This Management's Discussion and Analysis ("MD&A") prepared as at September 25, 2018, reviews the financial condition and results of operations of Omni Commerce Corp. ("Omni", or the "Company"), for the three month period ended May 31, 2018 and all other material events up to the date of this report. The following discussion should be read in conjunction with the Company's April 30, 2018 annual audited consolidated financial statements and related notes together with the Management's Discussion and Analysis and the unaudited condensed interim consolidated financial statements and related notes for the three month period ended July 31, 2018.

The financial data included in the discussion provided in this report has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC"). All dollar amounts are in Canadian dollars, unless otherwise noted.

The Company's certifying officers are responsible for ensuring that the annual audited consolidated financial statements and MD&A do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's officers certify that the unaudited condensed interim consolidated financial statements and MD&A fairly present, in all material respects, the financial condition, results of operations and cash flows, of the Company as the date hereof.

DESCRIPTION AND OVERVIEW OF BUSINESS

On March 28, 2018, the Company announced its intentions to change its name from Mezzi Holdings Inc. ("Mezzi") to Omni Commerce Corp. ("Omni"). With the name change, the Company also applied to change the trading symbol for its common shares listed on the TSX-V from MZI to OMNI.

On July 30, 2018 the Company entered into a binding letter agreement (the "Agreement") with PureKana LLC ("PureKana"), a limited liability company organized under the laws of the State of Arizona, and with Cody Alt and Jeff Yauck (together, the "Members"), pursuant to which the Company has agreed to acquire 100% of the outstanding membership interests in PureKana from the Members (the "Transaction"). PureKana is recognized as a market leader for quality, affordable health and wellness products made from CBD-rich industrial hemp and is generating unaudited monthly revenues in excess of $1.8-million.

Pursuant to the terms of the Agreement, the Company will acquire 100% of the outstanding membership interests in PureKana in exchange for the issuance of an aggregate of 25,333,334 Shares (on a post-Consolidation (as defined herein) basis) (the "Consideration Shares") and an aggregate cash payment of USD$4.6 million (the "Cash Consideration") to the Members. In addition, terms of the Agreement requires the Company to issue up to an additional 12 million Shares, on a post-Consolidation basis, to the Members upon the achievement of certain sales-based milestones. In conjunction with the acquisition of Purekana, the Company has voluntarily delisted from the TSX-V and has made an application the have the Company's common shares to be listed on the Canadian Securities Exchange ("CSE"). Completion of the Transaction will be subject to the satisfaction of various conditions, including the completion of the Concurrent Financing (as defined herein), the completion of the Consolidation, the satisfaction or waiver of all applicable conditions precedent, and the receipt of conditional approval from the CSE for the proposed listing of the Company's shares on the CSE.

Terms of the Agreement also include an Alternative Transaction Fee clause whereby any breach or failure to perform any covenant or agreements of the Agreement resulting in the transaction not being consummated would result in the payment of liquidated damages incurred by the other party.

In conjunction with Agreement, the Company will also complete a consolidation of the Shares on the basis of one post-consolidation Share for each four pre-consolidation Shares (the "Consolidation"). As at the date of this MD&A, there are 40,598,202 Shares outstanding, there are expected to be approximately

10,149,551 Shares outstanding following the completion of the Consolidation, but prior to giving effect to the issuance of the Share Consideration and the completion of the Concurrent Financing.

With the completion of the Transaction, the Company anticipates it will also complete a private placement to raise minimum gross proceeds of $7,000,000, (the “Concurrent Financing”), terms of such financing will be disclosed as they are determined. The proceeds of the Concurrent Financing will be used by the Company to fund the Transaction, expand into international markets and for general working capital purposes.

On May 1, 2017, the Company had completed an investment and acquisition of a majority stake of Mekenix Commerce Inc. (“Mekenix”). Mekenix is an e-commerce sales firm that partners with compelling brands to manage and execute their e-commerce sales channels. Pursuant to the transaction, the Company issued 765,000 common shares in exchange for a 51% ownership stake in Mekenix. Subsequent to the transaction, the Company entered into an agreement with Mekenix whereby the Company would sell its acquired 51% stake back to shareholders of Mekenix for a cash consideration of $105,000.

On November 24, 2017, the Company had announced that it had entered into a non-binding letter of intent to make an initial investment in a private blockchain technology company that has applications for the Company’s core business at that time, e-commerce. No definitive documentation were signed by the parties and subsequently, the parties mutually agreed to terminate the letter of intent.

On August 17, 2017, Omni announced it had received TSX Venture Exchange approval for a 10:1 share consolidation of the Company’s 92,730,980 outstanding common shares, resulting in 9,273,098 post-consolidated shares outstanding. All shares and per share amounts have been shown on a post-consolidated basis retroactively throughout this MD&A.

RESULTS OF OPERATIONS

Loss for the period

For the three month period ended July 31, 2018, the Company recognized a comprehensive loss of $(360,029) compared to comprehensive loss of $(400,057) for the three month period ended July 31, 2017. The decreased loss can be attributed to a general reduction in overall costs related to salaries, shareholder communications and share-based payments. These reductions however were offset by higher management and professional fees for the comparable three month periods.

Consulting fees were $43,402 for the three month period ended July 31, 2018 compared to costs of $50,238 for the comparable three month period ended July 31, 2017. The decreased costs can be attributed to the termination of many business development consultants previously engaged by the Company during the previous year. The Company’s focus at that time was on the marketing and development of the Company’s e-commerce activities in the promotion of the MEZZI brand and other fashion related accessories.

The Company incurred $196,000 and $36,000 in management fees for the three months ended July 31, 2018 and 2017 respectively. The increase in management fees for the current period can be attributed to a one-time payment of $162,000 to the now former CEO of the Company for the additional advisory work on the Purekana deal.

Office related expenses were $38,543 and $46,644 for the comparable three month periods ended July 31, 2018 and 2017 respectively. The decrease in the overall office expenses is primarily due to management’s effort to curtail general costs.

Professional fees for the three month period ended July 31, 2018 were $73,566 compared to $20,576 for the three month period ended July 31, 2017. The increased costs can be attributed to legal work necessary to transition the Company from the TSX-V to the CSE and for consultation regarding various investments the Company are considering.

(Expressed in Canadian Dollars)

Salaries for the three month period ended July 31, 2018 were $nil compared to costs of $17,382 for the comparable three month period ended July 31, 2017. The Company had terminated the staff as it discontinued its luxury brand and fashion accessories business.

Shareholder communication for the three month period ended July 31, 2018 were $nil compared to $24,859 for the three month period year ended July 31, 2018. The decrease was a result of the termination of certain monthly corporate advisory services that were present during most of the comparative period.

Share-based payments for the three month period ended July 31, 2018 were $nil compared to $104,763 for the three month period ended July 31, 2017. The decreased cost can be attributed to the decreased number of options granted. The Company had granted 410,000 options during the three month period ended July 31, 2017.

The Company incurred travel expenditures of $24,296 for the three month period ended July 31, 2018 compared to expenditures of $5,309 for the three month period ended July 31, 2017. The increased costs can be attributed to activities associated with promoting the Company to potential investors abroad with the hope of securing future financing.

During the year ended April 30, 2018, management decided to cease its luxury brand and its consulting business. The luxury brand business consisted of luxury leather goods, premium luggage cases, and hand-made eyewear. As a result, the loss recognized for the period ended July 31, 2018 and 2017 was $nil and $(105,069) respectively from discontinued operations attributed to its luxury brand and consulting business.

During the three month period ended July 31, 2018, the Company recognized a gain of $20,000 on the settlement of debt. The debt was related to fees charged for professional services from prior years.

SUMMARY OF QUARTERLY RESULTS

Selected financial information for the eight most recently completed quarters are as follows:

	Revenue	Earnings/ (Loss)	Basic and Diluted Loss/Share
July 31, 2018	$ -	$ (360,029)	$ (0.01)
April 30, 2018	$ (14,054)	$ (2,156,897)	$ (0.08)
January 31, 2018	$ (2,671)	$ (244,862)	$ (0.01)
October 31, 2017	$ 30,050	$ (233,339)	$ (0.03)
July 31, 2017	$ 24,737	$ (183,965)*	$ (0.03)
April 30, 2017	$ (729,072)	$ (904,031)	$ (0.15)
January 31, 2017	$ 620,646	$ (1,134,131)	$ (0.18)
October 31, 2016	$ 418,020	$ (920,723)	$ (0.17)

* During the three month period ended July 31, 2017, the Company completed the acquisition of a 51% interest in Mekenix Commerce Inc. The acquisition of Mekenix was initially accounted for as a business combination; this resulted in the Company recognizing an intangible asset (goodwill) of $216,770 as a result of the transaction. It was later determined that the transaction did not meet the definition of a business in accordance with IFRS 3 *Business Combination* and as such, the acquisition of Mekenix was reclassified as an asset acquisition; the goodwill initially recorded by the Company was reclassified as a transaction cost during the fourth quarter of the fiscal year ended July 31, 2018.

Omni has seen fluctuating revenues over the last eight quarters; this is a result of the Company undergoing a refocus of its core business and as such, historical financial information are not comparable on a quarter-to-quarter basis.

Up until the three month period ended October 31, 2017, the Company's primary focus was the sale and distribution of various consumer products and fashion accessories including the MEZZI Smart Luxury brand and Capital Eyewear. MEZZI Smart Luxury is a brand of luxury handbags that integrates wearable technologies and has been the primary brand of focus since 2015. Capital Eyewear is a boutique eyewear brand that designed and manufactured eyewear.

Manufacturing of the initial inventory for the launch of the Smart Luxury handbag line was successful with a US based manufacturer producing high quality products that were well received. In an attempt to reduce the high manufacturing costs typically associated with North American manufacturing, the Company engaged with various suppliers in Asia to produce the products in order to reduce the price points for customers and to be more competitive in the advanced contemporary accessories market. The first test shipments of products manufactured did meet the quality standards. Subsequent orders however, were later discovered upon to have significant flaws related to the integrated technology as well as leather and stitching defects; many consumers ultimately returned the bags for refund. The poor quality ultimately hurt the MEZZI brand with the distributers returning their ordered inventories for full refunds. These refunds resulted in a net revenue adjustment of $(729,072) for the three month period ended April 30, 2017.

The marketing of the MEZZI branded products as a luxury brand item could not be fully realized with the quality issues associated with the handbags being manufactured overseas. In the six month period ended October 31, 2017, sales had diminished to a point where the management of the Company began looking for other business opportunities related to its core business of e-commerce and the sale of physical goods.

The Company is currently proceeding with the Purekana transaction and as such, over the next few months, the Company anticipates an increase in consulting costs and professional fees with relation to conducting due diligence and transitioning from the TSX-V to the CSE.

LIQUIDITY AND CAPITAL RESOURCES

The Company's primary source of funding continues to be through the issuance of equity securities for cash. The Company's access to financing is always uncertain.

In order to finance the acquisition of assets or a business and to fund corporate overhead, the Company has historically been dependent on investor sentiment remaining positive towards the junior companies, and towards Omni in particular, so that funds can be raised through the sale of the Company's securities. Many factors have an influence on investor sentiment, including a positive climate from investors to support junior companies, a company's track record and the experience and calibre of a company's management. There is no certainty that equity funding will be available at the times and in the amounts required to fund the Company's activities. Note 1 of the Company's 2018 audited consolidated financial statements further discusses the going concern issue. The financial statements do not include any adjustments that might result from these uncertainties.

Debt financing has not been used to fund asset and business acquisitions, and the Company has no current plans to use such financing. There are no other sources of financing that have been arranged by the Company.

As at July 31, 2018 the Company had working capital of $3,367,946 as compared to a working capital deficiency of $3,701,500 at July 31, 2017. The decrease can be attributed to the general overhead expenditures.

The Company has no commitments for capital expenditures.

Cash and Financial Conditions

The Company had a cash balance of $3,303,715 as at July 31, 2018 as compared to a cash balance of $3,899,419 as at April 30, 2018.

The decrease in cash can be attributed to the various investments the Company is currently involved in. During the three month period ended July 31, 2018, the Company invested $100,000

The Company does not have any unused lines of credit or other arrangements in place to borrow funds and has no off-balance sheet arrangements.

The Company does not use hedges or other financial derivatives.

Investing Activities

During the three month period ended July 31, 2018, the Company acquired 1,000,000 shares of Cultivate Capital Corp. ("Cultivate Capital") for $100,000. Cultivate Capital is a private Calgary, AB based company connecting cannabis business owners with investors to provide financing options.

During the three month period ended July 31, 2018 the Company entered into a binding letter agreement (the "Agreement") with PureKana LLC ("PureKana"), a limited liability company organized under the laws of the State of Arizona, and with Cody Alt and Jeff Yauck (together, the "Members"), pursuant to which the Company has agreed to acquire 100% of the outstanding membership interests in PureKana from the Members (the "Transaction").

Terms of the Agreement required the Company to pay a non-refundable deposit of USD$100,000 in connection with the Transaction; this amount was paid during the three month period ended July 31, 2018.

During the year ended April 30, 2018;

- the Company had completed the acquisition of a majority interest of Mekenix Commerce Inc. ("Mekenix"). Mekenix is an e-commerce sales firm that partners with businesses to manage and execute their e-commerce sales channels. Pursuant to the transaction, the Company issued 765,000 common shares with a fair value of $229,500 as consideration for a 51% ownership interest in Mekenix.

- the Company sold its 51% stake back to shareholders of Mekenix for a cash consideration of $105,000.

- the Company also invested $30,000 in 120,000 common shares of Ashanti Gold Corp. ("Ashanti"). During the year ended April 30, 2018, the Company determined that the decline in value of Ashanti shares was significant and prolonged, and accordingly, recorded an impairment of $7,200 in the statement of loss and comprehensive loss.

Financing Activities

During the three months ended July 31, 2018, the Company issued 1,000,000 common shares on the exercise of 1,000,000 warrants for proceeds of $100,000.

At the date of this MD&A, the Company received all amounts in outstanding share subscriptions receivable.

During the year ended April 30, 2018;

- the Company closed a private placement for 7,000,000 units at a price of $0.075 per unit for total gross proceeds of $525,000. Each unit consists of one common share of the Company and one common share purchase warrant. In connection with the private placement, the Company issued 391,622 finder's warrants exercisable into one additional common share at a price of $0.10 for a period of 24 months. The finder's warrants were assigned a value of $39,622. In addition, the Company incurred share issuance costs of $77,132.

- the Company closed a private placement for 22,510,104 units, with 20,760,104 units at a price of $0.22 per unit and 1,750,000 at $0.20 for total gross proceeds of $4,917,223. Each unit consists of one common share of the Company and one half of one common share purchase warrant. In connection with the private placement, the Company issued 1,232,892 finder's warrants exercisable into one additional common share at a price of $0.35 for a period of 12 months. The finder's warrants were assigned a value of $163,574. In addition, the Company incurred share issuance costs of $301,654.

- the Company issued 815,000 common shares upon exercise of warrants for gross proceeds of $81,500. The Company reallocated $4,249 relating to the fair value of the warrants from reserves to share capital.

- the Company issued 410,000 common shares upon the exercise of 410,000 options.

SECURITIES OUTSTANDING

During the three month period ended July 31, 2018, the Company issued 1,000,000 common shares on the exercise of 1,000,000 warrants for gross proceeds of $100,000.

As at July 31, 2018 and the date of this MD&A, the Company had 40,598,202 common shares issued and outstanding.

As at July 31, 2018 and the date of this MD&A, the Company had 159,500 stock options outstanding.

As at July 31, 2018 and the date of this MD&A, the Company had 18,064,566 warrants outstanding.

OFF-BALANCE SHEET ARRANGEMENTS

At the date of this report, the Company had no off-balance sheet arrangements.

(Expressed in Canadian Dollars)

RELATED PARTY TRANSACTIONS

The Company has determined that key management personnel consists of the Company's Board of Directors and its corporate officers. During the three month period ended July 31, 2018, the Company incurred the following amounts charged by directors and officers and companies controlled and/or owned by directors and officers of the Company:

	Nature of transactions	July 31, 2018	July 31, 2017
Key management personnel			
A company controlled by the former CEO	Management	$ 171,000	$ 30,000
Current CEO	Management	20,000	-
A company controlled by the CFO	Management	5,000	-
A company controlled by the former CFO	Management	-	6,000
Related parties:			
A family member of the former CEO	Consulting	-	26,191
Total		$ 196,000	$ 62,191

The amounts due to other related parties and key management personnel included in accounts payable and accrued liabilities are as follows:

	July 31, 2018	July 31, 2017
Due to a firm of which the CFO is a former partner	$ 45,000	$ 57,600
Due to companies controlled by the former CEO	39,316	39,316
Total	$ 84,316	$ 96,916

PROPOSED TRANSACTIONS

On June 22, 2018, the Company advanced a private entity $150,000 whereby the Company would be provided business development services. The Company is currently negotiating the terms of future advances whereby certain objectives are attained with regards to the marketing and distribution of cannabidiol products.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Management must make judgments given the various options available as per accounting standards for items included in the consolidated financial statements. Judgments involve a degree of uncertainty and could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual events differ from a judgment made. A summary of items involving management judgment include, but are not limited to:

i) The impairment and recoverability of the intangible assets and goodwill – An integral component of impairment testing is determining the intangible asset's recoverable amount. The determination of the recoverable amount involves significant management judgment. Qualitative factors, including market presence and trends, strength of customer relationships, strength of debt and capital markets, and other factors, are considered when making assumptions with regard to recoverability of the intangible asset.

ii) Recognition of deferred income tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

iii) The determination of the Company's and its subsidiaries' functional currency – The functional currency determination will be based on management's assessment of the primary economic environment in which the entities operate.

iv) Assessment of the Company's ability to continue as a going concern – The assessment involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

v) Assessment of the Company's separate line of businesses as discontinued operations - judgement is applied in determining whether disposal groups or cash generating unit represent a component of the entity, the results of which should be recorded in discontinued operations in the consolidated statements of operations and comprehensive loss and cash flows.

vi) Assessment of the transaction as an asset acquisition or business combination - judgement is applied relating to acquisitions with respect to whether the acquisition was a business combination or an asset acquisition. Management applied a three-element process to determine whether a business or an asset was purchased, considering inputs, processes and outputs of each acquisition in order to reach a conclusion.

<u>Critical accounting estimates:</u>

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year include, but are not limited to, the following:

i) Valuation of inventory – The Company estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market-driven changes that may reduce future selling prices. A change to these assumptions could impact the Company's inventory valuation and impact gross margins.

ii) Share-based payments – The fair value of share-based payments is determined using the Black-Scholes option pricing model. This option pricing model requires the input of subjective assumptions including the expected price volatility, option life, dividend yield, risk-free rate and estimated forfeitures at the initial grant.

iii) The application of the Company's accounting policy for intangible assets and goodwill requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. At least annually or whenever there is an indicator for impairment management evaluates the recoverable amount, which is the higher of an asset's fair value less costs to sell and value in use. Intangibles are written down to their recoverable amount when a decline is identified. The determination of the recoverable amount requires the use of management's best assessment of the related inputs into the valuation models, such as future cash flows and discount rates.

RECENT ACCOUNTING PRONOUNCEMENTS

No new standards or interpretations were adopted during the year.

New standards and interpretations not yet adopted

The following standards have not yet been adopted. Management has evaluated the impact of these pronouncements on the Company's consolidated financial statements and determined that the effects are immaterial. The Company plans to adopt these standards as soon as they become effective for the Company's reporting year.

- IFRS 9 Financial Instruments

  IFRS 9 will replace IAS 39 *Financial Instruments: Recognition and Measurement* and IFRIC 9 *Reassessment of Embedded Derivatives.* The final version of this new standard supersedes the requirements of earlier versions of IFRS 9.

  The main features introduced by this new standard compared with predecessor IFRS are as follows:

  • Classification and measurement of financial assets:

  Debt instruments are classified and measured on the basis of the entity's business model for managing the asset and its contractual cash flow characteristics as either: "amortized cost", "fair value through other comprehensive income", or "fair value through profit or loss" (default). Equity instruments are classified and measured as "fair value through profit or loss" unless upon initial recognition elected to be classified as "fair value through other comprehensive income."

  • Classification and measurement of financial liabilities:

  When an entity elects to measure a financial liability at fair value, gains or losses due to changes in the entity's own credit risk is recognized in other comprehensive income (as opposed to previously profit or loss). This change may be adopted early in isolation of the remainder of IFRS 9.

  • Impairment of financial assets:

  An expected credit loss impairment model replaced the incurred loss model and is applied to financial assets at "amortized cost" or "fair value through other comprehensive income", lease receivables, contract assets or loan commitments and financial guarantee contracts. An entity recognizes twelvemonth expected credit losses if the credit risk of a financial instrument has not increased significantly since initial recognition and lifetime expected credit losses otherwise.

  • Hedge accounting:

  Hedge accounting remains a choice, however, is now available for a broader range of hedging strategies. Voluntary termination of a hedging relationship is no longer permitted. Effectiveness testing now needs to be performed prospectively only. Entities may elect to continue applying IAS 39 hedge accounting on adoption of IFRS 9 (until the IASB has completed its separate project on the accounting for open portfolios and macro hedging).

The new standard is effective for the Company's annual period beginning May 1, 2018.

i) IFRS 15 *Revenue from Contracts with Customers*

This new standard establishes a comprehensive framework for the recognition, measurement and disclosure of revenue replacing IAS 11 *Construction Contracts*, IAS 18 *Revenue*, IFRIC 13 *Customer Loyalty Programmes*, IFRIC 15 *Agreements for the Construction of Real Estate*, IFRIC 18 *Transfers of Assets from Customers* and SIC-31 *Revenue — Barter Transactions Involving Advertising Services*.

The main features introduced by this new standard compared with predecessor IFRS are as follows:

Revenue is recognized based on a five-step model:
1. Identify the contract with customer;
2. Identify the performance obligations;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations; and
5. Recognize revenue when (or as) the performance obligations are satisfied.

New disclosure requirements on information about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

The new standard is effective for the Company's annual period beginning May 1, 2018.

ii) Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2 Share-based Payment)

The amendments provide guidance on the accounting for:
the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments;
- share-based payment transactions with a net settlement feature for withholding tax obligations; and
- a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

The new standard is effective for the Company's annual period beginning May 1, 2018.

iii) IFRS 16 *Leases*

This new standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both the lessee and the lessor. The new standard introduces a single lessee accounting model that requires the recognition of all assets and liabilities arising from a lease.

The main features of the new standard are as follows:

- An entity identifies as a lease a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

- A lessee recognizes an asset representing the right to use the leased asset, and a liability for its obligation to make lease payments. Exceptions are permitted for short-term leases and leases of low-value assets.
- A lease asset is initially measured at cost, and is then depreciated similarly to property, plant and equipment. A lease liability is initially measured at the present value of the unpaid lease payments.
- A lessee presents interest expense on a lease liability separately from depreciation of a lease asset in the statement of profit or loss and other comprehensive income.
- A lessor continues to classify its leases as operating leases or finance leases, and to account for them accordingly.
- A lessor provides enhanced disclosures about its risk exposure, particularly exposure to residual-value risk.

The new standard is effective for the Company's annual period beginning May 1, 2019.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company's consolidated financial statements.

FINANCIAL INSTRUMENTS

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

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liabilities either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The Company's primary financial instruments are classified as follows:

Financial instruments	Classifications
Cash and cash equivalents	FVTPL
Marketable securities	AFS
Amounts receivable	LAR
Prepaid expenses and deposits	LAR
Accounts payable and accrued liabilities	OFL

Contingent consideration recorded as at July 31, 2017 was measured at Level 3 in the fair value hierarchy. The Company used the discounted cash flow method, applying an after-tax discount rate of 20%, to capture the present value of the expected future economic benefits that will flow out of the Company arising from the contingent consideration.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will cause a financial loss to the Company by failing to meet its obligations.

The Company's financial instruments that are exposed to concentrations of credit risk are primarily cash and cash equivalents and amounts receivable. The Company limits its exposure to credit risk with respect to cash and cash equivalents by holding it with major Canadian financial institutions. At July 31, 2018, cash and cash equivalents are comprised of $3,303,715 (April 30, 2018 - $3,899,419). The Company's amounts receivable consists of government input tax credits and are not subject to significant credit risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at July 31, 2018, the Company had a cash and cash equivalents balance of $3,303,715 (April 30, 2018 - $3,899,419) to settle current liabilities of $232,403 (April 30, 2018 - $264,178). All of the Company's financial liabilities are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

a) Interest rate risk

The Company has cash and cash equivalent balances and no interest-bearing debt. As at July 31, 2018, the Company did not hold any investments and as such, the Company believes it has no significant interest rate risk.

b) Foreign currency risk

As at July 31, 2018, the Company's cash and cash equivalents were predominately held in Canadian dollars and as such, Omni has minimal exposure to foreign currency risk volatility.

FINANCIAL RISK FACTORS

The fair value of the Company's receivables, advance, trade payables and accrued liabilities, approximate their carrying value, which is the amount recorded on the statement of financial position, due to their short terms to maturity. The Company's cash is measured at fair value, under the fair value hierarchy based on level one quoted prices in active markets for identical assets or liabilities.

Investment in cannabis based businesses

The Company recognizes there are certain risks in its investment with a cannabis based business. Marijuana is classified as a Schedule I controlled substance under US federal law and as such, marijuana related practices or activities, including the cultivation, possession or distribution of marijuana, are illegal under US federal law. There remains a conflict between state and federal law related to marijuana with certain US states permitting its use and sale within a regulatory framework.

The US Department of Justice had recently rescinded the Cole memo which had given guidance that it will generally not enforce federal prohibitions on marijuana in US states that have authorized this conduct so long as the US state has implemented a strong and effective regulatory program. Future enforcement decisions will now be up to the US Attorneys in their respective states, who are to decide which cases to prosecute by weighing all relevant considerations, including federal law enforcement priorities set by the Attorney-General, the seriousness of the crime, the deterrent effect of federal prosecution and the cumulative impact of particular crimes on the community.

The Company considers it unlikely that local federal prosecutors will take action in those states where the legalization of cannabis has been implemented as a result of a majority vote of the state's electorate or by an act of the respective state's legislature. There may be action taken against those who are acting outside state regulations, and this type of enforcement is only beneficial to those businesses operating within local regulations.

The Company conducts extensive due diligence in its investment in the cannabis based business and ensures strict compliance of state policies governing this industry.

FORWARD-LOOKING STATEMENTS

Certain information set forth in this document includes forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the Company's control, including but not limited to: general economic and business conditions; cash flow projections; currency fluctuations; risks relating to our ability to obtain adequate financing for future activities; the nature of our future activities; and other general market and industry conditions as well as those factors discussed in prior management discussion and analysis, available on SEDAR at www.sedar.com.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. The Company's actual results, programs and financial position could differ materially from those expressed in or implied by these forward-looking statements and accordingly, no assurance can be given that the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive from them. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and as such, undue reliance should not be placed on forward-looking statements.

The Company believes that the expectations reflected in these forward looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and as such forward looking statements contained into this report should not be relied upon. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward looking statements contained in this report. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to assumptions about general business and economic conditions, the availability of financing for the Company, and the ability to identify and secure a quality asset or a business with a view of completing a transaction subject to receipt of shareholder approval and acceptance by regulatory authorities.

The Company's forward-looking statements and information are based on the assumptions, beliefs, expectations and opinions of management as of the date of this MD&A. The Company will update forward-looking statements and information if and when, and to the extent required by applicable securities laws. Readers should not place undue reliance on forward-looking statements. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

ADDITIONAL SOURCES OF INFORMATION

Additional information relating to Omni Commerce Corp. can be found on the SEDAR website at www.sedar.com.