(FORMERLY MATICA GRAPHITE INC.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED MARCH 31, 2015

Date of Report: June 10, 2015

The following Management Discussion and Analysis ("MD&A") provides analysis of financial results of Matica Enterprises Inc. (formerly "Matica Graphite Inc." and previously "Cadman Resources Inc."), ("the Company") for the three month period ended March 31, 2015 with comparisons to 2014. This MD&A should be read in conjunction with the audited financial statements and notes thereto for the year ended December 31, 2014. Additional information relevant to the Company is available for review on SEDAR at www.sedar.com.

All financial results presented in this MD&A are expressed in Canadian dollars unless otherwise indicated.

Forward-Looking Information

Certain information included in this discussion may constitute forward-looking statements.

Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," or "continue" or the negative thereof or variations thereon or similar terminology. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management are inherently subject to significant business, economic and competitive uncertainties and contingencies. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. These factors include the inherent risks involved in the mining, exploration and development of mineral properties, the uncertainties involved in interpreting drilling results and other geological data, fluctuating metal prices, the possibility of project cost overruns or unanticipated operating costs and expenses, uncertainties related to the necessity of financing, the availability of and costs of financing needed in the future and other factors described in the Company's Annual Information Form under the heading "Risk Factors". The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise. The reader is cautioned not to place undue reliance on forward-looking statements.

DESCRIPTION OF BUSINESS

The Company was incorporated pursuant to the Business Corporation Act (British Columbia) in November 2007 under the name of Cadman Resources Inc. The Company was listed in July 2008 as a "Capital Pool Company" ("CPC"), as defined in the policies of the TSX Venture Exchange (the "Exchange" or "TSX-V"). In December 2010, the Company transferred the listing of the Company's shares to the NEX Board. In July 2012, the Company delisted from the NEX Board and began trading on the Canadian National Stock Exchange ("CNSX") under the symbol "CUZ".

In April 2014, the Company changed its name to Matica Graphite Inc. and began trading under the new symbol "GRF". In July 2014, the Company changed its name to Matica Enterprises Inc. In July, 2014, the Company's shares were accepted for trading on the Frankfurt Stock Exchange. On May 12, 2014, the Ontario Securities Commission ("OSC") issued a Temporary Management Cease Trade Order for failure to timely file its December 31, 2013 annual filings. The temporary order expired on May 23, 2014 and was replaced by a Permanent Cease Trade Order which lapsed or expired on June 4, 2014.

During the year ended December 31, 2014, the Company initiated a change of business focus into the medical marijuana industry. As a result of the change in business focus, trading of Matica shares was halted by the Canadian Securities Exchange ("CSE") on August 26, 2014 and resumed trading on November 14, 2014 as "MMJ".

HIGHLIGHTS OF COMPANY ACTIVITIES

January 1, 2015 to June 2015 (Subsequent to year ended December 31, 2014):

Corporate Restructuring:

In January 2015, the Company entered into a Plan of Arrangement (the "Arrangement") to transfer assets to four subsidiaries. The purpose of the Arrangement is to enable the Company to focus on the development of the medical marijuana business and to divest its other assets to its subsidiaries. After the completion of the Arrangement, each shareholder of the Company at the share distribution record date will hold one-third of a Spinco 1 share, one-fifteenth of a Spinco 2 share, one-seventy fifth of a Spinco 3 share and one-fifteenth of a Spinco 4 share. The Arrangement was approved on March 10, 2015 by the shareholders of the Company and by the Supreme Court of British Columbia on March 23, 2015. Each of these subsidiaries is expected to become a reporting issuer in the Provinces of British Columbia, Alberta and Ontario.

According to the Arrangement, the Company will transfer the followings to the subsidiaries:

Ravenline Exploration Ltd. (Spinco 1) - $20,000 in cash and all the mining assets held by the Company
1022607 BC Ltd. (Spinco 2) - $20,000 in cash and the letter of intent with THCO
1022608 BC Ltd. (Spinco 3) - $20,000 in cash and the letter of intent with Ludwig
1024250 BC Ltd. (Spinco 4) – $20,000 in cash and the Chlorine Dioxide Tablet Project with Bellerosa

Corporate Activities:

January 1, 2015 to June 9, 2015 (Subsequent to year ended December 31, 2014

On February 18, 2015, the Company granted 2,200,000 stock options to directors, officers and consultants. The options are exercisable at a price of $0.105 per share for a period of five years expiring in February 2020. The options vested immediately on the grant date. 1,200,000 were issued to the marketing consultants. $90,466 is recorded under marketing and promotion. 1,000,000 were issued to the Company's officers. $75,389 is recorded under stock base compensation.

On February 27, 2015, the Company granted 700,000 stock options to marketing consultants. The options are exercisable at a price of $0.125 per share for a period of five years expiring in February 2020. 200,000 of these stock options were cancelled subsequent to March 31, 2015. $45,305 is recorded under marketing and promotion.

In April 2015, Rawn Lakhan resigned as a director of the Company.

In May 2015, the Company granted 1,500,000 stock options to consultants. The options are exercisable at a price of $0.07 per share for a period of five years expiring in May 2020. The options vested immediately on the grant date.

On May 4, 2015, the Ontario Securities Commission issued a Temporary Management Cease Trading Order for failure to timely file the Company's December 31, 2014 annual filings. This order expired and was replaced by a Permanent Management Cease Trade Order on May 15, 2015 which is subject to termination two business days after completion of the required filings.

In May 2015, George Brown was appointed as a director of the Company and has been appointed Chairman of the Audit Committee.

Financing Activities:

January 1, 2015 to June 9, 2015 (Subsequent to year ended December 31, 2014): (continued)

In January 2015 and March 2015, the Company engaged JSI to act as an agent in connection with a private placement offering of up to 12,500,000 units of the Company at a price of $0.08 per unit for gross proceeds up to $1,000,000 (the "Offering"). Each unit comprises one common share and one common share purchase warrant exercisable to acquire one common share of the Company at $0.15 per warrant until 36 months from the closing date. As consideration JSI will receive a commission of 8% of the funds that will be raised and such number of broker warrants as equal to 8% of the units that will be issued in connection with the Offering. Each broker warrant will have the same term and exercise prices as the private placement warrants.

In addition, a total of 1,000,000 common shares will be issued to JSI at the closing time on the initial closing date of the private placement as a financing fee, provided that at or prior to such time JSI will have executed and delivered to the Company an undertaking that JSI will not sell, assign or transfer any such shares until the earlier of i) closing of subsequent offerings, and ii) March 31, 2015.

The Company has also agreed to issue an additional financing fee comprised of the number of common shares of the Company equivalent to the amount of gross proceeds raised in such offering, provided that the maximum number of common shares issued to JSI in respect of such financing fees and in respect of all subsequent offerings will not exceed 4,000,000 common shares.

In March 2015, the Company closed on 9,702,275 units in a first tranche of the brokered private placement offering of units of the Company at a price of $0.08 per Unit for which the Company received cash of $402,182, services provided by management valued at $100,000 and debt settlement in the amount of $274,000 of which $194,000 is for marketing and promotion services to be provided during the 2015 fiscal year. The Company paid JSI, the agent on the private placement, a commission of $15,315 representing 3% to 8% of the funds raised in connection with the offering and issued 65,000 broker warrants equal to 8% of the units issued to subscribers introduced by JSI.

Also in March 2015 the Company closed on 3,975,000 units in the second tranche of the brokered private placement offering at a price of $0.08 per unit for which the Company received cash of $142,000 and debt settlement in the amount of $176,000 of which $160,000 is for marketing and promotion services to be provided during the 2015 fiscal year. The Company paid JSI, the agent on the private placement, a commission of $9,410 representing 3% to 8% of the funds raised in connection with the offering and issued 103,000 broker warrants equal to 8% of the units issued to subscribers introduced by JSI.

For the period ending March 31, 2015, 960,000 common shares were issued on exercise of warrants for cash proceeds of $67,200. Subsequent to March 31, 2015, 1,020,000 common shares were issued on exercise of warrants for cash proceeds of $67,200, of which $19,400 was received and included in subscriptions received at March 31, 2015.

For the period ending March 31, 2015, 825,000 common shares were issued on exercise of stock options for cash proceeds of $82,500. Subsequent to March 31, 2015, 850,000 common shares were issued on exercise of stock options for cash proceeds of $65,000.

Medical Marijuana Activities:

In January 2015, the Company issued 400,000 common shares to four individuals as finder's fees related to the agreement with Bellerosa. The $40,000 fair value of these was included in accounts payable at December 31, 2014.

For the period ending March 31, 2015, the Company advanced $200,000 to THCD for the purchase of HVAC equipment required in preparation for the pre-licensing inspection by Health Canada.

Subsequent to March 31, 2015, the Company advanced an additional $40,000 to THCD to be used towards the purchase of HVAC equipment required in preparation for the pre-licensing inspection by Health Canada.

Medical Marijuana Activities: (continued)

The Company also issued 300,000 common shares to four individuals at a fair value of $17,700 as prepayment of consulting fees relating to the investment in THCD.

In April 2015, THCD signed a deal with St. Francis Xavier University for medical marijuana research.

January 1, 2014 to December 31, 2014

In June 2014, the Company signed a letter of intent ("LOI") with ChroniCare Canada Inc. ("ChroniCare") to establish a licensed marijuana growing operation. In July 2014, the Company signed an agreement with ChroniCare and paid $50,000 refundable advance to ChroniCare which would be applied to any future payments the Company would make to ChroniCare pursuant to the aforementioned LOI and any ensuing agreement thereof. In August 2014, the binding provisions of the LOI were terminated as the parties had not reached a definitive agreement. As at December 31, 2014, the Company wrote off the $50,000 deposit to net loss as the collection of the amount is uncertain.

In July 2014, the Company entered into a letter of intent forming a joint venture with Bellerosa Distributing Ltd. (Bellerosa") to exclusively market the full range of GlobalEx effervescent chlorine dioxide tablets for use in the Canadian and US horticultural and agricultural industries. In August 2014, the Company signed a definitive agreement. The Company intends to test, and if successful, distribute and market chlorine dioxide tablets in the medical marijuana industry for the elimination of mould, biofilm and pests in controlled growing facilities, eliminating the need for harmful or Health Canada restricted pesticides. Under the terms of the definitive agreement, the Company had an option to acquire a 60 percent interest in the joint venture to be formed by the Company and Bellerosa by expending $200,000 over a two-year period on the testing and marketing of the tablets. Matica was to issue 10 million Matica shares to Bellerosa. In October 2014, the Company moved to an alternative supplier of chlorine dioxide tablets. The Company has therefore terminated its association with the GlobalEx brand. In November 2014 the Company entered into a revised option Agreement with Bellerosa (the "Bellerosa Project") to acquire a 60% interest in a business to market and distribute chlorine dioxide tablets for use in the medical marijuana growing industry. The Company agreed to issue 4,000,000 common shares to Bellerosa for acquiring the 60% interest in the project. The Company would have the right to market and distribute the chlorine dioxide tablets under the Bellerosa Project. The Company agreed to issue 400,000 common shares of the Company as a finder's fee relating to the Bellerosa Project. Bellerosa is a company incorporated under the laws of British Columbia and is a marketer and distributor of the chlorine dioxide tablets. As at December 31, 2014, the Company has issued the 4,000,000 common shares at a fair value of $360,000 and has accrued a $40,000 finder's fee for the Bellerosa Project, totalling $400,000. A legal entity has yet to be incorporated and the operations have yet to commence. The $400,000 has been expensed as product research and investigation costs in 2014.

In August 2014, the Company entered into a non-binding letter of intent to form a joint venture with West Coast Medical Marijuana Group ("WCMMJ"). WCMMJ is a private group based in Langley, British Columbia which has been producing medical Marijuana under a Marijuana Medical Access Regulations ("MMAR") licence. As at December 31, 2014, the Company is no longer pursuing the joint venture with WCMMJ.

In October 2014 the Company entered into an Investment Agreement (the "THCD Agreement") with THCD and the sole shareholder of THCD (the "Vendor") to acquire a 50% ownership interest in THCD. THCD is a private company incorporated under the laws of Nova Scotia. THCD's intended business is to provide dried marijuana, seeds, and organic soil to dispensaries throughout North America and Europe. THCD is in the process of applying to become a licensed producer under the Marijuana for Medical Purposes Regulation ("MMPR") program. Since its incorporation in September 2014, THCD has been making improvements to the electronic security systems at a brand new leased state of the art free standing facility in compliance with the requirements of Health Canada's Directive on Physical Security Requirements for Controlled Substances. In October 2014, the Company signed a definitive agreement to acquire THC Dispensaries, Inc. ("THCD"). THCD has received a "Ready to Build" letter from Health Canada and is awaiting the pre-license inspection to become an operating licensed producer under the MMPR program. Under the terms of the definitive agreement, the Company has an option to acquire a 50% interest in THCD by financing THCD up to $325,000 and delivering 1,000,000 common shares. Upon THCD becoming a Licensed Producer, the

Medical Marijuana Activities: (continued)

January 1, 2014 to December 31, 2014 (continued)

Company is required to finance THCD a further $1,175,000 and deliver 4,000,000 common shares to THCD. In November 2014, the Company made the required payment of $325,000 and delivered the 1,000,000 common shares.

The Company is required to finance THCD a further $1,175,000 and to deliver 4,000,000 common shares upon receipt of an MMPR licence. The Board of THCD will comprise of two members from the Company and three members from THCD.

Exploration Activities:

In January 2014, the Company entered into a Letter of Intent ("LOI") to acquire 100% of a new graphite project in northwest Nevada known as the Grumpy Lizard property which is comprised of 56 claims. The Company paid a deposit of $5,670 (US$5,000.) in March 2014 and incurred $15,736. of expenses related to this LOI which expired in April 2014.

In May 2014, the Company entered into a property option and royalty agreement to acquire a 100 percent interest in the Galaxy Graphite project in Quebec. The Company issued 300,000 common shares at a fair value of $12,000 as consideration for the property. During the year ended December 31, 2014, management determined not to pursue any further exploration in the property. The $12,000 of deferred acquisition costs incurred on this property was written off as an impairment expense in 2014.

In September 2014, the Company entered into a property option and royalty agreement to acquire a 100 percent interest in the Grumpy Lizard Property (see January 2014 above). The property is comprised of 96 claims covering 1,920 acres. As consideration, The Company paid $57,291 and issued 3,400,000 shares at a fair value of $272,000 as well as incurring $23,403 in staking costs. This agreement is subject to a 2.5% royalty on any materials sold from the property

OUTLOOK

Throughout 2014 and 2015, the junior resource market has experienced a downturn. Overall share prices have declined and traditional sources of financings have weakened. The immediate future of the entire sector is somewhat diminished as demand for raw materials and prices fluctuate downward and the entire sector consolidates. In response to current events, the Company has been seeking alternative sources of financing in order to ensure the continuation of the Company. Since May 2014, the Company has been researching the medical marijuana sector with the intent to pursue, source and evaluate new potential projects in the medical marijuana sector, including, but not limited to, agriculture, medical, technology and real estate areas of the sector.

FINANCIAL RESULTS

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of the Company.

Quarterly Information	Revenue	Net Profit (Loss)	Basic and diluted loss per common share
March 31, 2015	$ -	$ (744,688)	$ (0.00)
December 31, 2014	$ -	$ (928,441)	$ (0.02)
September 30, 2014	$ -	$ (671,271)	$ (0.03)
June 30, 2014	$ -	$ (173,431)	$ (0.01)
March 31, 2014	$ -	$ (61,453)	$ (0.01)
December 31, 2013	$ -	$ (659,189)	$ (0.02)
September 30, 2013	$ -	$ (61,046)	$ (0.00)
June 30, 2013	$ -	$ (83,213)	$ (0.01)
March 31, 2013	$ -	$ (165,167)	$ (0.01)

Comparison of operating results

Quarterly Information

	Three Months Ended March 31	
	2015	2014
	$	$
GENERAL AND ADMINISTRATIVE EXPENSES		
Consulting	**74,098**	7,500
Management and director's fees	**57,500**	34,500
Marketing and Promotion	**348,034**	1,500
Office and miscellaneous	**12,940**	1,340
Professional fees	**99,836**	7,740
Rent	**9,773**	6,815
Share-based compensation	**75,389**	-
Transfer agent and filing fees	**17,872**	2,058
Travel and promotion	**8,522**	-
	703,964	61,453
OTHER INCOME (EXPENSES)		
Equity in loss of associate	**(40,724)**	-
	(40,724)	-
NET LOSS AND COMPREHENSIVE LOSS	**(744,688)**	(61,453)

For the three months ended March 31, 2015, the Company's general and administrative expenses increased by $642,511 compared to the same period last year, mainly due to the following:

- consulting fees are $66,598 higher than the same period last year due to due to the change of business focus

- management and director's fees are $23,000 higher than the same period last year due to the grant of stock options.

- marketing and promotion fees are $346,534, higher than the same period last year due to website

development and fees incurred from new marketing contracts. $90,466 and $45,305 is option granted to marketing consultants.

- office and miscellaneous expenses are $11,600 higher than the same period last year due to the addition of an insurance policy and the investment in THCD.
- professional fees are $92,096 higher than the same period last year due to the new business ventures.
- rent is slightly higher than the same period last year due to changes in the rental agreement of the Company's offices.
- stock based compensation is $75,389 higher than the same period last year due to new options granted.
- transfer and filing fees are $15,814 higher than the same period last year due to additional filing requirements for the new business ventures and an increase in share issues from private placements closed.

Comparison of operating results (continued)

Quarterly information (continued)

- travel and promotion is $8,522 higher than the same period last year due to new business ventures.

The Company also incurred equity loss of $40,724 which incurred from 50% THCD's quarter operation result.

Liquidity and Capital Resources

As of March 31, 2015, the Company had cash of $118,492 compared to $119,594 at December 31, 2014. Working capital was a deficiency of $230,647 compared to a deficiency of $247,155 at December 31, 2014.

In management's view, given the nature of the Company's operations, which consists of exploration, mining and evaluation of mining properties and new business in ventures in medical marijuana, the most relevant financial information relates primarily to current liquidity, solvency and planned property expenditures. During the year ended December 31, 2014, the Company initiated a change of business focus to the medical marijuana industry. The Company's financial success is dependent upon the extent to which it can discover mineralization on the exploration properties and the economic viability of developing its marijuana projects. Such development may take years to complete and the amount of resulting income, if any, is difficult to determine.

LATEST OUTSTANDING SHARE DATA

The following is the latest share data as of June 9, 2015.

Common shares at March31, 2015	81,844,274
Issued subsequent to March 31, 2015	2,270,000
Common shares at June 9, 2015	84,114,274

Stock Options at March 31, 2015	6,325,000
Stock Options granted subsequent to March 31, 2015	1,500,000
Less Stock Options exercised subsequent to March 31, 2015	950,000
Stock Options at June 9, 2015	6,875,000

Warrants at March 31, 2015	28,789,525
Warrants issued subsequent to March 31, 2015	-
Less Warrants exercised subsequent to March 31, 2015	1,020,000
Warrants at June 9, 2015	27,769,525
Fully diluted at March 31, 2015	116,958,799
Fully diluted at June 9, 2015	118,758,799

OFF BALANCE SHEET TRANSACTIONS

The Corporation has not entered into any off balance sheet agreements.

RELATED PARTY TRANSACTIONS

The following is a summary of transactions with directors and officers, and companies controlled by directors of the Company:

	March 31, 2015	March 31, 2014
	$	$
Director fees, paid to a Company with a common director	3,000	-
Management fees, paid to officers and directors	54,500	34,500
Share-based compensation to officers and directors	75,389	-
Total key management compensation	132,889	34,500

Due from related parties is comprised of amounts advanced to directors and officers of $40,280 as compared to $29,720 due to directors and officers at December 31, 2014. These amounts are unsecured, due on demand and non-interest bearing.

During the year ended December 31, 2014, the Company issued 2,210,000 units at $0.05 per unit and 1,000,000 units at $0.10 per unit to various officers for settlement of $210,500 owed to them.

During the period ended March 31, 2015, the Company issued 1,250,000 units at $0.08 per unit to various officers for settlement of $50,900 owed to them.

NON-BROKERED PRIVATE PLACEMENTS AND SHARE ISSUES

In January 2014, pursuant to the Buckingham North property agreement, the Company issued 1,000,000 common shares at fair value of $50,000.

In May 2014, pursuant to the Galaxy Graphite property agreement, the Company issued 300,000 common shares at a fair value of $12,000.

In July 2014, the Company closed a private placement of 9,130,000 units at a price of $0.05 per unit for gross proceeds of $456,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant is exercisable to acquire one common share at a price of $0.07 per share for a period of eighteen month. The consideration received was all allocated to the common shares and no value was allocated to the warrants. Of the 9,130,000 units, 2,730,000 units were issued for settlement of $110,500 owed to related parties and $26,000 owed to vendors, totalling $136,500. The Company also issued 609,000 common shares as finder's fees for a fair value of $30,450.

In July 2014, the Company also issued 150,000 units at $0.14 per unit to settle an amount of $21,000 owed to a vendor. Each unit consisted of one common share and one common share purchase warrant. Each warrant is exercisable to acquire one common share at a price of $0.07 per share for a period of eighteen month. The $21,000 was all allocated to the common shares and no value was allocated to the warrants.

In October 2014, pursuant to the Grumpy Lizard property agreement, the Company issued 3,400,000 common shares at fair value of $272,000.

In November 2014, the Company closed a private placement of 8,030,000 units at a price of $0.10 per unit for gross proceeds of $803,000. Each unit consisted of one common share and one-half of common share purchase warrant. Each whole warrant is exercisable to acquire one common share at a price of $0.15 per share for a period of eighteen month. The consideration received was all allocated to the common shares and no value was allocated to the warrants. Of the 8,030,000 units, 2,530,000 units were issued for settlement of $100,000 owed to related parties and $153,000 owed to vendors, totalling $253,000. The Company incurred cash commission of $43,040 and issued 48,000 warrants at a fair value of $1,730 as finder's fees. These warrants have the same term and exercise price as the private placement warrants.

NON-BROKERED PRIVATE PLACEMENTS AND SHARE ISSUES (CONTINUED)

In November 2014, the Company also issued 1,000,000 common shares at a fair value of $130,000 pursuant to the THCD investment agreement. In November 2014, 325,000 common shares were also issued at a fair value of $32,500 as a finder's fee for the THCD transaction.

In November 2014, the Company also closed a private placement of 1,642,500 units at a price of $0.10 per unit for gross proceeds of $164,250. Each unit consisted of one common share and one-half of common share purchase warrant. Each whole warrant is exercisable to acquire one common share at a price of $0.15 per share for a period of eighteen month. The consideration received was all allocated to the common shares and no value was allocated to the warrants. Of the 1,642,500 units, 230,000 units were issued for settlement of $23,000 owed to vendors. The Company incurred a cash commission of $8,800 and issued 64,000 (half?) warrants at a fair value of $4,923 as a finders fee. These warrants have the same term and exercise price as the private placement warrants.

In December 2014, the Company issued 4,000,000 common shares at fair value of $360,000 pursuant to the Bellerosa Project.

During the year ended December 31, 2014, 2,397,381 common shares were issued on exercise of warrants for gross proceeds of $182,450.

During the year ended December 31, 2014, 550,000 common shares were issued on exercise of options for gross proceeds of $55,000.

In January 2015, the Company issued 400,000 to four individuals as finder fees for the agreement with Bellerosa. The $40,000 fair value relating to these finders fees was included in accounts payable at December 31, 2014.

In March 2015, the Company closed on 9,702,275 units in a first tranche of the brokered private placement offering of units of the Company at a price of $0.08 per Unit. For the units issued the Company received cash of $402,182, services provided by management valued at $100,000 and debt settlement in the amount of $274,000, of which $194,000 is for marketing and promotion services to be provided during the 2015 fiscal year.

The Company paid JSI, the agent on the private placement, a commission of $15,315 representing 3% to 8% of the funds raised in connection with the offering and issued 65,000 broker warrants equal to 8% of the units issued to subscribers introduced by JSI.

Also in March 2015 the Company closed on 3,975,000 units in the second tranche of the brokered private placement offering at a price of $0.08 per unit. For the units issued, the Company received cash of $142,000 and debt settlement in the amount of $176,000, of which $160,000 is for marketing and promotion services to be provided during the 2015 fiscal year.

The Company paid JSI, the agent on the private placement, a commission of $9,410 representing 3% to 8% of the funds raised in connection with the offering and issued 103,000 broker warrants equal to 8% of the units issued to subscribers introduced by JSI.

CRITICAL ACCOUNTING ESTIMATES

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Significant areas requiring the use of management judgement and estimates include the determination of impairment of exploration and evaluation assets and financial instruments, decommissioning liabilities, deferred income tax assets and liabilities, assumptions used in valuing options in share-based payment calculations, indemnification provision for flow-through shares and interest and penalties of flow-through shares, and determination of control in investment in associates Actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Under IFRS, the Company defers all costs relating to the acquisition and exploration of its mineral properties (“exploration and evaluation” assets). Any revenues received from such proper ties are credited against the costs of the property. When commercial production commences on any of the Company’s properties, any previously capitalized costs would be charged to operations using a unit-of-production method. The Company reviews when events or changes in circumstances indicate the carrying values of its properties to assess their recoverability and when the carrying value of a property exceeds the estimated net recoverable amount, provision is made for impairment in value. IFRS also allows the reversal of impairments if conditions that gave rise to those impairments no longer exist.

The existence of uncertainties during the exploration stage and the lack of definitive empirical evidence with respect to the feasibility of successful commercial development of any exploration property do create measurement uncertainty concerning the estimate of the amount of impairment to the value of any mineral property. The Company relies on its own or independent estimates of further geological prospects of a particular property and also considers the likely proceeds from a sale or assignment of the rights before determining whether or not impairment in value has occurred.

Under IFRS 2 - Share-based Payments, stock options are accounted for by the fair value method of accounting. Under this method, the Company is required to recognize a charge to the statement of loss based on an option-pricing model based on certain assumptions including dividends to be paid, historical volatility of the Company’s share price, an annual risk free interest rate, forfeiter rates, and expected lives of the options.

ADOPTION OF NEW PRONOUNCEMENTS

The Company adopted the following accounting policies effective January 1, 2014:

IAS 32 *Financial Instruments: Presentation* - In December 2011, the IASB issued an amendment to clarify the meaning of the offsetting criterion and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement.

IFRIC *21 Levies* - IFRIC 21 was issued in May 2013 and provides an interpretation of IAS 37 - Provisions, Contingent Liabilities and Contingent Assets ("IAS 37"), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past activity or event ("obligating event") described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods beginning on or after January 2014.

ADOPTION OF NEW PRONOUNCEMENTS (continued)

Amendments to IAS 36 *Impairment of Assets* - IAS 36 was amended in May 2013 which restricts the requirement to disclose the recoverable amount of an asset or cash generating unit ("CGU") to periods in which an impairment loss has been recognized or reversed. The amendments also expand and clarify the disclosure requirements applicable when an asset or CGU's recoverable amount has been determined on the basis of fair value less cost of disposal. The amendments are effective for annual periods beginning on or after January 2014 and should be applied retrospectively.

The adoption of the above new standards and the amendments to other standards did not have a significant impact on the Company's consolidated financial statements.

NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

The following standard will be effective for annual periods beginning on or after January 1, 2015:

IAS 1 *Presentation of Financial Statements* - In December 2014, the IASB issued an amendment to address perceived impediments to preparers exercising their judgment in presenting their financial reports. The changes clarify that materiality considerations apply to all parts of the financial statements and the aggregation and disaggregation of line items within the financial statements.

IAS 16 *Property, Plant and Equipment* and IAS 36 *Intangible Assets* - In May 2014, the IASB issued amendments to IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets. The amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendments also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

The following standard will be effective for annual periods beginning on or after January 1, 2018:

IFRS 9 *Financial Instruments*- IFRS 9 was issued in November 2009 and contained requirements for financial assets. This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: Amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at the fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, others gains and losses (including impairments) associated with such instruments remain in accumulated other comprehensive income indefinitely.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, *Financial Instruments – Recognition and Measurement*, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

IFRS 9 is effective for annual periods beginning on or after January 2018 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its consolidated financial statements or whether to early adopt any of the new requirements.

The extent of the impact of adoption of these standards and interpretations on the consolidated financial statements of the Company has not been determined.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Classification

Financial instruments are classified into one of five categories: fair value through profit or loss ("FVTPL"), held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments are measured at fair value except for loans and receivables, held-to-maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and accounting for changes in the values of these investments will depend on their initial classification as follows: FVTPL financial assets are measured at fair value with changes in fair value recognized in operations. Available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the change in value is realized or the instrument is derecognized or permanently impaired.

The Company has classified its cash and cash equivalents as FVTPL. Accounts payable and due to related parties are classified as other financial liabilities.

The following table summarizes the carrying values of the Company's financial instruments:

As at December 31	March 31, 2015	December 31,2014
	$	$
FVTPL (i)	118,496	119,594
Other financial liabilities (ii)	292,883	299,407

(i) Cash and cash equivalents
(ii) Accounts payable and due to related parties

Fair value

As at March 31, 2015, the Company's financial instruments consist of cash and cash equivalents, accounts payable and due to related parties. The fair values of these financial instruments approximate their carrying values because of their current nature.

IFRS 7 "Financial Instruments – Disclosures", requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. IFRS 7 establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 7 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.

Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e. quoted prices for similar assets or liabilities).

Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The Company's financial instruments measured at fair value on a recurring basis at March 31, 2015 are as follows:

	Level 1	Level 2	Level 3	Total
	$	$	$	$
Cash and cash equivalent	118,496	-	-	118,496

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS (continued)

Credit risk

Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk on cash the Company places the instrument with a financial institution.

Liquidity risk

The Company ensures its holding of cash is sufficient to meet its short-term general and administrative expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or less or are due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed Commercial Paper or similar instruments.

Foreign exchange risk

The Company does not have any foreign exchange risk as all of its transactions are in Canadian dollars.

Interest rate risk

The Company manages its interest rate risk by obtaining the best commercial deposit interest rates available in the market by the major Canadian financial institutions.

RISK AND UNCERTAINTIES

Exploration for minerals and development of mining operations involve many risks, many of which are outside the Company's control. In addition to the normal and usual risks of exploration and mining, the Company often works in remote locations that lack the benefit of infrastructure or easy access.

The economics of developing gold and other mineral properties are affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of gold or other minerals produced, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Depending on the price of gold or other minerals produced, which have fluctuated widely in the past, the Company may determine it is impractical to commence or continue commercial production.

New business ventures in medical marijuana industry create a lot of uncertainties since it is new.

Reserves and resource estimates

The mineral and resources estimates disclosed in the Company's public filings are only estimates and no assurances can be given that any particular level of recovery of minerals will be realized or that an identified resource will ever qualify as a commercially minerable deposit which can be legally and economically exploited. The Company relies on laboratory-based recovery models to project estimated ultimate recoveries by ore type at optimal crush sizes. Actual mineral recoveries may exceed or fall short of projected laboratory test results. As stated previously, the grade of mineralization ultimately mined may differ from the one indicated by the drilling results and the difference may be material. Production can be affected by such factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations, inaccurate or incorrect geologic, metallurgical or engineering work, and work interruptions among other things. Short-term factors, such as the need for an orderly development of deposits or the processing of new or different grades, may have an adverse effect on mining operations or the results of those operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under onsite conditions or in production scale operations. Material changes in proven and probable reserves or resource grades, waste-to-ore ratios or recovery rates may affect the economic viability of projects. The estimated proven and probable reserves and

Reserves and resource estimates (continued)

resources disclosed in the Company's public filings should not be interpreted as assurances of mine life or of the profitability of future operations.

The Company has engaged expert independent technical consultants to advise it on, among other things, mineral reserves and resources and project engineering. The Company believes these experts are competent and that they have carried out their work in accordance with internationally recognized standards. If, however, the work conducted by these experts is ultimately found to be incorrect or inadequate in any material respect, the Company may experience delays and increased costs.

Foreign countries, laws and regulations

If the Company acquires the Grumpy Lizard mineral property in Nevada, USA, it will become exposed to the laws governing the mining industry in the USA.

Commodity prices

The profitability of the Company's operations, if established, will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, world supply of mineral commodities, consumption patterns, sales of gold by central banks, forward sales by producers, production, industrial and jewellery demand, speculative activities and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political development. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production of the Company's properties to become impracticable.

A reduction in the price of gold and copper may prevent the Company's properties from being economically mined or result in the write-off of assets whose value is impaired as a result of low gold prices.

The price of gold and copper may also have a significant influence on the market price of the Company's common shares.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company's Chief Financial Officer and Chief Executive Officer (the "Certifying Officers") are responsible for establishing and maintaining disclosure controls and procedures ("the Procedures") which provide reasonable assurance that information required to be disclosed by the Company under provincial or territorial securities legislation (the "Required Filings") is reported within the time periods specified. Without limitation, the Procedures are designed to ensure that material information relating to the Company is accumulated and communicated to management, including its Certifying Officers, as appropriate to allow for timely decisions regarding the Required Filings.

The Company's Certifying Officers are also responsible for establishing and maintaining internal controls over financial reporting ("Internal Controls") and have designed such Internal Controls, or caused it to be designed under their supervision, which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

During 2014, there were inherent weaknesses in the Internal Controls due to the small size of the Company and its inability to segregate incompatible functions. The Company does not have sufficient size and scale to warrant the hiring of additional staff to correct the weakness at this time.

The Certifying Officers evaluate the Company's Internal Controls on a regular basis and have certified that there were no change in the Company's Internal Controls during the period ended March 31, 2015 that materially affected, or is reasonably likely to materially affect, the Company's Internal Controls.

APPROVAL

The Board of Directors of Matica Enterprises Inc. has approved the disclosure contained in this MD&A on June 9, 2015. A copy of this MD&A will be provided to anyone who requests it and can be obtained along with additional information, on the SEDAR website at www.sedar.com.