launch the re-usable version of the stainless steel cartridges, the Company will need to, among other things, conduct usability testing on the new reusable cartridges, finalize design, develop a production cycle, and finalize design history files for the cartridges, and incur an estimated amount of up to $44,000 in costs and expenses in connection therewith. Subject to market demand, and no unforeseen delays, the Company's goal is to introduce a final product to market in fiscal Q2 2022.

MANAGEMENT & DIRECTORS

Gregory Wagner, Chief Executive Officer, Director

Greg is a 20+ year former financial markets global head and entrepreneur. He has held executive roles in both the U.S. as CEO of ABN AMRO's broker dealer, and in London as Head of Equity Prime Services for the Royal Bank of Scotland where Greg oversaw $60b in assets under custody and over $300m in global, annual revenues at its peak. Greg steered the Prime Services division in achieving 26 of 29 1st Place Awards in ISF Securities Lending survey (2011), Global Investor Synthetic Prime Top Provider Award (2010/2011), and Global Investor Securities Lending Award (2010/2011). At Itaú BBA, Greg created the first fully outsourced Securities Finance operation and leveraged state-of-the-art hosted solutions that demonstrated a lean and best-in-class institutional offering. Greg has co-founded and built several startups for the ground up and was named an "Innovator of the Year" from Innovate, Long Island in 2018. Greg holds FINRA Series 7, 63, 24, 55 licenses and an MBA in Finance from Fordham University. Greg has also received a Certification in Innovation and Strategy from Harvard University.

SELECTED HISTORICAL ANNUAL FINANCIAL INFORMATION

The below table highlights selected financial information for the financial years ended December 31, 2020, 2019 and 2018. The selected financial information below has been derived from the Company's audited financial statements and should be read together with and is qualified in its entirety by reference to such financial statements. The financial statements have been prepared in accordance with IFRS.

(In U.S dollars except for share and per share data)	December 31, 2018 $	December 31, 2019 $	December 31, 2020 $
Selected financial information:			
Total Revenue	42,832	3,531	-
Loss and comprehensive loss	(2,490,155)	(2,299,048)	(8,965,803)
Loss per Share (base and diluted)	(0.03)	(0.03)	(0.12)
Total Assets	312,804	229,903	642,024
Total Non-Current Liabilities	727,416	633,717	302,352
Dividends Declared	-	-	-

The company has a relatively limited operating history since its inception on February 12, 2014, under the laws of Florida. The annual financial results reflect the Company's minimal levels of activity during 2018 and 2019 fiscal years, as management conducted research and set-up activities due to the company's expansion plans and raising

capital activities.

The Company has incurred losses and negative cash flows from operations from inception that has primarily been funded through financing activities.

SELECTED HISTORICAL QUARTERLY FINANCIAL INFORMATION

The selected historical quarterly financial data as of September 30, 2021 and 2019 has been derived from our unaudited interim financial statements and should be read together with and are qualified in their entirety by reference to such financial statements, which have been prepared in accordance with IFRS.

	Three months ended			
(in U.S. dollars, except for per share data)	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
Total revenue	13,250	86,845	-	-
Loss and comprehensive loss	(1,535,385)	(18,181,635)	(901,166)	(1,519,412)
Loss per share, basic and diluted	(0.00)	(0.04)	(0.01)	(0.02)
Dividends declared per share	-	-	-	-

	Three months ended			
(in U.S. dollars, except for per share data)	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019
Total revenue	20,350	22,482	-	1,025
Loss and comprehensive loss	(502,596)	(231,006)	(236,525)	(598,641)
Loss per share, basic and diluted	(0.01)	(0.00)	(0.00)	(0.01)
Dividends declared per share	-	-	-	-

The quarterly financial results reflect the Company's minimal levels of activity during the fiscal quarters in 2021, 2020 and 2019 and, as management conducted research, development and set-up activities. Quarterly losses can be attributed primarily to the total general and administrative expenses and research and development expenses incurred each quarter as well as interest expense. General and administrative expenses include bookkeeping, audit and accounting services, legal and insurance services, administrative and clerical services, advisory services, and client and investor relations. Interest expense is related to outstanding borrowings under various loan agreements from related parties and interest on convertibles notes issued by the Company. For the quarter ended September 30, 2021, the comprehensive loss was primarily related to the merger expenses. The total comprehensive loss for the three months ended September 30, 2021 was primarily related to consulting and marketing expenses.

RESULTS OF OPERATIONS

Operating Results for the Three and Nine Months Ended September 30, 2021 compared to the Three and Nine Months Ended September 30, 2020.

The following table presents revenue and expense information for the three and nine months ended September 30, 2021 and 2020. This information was derived from our revenue and expense accounts for the respective periods.

(in U.S. dollars, except for per share data)	3 months ended		9 months ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Statement of Comprehensive Loss Data:				
Revenue	13,250	20,350	100,095	42,832
Cost of sales	(5,571)	(11,889)	(31,229)	(24,279)
Accretion expenses	(5,321)	(13,045)	(39,980)	(78,770)
Consulting fees	(696,424)	(21,028)	(983,229)	(66,700)
Depreciation expenses	(11,132)	(7,636)	(27,460)	(22,625)
General and administrative	(9,944)	(7,489)	(124,337)	(13,034)
Insurance expenses	(108,404)	(3,934)	(64,778)	(15,455)
Interest expenses	(6,095)	(6,595)	(58,028)	(49,057)
Licences and subscriptions	(1,617)	(2,378)	(9,507)	(7,977)
Marketing	(239,565)	(4,310)	(692,421)	(13,996)
Occupancy expenses	(8,290)	(220)	(8,290)	(1,840)
Payroll expenses	(57,363)	(55,392)	(156,089)	(146,335)
Professional fees	(101,034)	(85,541)	(368,485)	(189,124)
Research and development	(74,833)	(18,359)	(328,818)	(108,989)
Share based compensation	(60,352)	(285,000)	(474,081)	(285,000)
Travel	(671)	-	(6,009)	(3,313)
Other income	27,417	-	45,420	14,467
(Loss)/ Gain on change in fair value of marketable securities	(4)	(130)	77	(158)
Income from government assistance	-	-	30,161	-
Listing expenses	-	-	(16,948,176)	-
Other expenses	(836)	-	(836)	(1,390)
Foreign currency translation adjustment	(238,596)	-	(408,738)	-
Net and comprehensive loss	**(1,535,385)**	**(502,596)**	**(20,584,804)**	**(970,743)**

Three Months Ended September 30, 2021 Compared to Three Months Ended September 30, 2020

Net and comprehensive loss for the three months ended September 30, 2021 were $1,535,385 as compared to $502,596 for the three months ended September 30, 2020, an increase of $1,032,789. The increase was mostly attributable to higher consulting and marketing fees.

Revenues were $7,100 lower for the three months ended September 30, 2021 compared to the same period in 2020.

Accretion expenses were $5,321 for the three months ended September 30, 2021, compared to $13,045 for the same period in 2020.

Consulting fees were $696,424 for the three months ended September 30, 2021, an increase of $675,396, compared to $21,028 for the three months ended September 30, 2020. That increase is mainly explained by fees related to medical device regulatory consulting and more headcount in the business development team.

Depreciation expense were $11,132 for the three months ended September 30, 2021, compared to $7,636 for the three months ended September 30, 2020.

General and administrative expenses were $9,944 for the three months ended September 30, 2021, compared to $7,489 for the three months ended September 30, 2020.

Insurance expenses were $108,404 for the three months ended September 30, 2021, compared to $3,934 for the three months ended September 30, 2020. The increase was due to higher premiums for the directors & officers insurance and product liability.

Interest expense were $6,095 for the three months ended September 30, 2021 compared to $6,595 for the same period in 2020.

Licenses and subscriptions expenses were $1,617 for the three months ended September 30, 2021, compared to $2,378 for the same period in 2020.

Marketing expenses totaled $239,565 for the three months ended September 30, 2021, compared to $4,310 for the three months ended September 30, 2020, which represents an increase of $235,255. The increase was due to the increased branding, lobbying and public relations costs incurred by the Company in 2021 to, among other things, promote awareness of the Company and its product offerings. The Company believes that a multifaceted marketing effort is an integral part of the Company's overall brand awareness strategy, particularly in light of its current stage of development, and its need for scale and commercialization of its product offerings. The marketing expenses for the three months ended September 30, 2021 were comprised of, among others, the following core expenditures:

- $24,000, paid to an independent, arm's length third party ("**Vendor 1**"), pursuant to the terms of a service agreement under which Vendor 1 agreed to provide certain public relations and corporate communications services to the Company (including, arranging podcasts, interviews, and other key introductions to help the Company participate in regulatory change discussions in the plant based medicine space);

- $16,000, paid to an independent, arm's length third party to create an educational content campaign designed to educate global audience on the Company and its product and service offerings, while offering contextual information on their industry sector and an in-depth overview of the Company and its product offerings;

- $15,000, paid to an independent, arm's length third party to produce an array of content (over a 6 month period) to convey the Company's messaging to potential investors, and distinguish the Company from its industry peers using publicly disclosed information;

- $8,767 paid to an independent, arm's length third party for market intelligence services related to the trading activities of the Company on the Canadian Securities Exchange;

- $125,000, paid to an independent, arm's length third party to provide direct access to livestream events, podcasts and access to the third party's media channels for 6 months to help convey the Company's messaging to potential investors, and distinguish the Company from its industry peers using publicly disclosed information;

- $26,914, paid to an independent, arm's length third party for certain marketing and targeted network publishing services, which included, among other things, (i) search engine optimization strategies (to ensure that the Company's news releases are readily accessible), (ii) digital media traffic generation, and (iii) complete consultation and evaluation of all online material and handouts, each of which formed part of a multifaceted strategy to spread awareness of the Company and build an audience base;

Occupancy expenses were $8,290 for the three months ended September 30, 2021, compared to $220 for the three months ended September 30, 2020. Further to its lease accounting policy, the Company recognized a right-of-use asset and a lease liability for its lease contract related to office premises. After the inception of the lease, the right of use asset is initially measured at cost and is depreciated on a straight-line basis over the lease term and charged to depreciation account.

Payroll expenses totaled $57,363 for the three months ended September 30, 2021 as compared to $55,392 for the three months ended September 30, 2020.

Professional fees were $101,034 for the three months ended September 30, 2021, compared to $85,541 for the three months ended September 30, 2020, which represents an increase of $15,493. The increase was due to legal and accounting fees.

The increase in research and development expenses for the three months ended September 30, 2021 of $56,474 was primarily due to the development of hardware and software for transdermal patch and Pen and developments to the RYAH MD platform.

Share based compensation was $60,352 for the three months ended September 30, 2021, compared to 285,000 for the same period in 2020. in employment share compensation of 500,000 shares of Potbotics, Inc., which was awarded in 2020.

Travel expenses totaled $671 for the three months ended September 30, 2021, compared to nil for the three months ended September 30, 2020.

ADDITIONAL DISCLOSURE FOR ISSUERS WITHOUT SIGNIFICANT REVENUE

(in U.S. dollars, except for per share data)	9 months ended September 30, 2021	September 30, 2020
Research and Development	(328,818)	(108,989)
Administrative expenses	(124,337)	(13,034)
Consulting fees	(1,146,197)	(66,700)
Total	**(1,599,352)**	**(188,723)**
Taxes	(1,327)	(3,300)
Office supplies	(10,120)	(11,107)
Other general expenses	(112,890)	(24,055)
Total Administrative Expenses	(**124,337)**	**(13,034)**

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

The remuneration of directors and key management personnel made for the period ended September 30, 2021 and 2020 is as follows:

(in U.S. dollars, except for per share data)	Periods	
	2021/Q3	2020/Q3
Salaries to a director	100,000	65,000
Salaries to a former director	48,000	23,000
Consulting fees paid to a director	104,200	13,333
Research and development fees paid to a director	30,000	-
Total	**282,200**	**101,333**

As at September 30, 2021, the Company has $81,527 due to a former director of the Company for salaries, $36,668 due to current directors of the Company.

During the year ended December 31, 2019, the Company received loans from a company controlled by a director of the Company in the amounts of $954,490. The loans are initially measured at fair value using an estimated market discount rate of 25%. The loans are subsequently measured at amortized cost using the effective interest rate method.

During the year ended December 31, 2020, the Company converted principal of $750,000 and accrued interest into 2,238,597 common shares. The Company repaid an additional $157,500 loans from related parties. As at December 31, 2020, there is principal balance of $202,440 and accrued interest of $5,523. As at March 31, 2021, there is principal balance of $202,440 and accrued interest of $6,667. The loans bear interest at 2.7% per annum with maturities between October 16, 2021 and November 29, 2021.

As at September 30, 2021, the Company repaid all its outstanding principal and interest amount $228,940.

LIQUIDITY AND CAPITAL RESOURCES

Our primary short-term liquidity needs are to fund general working capital requirements and debt service, which include the manufacturing and maintenance of the Company's products in the commercial stage as well as the development and launch of new hardware and software products and services (as described earlier herein). Our long-term liquidity needs primarily relate to capital expenditures relating acquisitions, maintenance capital expenditures and debt repayment.

To date, the Company's primary sources of liquidity has been from private and/or public financings (as described below), and from the exercise and/or conversion of outstanding convertible securities of the Company.

Over the next 12 to 24 months, the Company intends to continue to execute on its growth strategy, in order to grow organically, acquire scale, and gain market presence in Canada, the U.S., certain select jurisdictions in Europe (such as Germany, France, New Zealand, and Italy), and Australia, as well as one or more additional markets, subject however, to the Company's assessment of economic viability of expanding into, and regulatory landscape within, such new markets. This growth, along with the expectation that the Company will likely continue to operate at a loss for, at minimum, the next 12 months, is expected place a significant strain on the Company’s financial resources. As such, further financings may be required to fund the Company's ongoing operations (and in particular, research and development of its existing product offering and marketing efforts), make viable acquisitions, meet ongoing obligations, and discharge its liabilities in the normal course of business. While the Company has successfully utilized both debt and equity financing to date, there can be no assurance that such funding will be available in the future, or if it is, that it will be on terms that are acceptable to the Company.

As of the date of this MD&A, the Company's ability to fund operations, to make planned capital expenditures, and execute on its growth strategy depends on the future operating performance and cash flows, which are subject to prevailing economic conditions, regulatory and financial, business and other factors, some of which are beyond the Company's control. However, management of the Company anticipates that the Company's current and anticipated working capital is sufficient to meet its expected ongoing obligations for the next 12 months. The Company's assessment of its anticipated working capital position is based, in part, on the exercise of approximately CAD $300,000 in warrants of the Company received between September 17, 2021 and October 07, 2021, as well as the Company's assessment of the likelihood of the exercise of warrants of the Company in the near term.

The Company is expected to continue funding those projects described in the section entitled "*Significant Projects*" of this MD&A and further marketing efforts to promote its existing suite of products (to generate additional, immediate streams of revenue), in each case with available cash and cash equivalents. Accordingly, there is a significant risk that any inability to raise additional funds through debt and/or equity financing, or through the exercise and/or conversion of outstanding convertible securities of the Company, will adversely affect the Company's ability to support its continued growth and development and meet its liabilities and commitments as they become due.

In light of the Company's anticipated business needs, management of the Company continues to work towards the success and eventual profitability of the business of the Company by focusing on managing liquidity risk on an ongoing basis. Specifically, management of the Company continues to review, from time to time, the Company's immediate and projected sources of liquidity and capital requirements in light of, among other things, the impact of COVID-19 on the Company's business and the Company's anticipated ability to fund the execution of its business strategy amid ever-evolving market demand and competitive landscape.

In the view of management of the Company, the Company's ability to access both public and private capital is dependent upon, among other things, general market conditions and the capital markets generally, market perceptions about the Company and its business operations, and the trading prices of the Company's securities from time to time. When additional capital is required, the Company intends to raise funds through the issuance of equity or debt securities, with other possible sources including the exercise of stock options and warrants of the Company. There can be no assurance that additional funds can be raised upon terms acceptable to the Company, or at all, as funding for early-stage companies remains challenging generally.

If the Company requires additional capital and it is unable to obtain acceptable financing, it will experience liquidity issues and management expects that it will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures. Any additional equity financing may involve substantial dilution.

Summary of Sources of Liquidity

On February 24, 2020, the Company issued a promissory note for proceeds of $17,984 (CAD$25,000). The note is unsecured, bearing interest of 6% per annum based on a 360-day year and matures on August 23, 2021. During the year ended December 31, 2020, the Company recorded interest expense of $932.

On April 21, 2020, the Company received $35,500 from a promissory note entered with BNB Bank funded by the U.S. Small Business Administration. The loan matures two years from the date of first disbursement of the loan, with no payment required for the first six months, and bears interest at 1% per annum. The Company recorded the loan at fair value using an effective interest rate of 25%. The difference between the amount received and the fair value of the loan of $8,823 was recorded as income from government assistance. During the year ended December

31, 2021, the Company recorded accretion expense of $4,699 and interest expense of $235. As at December 31, 2020, the carrying value of the loan was
$31,612.

On September 14, 2020, the Company issued a promissory note to Prime for proceeds of $74,807 (CAD$100,000). The note is unsecured, bearing interest of 6% per annum based on a 360-day year and maturing in 24 months from the issue date.

On November 17, 2020, the Company issued a promissory note to Prime for proceeds of $302,117 (CAD$400,000). The note is unsecured, bearing interest of 6% per annum based on a 360-day year and maturing in 24 months from the issue date.

On December 10, 2020, the Company issued a promissory note to Prime for proceeds of $231,110 (CAD$300,000). The note is unsecured, bearing interest of 6% per annum based on a 360-day year and maturing in 24 months from the issue date.

On January 25, 2021, the Company issued a promissory note to Prime for proceeds of $99,985 (CAD$125,000). The note is unsecured, bearing interest of 6% per annum based on a 360-day year and maturing in 24 months from the issue date.

On January 28, 2021, the Company issued a promissory note to Prime for proceeds of $308,865 (CAD$400,000). The note is unsecured, bearing interest of 6% per annum based on a 360-day year and maturing in 24 months from the issue date.

On April 21, 2021, the Company completed the RTO Merger with Prime. The net proceeds from issuance of shares related to the transaction were $2,574,422.

Between September 17, 2021 and September 23, 2021 the Company received proceeds of C$270,000 from the exercise of 3,600,000 warrants at an exercise price of C$0.075.

Cash Flow

The following table presents cash flow information for the nine months ended September 30, 2021 and 2020. This information was derived from our statement of cash flows for the respective periods.

(in U.S. dollars, except for per share data)	9 months ended September 30, 2021	September 30, 2020
Net cash provided by/(used in) operating activities	(3,473,911)	(243,127)
Net cash used in investing activities	(43,174)	(21,929)
Net cash provided by financing activities	3,643,923	253,363
Effect of exchange rates on cash	15,140	-
Increase in cash and cash equivalents	406,369	(11,693)
Cash and cash equivalents at the end of the period	559,654	24,099

Net cash used in operating activities of $3,473,911 for the nine months ended September 30, 2021 compared with

$243,127 for the nine months ended September 30, 2020.

Net cash used in investing activities corresponds to the repayment of lease liability.

Net cash provided by financing activities for the nine months ended September 30, 2021 consisted of cash received for the issuance of the Company's notes and proceeds from issuance of shares related to the RTO Merger.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

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 the risk of changes in market interest rates, as its convertible notes bear fixed interest rate at 8% per annum.

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 cash held in bank accounts. The majority of cash is deposited in bank accounts held with a major bank in the United States of America. As all 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.

Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements. The

Company coordinates this planning and budgeting process with its financing activities through the capital management process described below, in normal circumstances.

Historically, the Company's sole source of funding has been the issuance of equity securities and convertible notes. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

The Company's financial liabilities are comprised of its accounts payable, convertible notes, loans and notes payable. The accounts payable and one of the convertible notes are due on demand or within 30 days. The loans payable mature between April 2020 and November 2022.

The following table summarizes our long-term contractual obligations as of September 30, 2021:

(in U.S. dollars, except for per share data)	TOTAL	Less than 1 Year	1 to 3 Years	4 to 5 Years	More than 5 Years
Operating lease Commitments (1)	37,318	37,318	-	-	-
Debt obligations (2)	406,443	267,551	138,892	-	-
Total	**443,761**	**213,070**	**138,892**	**-**	**-**

1) Amounts in the table reflect minimum payments due for the Company's leased facilities under the current operating lease agreements that expire in 2022.
2) Amounts in the table reflect the contractually required principal and interest payments payable under loan agreements and convertible notes.

Capital management:

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares as well as managing the outstanding level of debt.

Market risk:

The Company's financial instruments are exposed to a number of financial and market risks, including credit and liquidity risk. The Company does not currently have in place hedging or derivative trading policies to manage these risks since the Company's management does not believe that the current size and pattern of operations would warrant such hedging activities. The Company evaluates the key risks on an ongoing basis and has established policies and procedures to mitigate such risks.

Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to foreign exchange risk is minimal. The foreign currency risk is assessed as low.

Fair Value

The carrying values of financial instruments such as cash and cash equivalents and prepayments and other assets, accrued liabilities and other payables and loan payable are reasonable estimates of their fair value due to the short-term nature of these financial instruments. The carrying value of the convertible notes approximates its fair value as its fixed interest rate approximates the market interest rate considering the Company's credit risk. The fair value of the marketable securities (securities held for sale) of $148 is derived from its quoted stock price as at December 31, 2020 and is considered as Level 1 in the fair value hierarchy.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in net and/or comprehensive loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, relate to, but are not limited to, the following:

(i) Compound financial instruments

Compound financial instruments issued by the Company comprise convertible secured subordinate debentures that can be converted to common shares at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value. The liability component of a compound financial instrument is recognized initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognized initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition.

Interest relating to the financial liability is recognized in profit or loss. On conversion, the financial liability is reclassified to equity and no gain or loss is recognized.

(ii) Income taxes

The Company has not recognized a deferred tax asset as management believe it is not probable that taxable profit will be available against which a deductible temporary difference can be utilized.

(iii) Share-based payments

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the stock option, volatility and dividend yield and making assumptions about them.

ACCOUNTING STANDARDS ADOPTED IN THE CURRENT YEAR

In January 2016, the IASB issued the IFRS 16 Leases, which requires lessees to recognize all leases on the statement of Financial Position. Following the adoption of IFRS 16, on February 1, 2019 the Company recognized right of use asset and long-term lease liability for its existing leases on its retail locations totaling $27.525.

In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers, which replaced IAS 18 Revenue, IAS 11 Construction Contracts, and related interpretations. The standard is required to be adopted either retrospectively or using a modified transition approach for fiscal years beginning on or after January 1, 2018, with earlier adoption permitted. IFRS 15 came into effect January 31, 2018. The adoption of this standard had no significant impact on the Company.

In July 2014, the IASB completed the final elements of IFRS 9 Financial Instruments. The Standard supersedes earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9, as amended, includes a principle-based approach for classification and measurement of financial assets, a single 'expected loss' impairment model and a substantially reformed approach to hedge accounting. IFRS 9 will came into effect on January 1, 2018. Other than disclosure the adoption of this standard had no impact on the Company.

DISCLOSURE OF OUTSTANDING SHARE DATA

Authorized and issued share capital:

- Class A subordinate voting: unlimited, without par value 271,151,438 outstanding at September 30, 2021.
- Class B super voting: unlimited without par value, 2,281,221 outstanding at September 30, 2021.

SUBSEQUENT EVENTS

On October 07, 2021 the Company received proceeds of C$30,000 from the exercise of 400,000 warrants at an exercise price of C$0.075.

On October 26, 2021, the Company announced that it had entered into a non-binding letter of intent (the "**Letter of Intent**") with Omni Services LLC (d/b/a "Omni Medical Services" or "**Omni")**, a leading physician-owned and operated telehealth, cannabis clinic and certifications company operating in the United States, with respect to the potential acquisition of 100% of the business and assets of Omni. The transaction contemplated by the Letter of Intent, if consummated, is expected to combine Omni's clinical research capabilities with the Company's IoT monitoring and control devices, and further the Company's ability to procure state and federal grants in the United States which are reserved for the funding of clinical research studies focused on the advancement of plant medicine therapies. In particular, the proposed transaction is expected to unite the Company's captive patient data platform with Omni's approximately 20,000 United States-based medical cannabis patient network and tele-health solutions, to create a complete closed loop digital care ecosystem in plant-medicine therapies, from patient on-boarding, medicine administration, session monitoring and patient feedback.

The terms and conditions outlined in the Letter of Intent are non-binding on the parties, with the consummation of the transaction contemplated therein subject to a number of conditions, including, among others, (i) the completion of due diligence by each of the parties (including, a review by the Company of the regulatory framework expected to govern the Company's operations following the consummation of the proposed transaction), (ii) the receipt of satisfactory tax, corporate and securities law advice by both parties, (iii) the approval of the respective board of directors of the parties, and (iv) the negotiation and execution of definitive legal documentation which is expected to supersede and replace the Letter of Intent. Accordingly, there can be no assurance that the proposed transaction will be completed on the terms set out in the Letter of Intent, or at all.

RISKS AND UNCERTAINTIES

The following information sets forth certain material risks and uncertainties that may affect the Company's business, including the Company's future financial position and operating results, and could cause the Company's actual results to differ materially from those contained in forward-looking statements in this MD&A. The risks and uncertainties below are not the only ones faced by the Company. Additional risks and uncertainties not presently known to management of the Company, or that management believes to be immaterial, may also adversely affect the Company's business, results of operation, and financial condition. The Company operates in a highly

competitive environment that involves significant risks and uncertainties, some of which are outside of the Company's control.

No Material Revenue

The Company has not yet generated material revenue. The Company continues to remain subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

Intellectual Property and Proprietary Protection

The success of the Company will depend, in part, on the ability of the Company to maintain, enhance and protect its intellectual property, including various existing and potential proprietary discoveries, techniques and processes. The Company may be vulnerable to competitors who develop competing technology. Further, the protection of the Company's intellectual property may, from time to time, require the Company to pursue costly proceedings against third parties.

Dependence on Key Employees

The Company's business and operations are dependent on retaining the services of a small number of key employees. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these employees. The loss of one or more of these employees could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key employees. Accountability and oversight of the Company rests with the Board of Directors. The Company will continue to evaluate and potentially expanded its management team to oversee the business development activities of the Company and perform all core functions.

Competitive Conditions

The markets for the Company's products are competitive and rapidly changing, and a number of companies offer products similar to the Company's products and target similar customers. The Company believes its ability to compete depends upon many factors within and outside its control, including the timely development and introduction of new products and product enhancements, product functionality, performance, price and reliability, sales and marketing efforts, and the introduction of new products and services by competitors.

COVID-19

General

In March 2020, the World Health Organization declared a global pandemic related to the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19". The COVID-19 outbreak resulted in governments worldwide enacting emergency measures to combat the spread of COVID-19 (including the implementation of travel bans, self-imposed quarantine periods, and social distancing). COVID-19 has had a profound and unprecedented impact on the global economy and has caused material disruption to individual businesses and the global economy.

As of the date of this MD&A, and notwithstanding steadily rising vaccination rates across the globe, the duration and the immediate and eventual impact of COVID-19 remains unknown (specifically, in light of evolving developments surrounding the Delta variant and the Omicron variant of COVID-19). Accordingly, it is not possible to reliably estimate the immediate and eventual impact of COVID-19 on the financial results and condition of the Company and its industry partners. In the event that the operations or development of the Company or one or more of the Company's industry partners is suspended or scaled back, such events may have a material adverse impact on the Company's profitability, results of operations and financial conditions and the market and trading price of the Company's securities.

Impact on the Company

To date, the COVID-19 pandemic has had a limited impact on the Company's ability to source and secure its supply of the parts and components required for the manufacture and development of its IoT product offerings. The Company's supply chains have not been subject to material disruptions, and the Company's ability to establish additional supply chains for the manufacturing and distribution of the Company's product offering has not been appreciably affected. However, the Company experienced significant delays in obtaining access to labs, clinic testing sites, and university research centers necessary for the testing of the Company's product offerings, which were often closed, or re-designated for pandemic-related research and activities. While the Company's ability to access such facilities has noticeably increased during the three months ended September 30, 2021 (as compared to the same period in 2020), the COVID-19 pandemic continues to limit the Company's ability to secure 100% access to these facilities, which has, as a result, introduced delays in the Company's ability to test the safety and effectiveness of its IoT devices in a timely manner. Management of the Company anticipate that continued impediments to access may continue to translate into moderate delays in the Company's ability to supply test its IoT devices, and supply its IoT devices for the purposes of clinical trials and clinical research. The Company estimates that the anticipated opportunity costs of delayed product orders resulting from delayed access to clinical facilities to be approximately $560,000 in deferred revenues from June 30, 2020 to September, 2021.

Lastly, as a result of the COVID-19 pandemic, the Company has experienced difficulty in obtaining ready access to sources of financing, particularly in the late part of the year 2020 and the early part of 2021. However, with the recent progression of market activity towards pre-pandemic levels, and steadily rising vaccination rates across the globe, the Company believes that it will have better access to capital and liquidity in the immediate future, which will allow the Company to continue its operations. However, and notwithstanding the Company's belief, there can be no assurance that any such funding will be available in the future, or if it is, that it will be on terms that are acceptable to the Company.

Monitoring and Assessment

The Company continues to monitor the latest developments on COVID-19 on an ongoing basis, and continues to assess the more immediate impact of COVID-19 on the operations of the Company and its industry partners, with a focus on maintaining business continuity. The Company's approach to maintaining business continuity during COVID-19 is focused on, among other things:

- prudent cash management, which is reflected by among other things (i) the Company's decision to expend a larger portion of its available capital towards marketing efforts during the nine months ended September 30, 2021, primarily to promote its existing product offerings and generate an immediate stream of cash flow, and (ii) reassessing the Company's growth strategy and temporarily postponing the development of the Tincture Pen Device until fiscal Q4 2021; and

- implementing appropriate measures tailored to mitigate unanticipated impacts of COVID-19, which is reflected in part by, among other things, the Company's expedited development of the hardware design,

prototyping and development for the Smart Transdermal Patch, from 40% to 70% completion, in order to both (i) create an additional revenue stream, and (ii) offset unanticipated interruptions in the supply and/or demand of the Company's existing product offerings.

Amid COVID-19, the Company's success will depend on its ability to ensure that consumers and its industry partners continue to have uninterrupted access to the Company's product offerings, as well as maintaining a high caliber of quality and distribution capabilities. The Company intends to continue to assess its business and operational needs, and implement cost reductions, where appropriate, in salaries and consulting fees and other administrative functions, as necessary. Although COVID-19 has not significantly impacted the Company's operations to date, there can be no assurance that there will not be disruptions to its operations in the future. COVID-19 presents several unpredictable variables on the economy, making it difficult to accurately forecast upcoming results. In spite of this, the Company's core focus will be on closely monitoring the development of COVID-19 to focus its resources on navigating and adapting to emerging situations as they unfold.

ADDITIONAL INFORMATION

Additional disclosures pertaining to the Company's material change reports, press releases and other information are available on the SEDAR website at www.sedar.com.