GLOBAL HEMP GROUP
A HEALTHIER FUTURE THROUGH SUSTAINABLE BUSINESS STRATEGIES

Global Hemp Group Inc.

Management Discussion and Analysis
Year ended September 30, 2017

Management's Discussion and Analysis

The following is management's discussion in respect of the results of operations and financial position of Global Hemp Group Inc., (the "Company" or "GHG') for the year ending September 30, 2017 and should be read in conjunction with the Company's audited annual financial statements for the same year ending September 30, 2017. The Company's financial statements have been presented in accordance with International Financial Reporting Standards and are presented in Canadian dollars unless otherwise specified. Additional information, including the above mentioned financial statements, which contain extensive disclosure of the history of the Company are available on SEDAR (www.sedar.com) and at the Company's website (www.globalhempgroup.com)

This MD&A has been prepared effective as of January 29, 2018

Forward Looking Statements

The information presented in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, "forward–looking statements" or "forward-looking information" (collectively "forward-looking statements") as those terms are used in the Private Securities Litigation Reform Act of 1995 and similar Canadian laws.

Such forward–looking statements, including but not limited to those with respect to the price of metals, the timing and amount of estimated future mineralization and economic viability of properties, capital expenditures, costs and timing of exploration projects, permitting timelines, title to properties, the timing and possible outcome of pending exploration projects and other factors and events described in this MD&A involve known and unknown risks, uncertainties and other factors such as general economic and business conditions, change in foreign currency exchange rates, and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward–looking statements. Since forward looking statements address future events and conditions, by their nature, they involve inherent risks and uncertainties. Readers should verify all claims and do their own due diligence before investing in any securities mentioned or implied in this document. Investing in securities is speculative and carries a high degree of risk.

These statements are based on management's current expectations and are subject to a number of uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements. Forward-looking statements are based on management's current plans, estimates, projections, beliefs, and opinions and we do not intend nor do we undertake any obligation to update or revise any forward-looking statements whether written or oral that may be made by or on the Company's behalf should the assumptions related to these plans, estimates, projections, beliefs and opinions change, except as required by securities law.

The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward looking statements.

Forwarding looking statements	***Assumptions***	***Risk factors***
The Company may further raise capital in the future to finance the Company's operations through equity or debt financing, including related party loan, or through other arrangements including but not limited to joint-venturing.	*Based on management's current plan in raising capital in the future.*	*Change in interest rate, support by related parties, change in condition of capital market*

Overall Performance

Background & Nature of Business

Global Hemp Group Inc. (formerly Arris Holdings Inc.) was incorporated on October 30, 2009 in British Columbia, Canada and had its name change effective on March 24, 2014. The company's principal activity had been exploration and development of mineral properties in prior periods and changed to agriculture and manufacturing in the industrial hemp sector on March 24, 2014 when the Company changed its name to Global Hemp Group Inc.

The Company's office is #106 – 1169 Mt. Seymour Road, North Vancouver, BC, V7H 2Y4. The Company's common shares are currently traded on Canadian Securities Exchange ("CSE") under the symbol "GHG", on Boerse-Frankfurt Exchange under the symbol "GHG", and on the USA OTC Markets under the symbol "GBHPF".

The Company is focused on acquiring and/or joint venturing with companies across all sectors of the hemp and cannabis industries in an effort to build a "soil-to-shelf" portfolio of complementary companies that will enable GHG to capture cash flow, revenues and value from its acquisitions and establish a far greater collective valuation than GHG or the individual companies would have on their own.

Management is actively looking at new projects in the hemp cultivation and cannabinoid extraction space that can be acquired or joint-ventured with, to produce near term revenue. The Company continues to focus on developing its vision for an Hemp Agro-Industrial Zone (HAIZ), a value-added hemp processing zone which is strategically located adjacent to hemp farming areas, that will focus on the processing of the entire hemp plant. These zones are designed to be replicated in any region where the law allows for the cultivation of industrial hemp.

The Hemp Agro-Industrial Zone https://globalhempgroup.com/hempagro is an optimization concept that grew out of GHG's efforts to carve a niche of its own in the spectrum of hemp industries. It seeks to build cooperative mechanisms between capital, farmers and labor, and across industrial sectors, focused on different parts of the hemp plant, to produce greater social and environmental benefits with substantial financial reward to capital.

Socio-Economic Benefits of the HAIZ - Benefits of the HAIZ are measured in the payments to farmers for products delivered to the processing plants, the number of jobs created, and the salaries paid. The way GHG views the relationships with its key suppliers, the farmers and with the workers, is an additional benefit of significance as it shifts the mode of operation from a competitive to collaborative.

Environmental Benefits of the HAIZ - GHG is fully committed to a carbon free economy and the HAIZ concept is an embodiment of this commitment. First at the farm level it promotes a farming system that minimizes carbon-based inputs through soil enhancing rotations to minimize fertilizer inputs. The more important environmental benefits of the HAIZ will be found in the range of its products, principally those made from the straw: hempcrete products, clean fibres for the textile industry, interior panels for the auto industry, to name a few.

State of the Hemp Industry in Canada and the United States

As the hemp industry continues to rapidly mature, much more detailed data is becoming available. Previously, the calculated the size and growth of the hemp has been based on approximations of sales in the categories of textiles, auto parts, building materials and other products, in addition to known data on the sales of hemp foods and body care. Now that there is much more specific data available that includes cannabinoids, the Hemp Business Journal projects a USD $2B hemp market by 2020 overall, while the hemp CBD market is projected to be USD $450M by 2020, up from $130M in 2016.

Canada however has not participated in the emerging growth of the hemp derived CBD market, but that is all about to change with changes in legislation slated for mid-2018. In the U.S., thirty-four states have now passed legislation that allow hemp farming as part of U.S. H.R. 3530, the Industrial Hemp Farming Act of 2017. Vote Hemp estimates that approximately 25,541 acres of hemp crops were planted in the U.S. in 2017, up from 9,770 acres in 2016. By comparison, it has been reported by Health Canada that there was a total of 82,2447.57 acres of hemp grown in Canada in 2016, making it a more established market to operate in. 2017 numbers are not available from Health Canada yet.

In the past two decades, several feasibility and marketing studies have been conducted by researchers at the USDA and various land grant universities and state agencies. Studies by researchers in Canada and various state agencies provide a mostly positive market outlook for growing hemp, citing rising consumer demand and the potential range of product uses for hemp. Some state reports claim that if the current restriction on growing hemp in the United States were totally removed, agricultural producers in their states could benefit. Other studies highlight certain production advantages associated with hemp or acknowledge hemp's benefits as a rotational crop or further claim that hemp may be less environmental degrading than most other agricultural crops. Some studies also claim certain production advantages to hemp growers, such as relatively low input and management requirements for the crop. (CRS, Hemp as an Agricultural Commodity, Johnson, Renee, March 10, 2017).

Business Outlook

New Brunswick Hemp/CBD Project

Global Hemp Group ("GHG" or the "Company") has established a 50/50 joint venture (JV) with Marijuana Company of America, Inc. (OTC: MCOA) to development a multi-phase hemp/CBD project on the Acadian peninsula, in New Brunswick (NB), Canada.

Under the terms of the JV, MCOA, a California based cannabis and hemp research and development company, whose business includes the marketing and distribution of hemp-based consumer wellness products, has joined GHG in developing commercial hemp production in New Brunswick. GHG and MCOA (the Partners) will share equally the cost of developing the project. GHG will provide technical and management expertise, while MCOA will provide its expertise in developing hemp cultivation, and will become the project's primary off-taker being granted a Right of First Refusal for any cannabinoids produced and extracted from the project. They will also facilitate access to international markets for the project's CBD production, and assist in product development and distribution.

Research is also an important component of the project. GHG has partnered with a very dynamic college, the Collège Communautaire du Nouveau Brunswick (CCNB) in Bathurst, NB. CCNB will assist the Partners in conducting research with the hemp trials, and support innovation in industry through its innovation center. The project will benefit from CCNB's laboratory capacity in analyzing hemp samples, as well addressing some of the technical issues associated with crop production, processing, and training.

The HAIZ collaboratively produces and processes 100% of the hemp plant to produce a number of wholesale industrial materials, and ultimately high value cannabinoids like CBD, CBG, CBC and CBN. The Partners' vision for the project is to produce greater social and environmental benefits for New Brunswick, while creating significant value for shareholders. The Phase One, first year research trial provided valuable information to refine the Company's project, which is designed to support and promote the expansion of the hemp industry into New Brunswick, through the development of the processing infrastructure required to take the industry to the next level. The HAIZ will provide market opportunities for farmers; create jobs in an economically depressed area; provide the opportunity to develop biodegradable products of superior quality; and, help support GHG's commitment to creating a carbon free economy.

Business Update

Phase One, First Year New Brunswick Hemp Trial Results

The Partners have successfully cultivated industrial hemp during the 2017 growing season. For this phase of the project, the Partners only grew hemp for research purposes, as this was the first time in 20 years that industrial hemp was grown in the region. The objective of phase one was to re-introduce hemp into the area, and ensure that it could be productive under New Brunswick growing conditions prior to significantly increasing cultivation acreage and building a hemp processing facility in the region, in future phases of the project.

The first-year trial consisted of fifteen test plots with three different varieties and as many planting densities of hemp, in two different locations east and west of Bathurst. The trials were sampled and collected materials were measured at Collège Communautaire du Nouveau Brunswick (CCNB), Grand Falls laboratory where standard drying and measuring procedures were applied to the hemp straw, flowers, and leaves collected. Straw yields averaged 1.0-2.5 T/ha, whereas the combined flowers and leaves of the plant averaged 1.25-2.10 T/ha. The Partners are confident that with an earlier planting date, adequate soil preparation, and a higher fertilizer application, yields will be improved in future seasons.

Cannabinoid analysis of the flowers and leaves was completed by RPC – Science & Engineering (RPC), an accredited laboratory located in Fredericton, NB. Contrary to expectations leaves, rather than the flowers, contained a greater concentration of CBD, largely explained by laboratory procedures. The highest concentration that was found was the CFX-1 leaf sample that resulted in 1.46% for the 30 kg/ha plant density compared to 1.17% for the flowers. Also, it should be noted that the CBD concentration in flowers is consistently higher at densities of 30 kg/ha across all varieties that were tested.

Frank Giese, an advisor to GHG, will consult on the 2018 cultivation to assist in increasing both plant yield and cannabinoid production. Through his experience, he has bridged the fundamentals of scientific research and hemp/cannabis breeding, as well as the use and development of modern cultivation and processing techniques in his breeding work. He has become proficient in breeding cannabinoid rich varieties of hemp, as well as being very experienced in auto flower breeding.

Phase Two, 2018 Outlook for New Brunswick Project

The Partners are now focusing on the next season of crops. Farmers have been recruited and a minimum of 125 acres of hemp cultivation is planned for 2018, with the goal of increasing the acreage under cultivation to 1,000 acres by year three of the project. This first commercial crop will focus on CBD extraction. GHG is required to have a processing license to do this type of extraction and will be submitting an application shortly. The Partners are currently considering sites in northeast New Brunswick to locate their processing facilities. In addition, discussions are underway regarding the purchase of extraction equipment for cannabinoids, and straw processing equipment for building materials. The companies expect the facilities to be in place and operational for the 2018 harvest in October.

Farming – As the future focus of the project will be on flower and straw production, other varieties with higher straw and similar flower yields will be selected for next year. GHG is currently evaluating a number of varieties for the coming year.

The 2018 production will focus on five experienced farmers cultivating a total of 125 acres. GHG has also recruited an agronomist to provide agronomic support to the farmers. Interaction with the farmers will be essential in finding solutions to practical problems that will inevitably arise. To maximize the visibility of the hemp farming experience in the region, farmers were selected across the northeast region of NB.

Industrial Site Selection – Bathurst appears to be the logical central point to process the straw and flowers coming from as far as Campbellton (75 km to the west) and from Miramichi (75 km to the southeast). The area comprises close to 40,000 acres, mostly in field crops, making hemp an excellent alternative.

There are many industrial sites currently available in the Bathurst region since the closing of the paper mill and mines in the area. The city of Bathurst identified a number such sites in and around its industrial zone that Management recently visited. The mayor of Bathurst and his team were very supportive in the effort to bring processing/job creation to the region. Other sites outside the Bathurst city limits were also explored as possible processing locations.

Selection of Industrial Processes – The Partners plan to focus on the processing of the flowers for cannabinoid extraction as legislation permits, and the straw for fibre and hurd products. Discussions regarding the engagement of key technological partners is continuing. Once finalized, they will be included in the next version of the project overview that will be submitted to Opportunities New Brunswick in the coming months.

Renewal of GGH's Hemp License in Canada

GHG's industrial hemp license was renewed for 2018. Under current legislation, hemp flowers and leaves grown under field conditions cannot be processed. It is expected that this will be allowed under new 2018 regulations, but will still require additional licenses: one to extract the CBD and another to sell CBD for medical or non-medical purposes. In anticipation of this change, GHG will be applying for a license under the Narcotics Control Regulations (NCR) to extract CBD, and an additional license under the Access to Cannabis for Medical Purposes (ACMPR) to sell it to wholesale and retail customers in Canada.

In addition, GHG is preparing for the proposed changes to Canadian legislation expected in 2018 that will permit cannabidiol (CBD) extraction from industrial hemp. Health Canada is currently consulting industry representatives regarding the regulations that will accompany the new cannabis legislation expected by July 1, 2018.

Space Cowboys Colorado Hemp Project **-** Further to the Company's news release of October 10, 2017, announcing GHG and MCOA entering into a Letter of Intent with Space Cowboys, Inc. to form a joint venture on their Colorado hemp project, the Partners were unable to complete satisfactory due diligence on the project and have let the LOI expire and will not be proceeding with the project. The Company continues to evaluate additional hemp cultivation and cannabinoid extraction projects in both Canada and the United States.

LOI to form a joint venture with Western Sierra Mining Corp. (WSM) of Edmond, Oklahoma for the acquisition of agricultural lands for the purpose of hemp cultivation and the development of a HAIZ was signed on July 29, 2015. The completion of the transaction is subject to a number of conditions, including signing of a Definitive Agreement within 60 days of available funding for the project. The partners have identified a suitable location and while they have not been able to fund this particular project, it remains an attractive project to develop when funding is secured.

Convertible Debenture Financing **-** During the 2017 fiscal year, the remaining $160,000 of convertible debentures issued as a result of the May 26, 2015 non-brokered private placement of convertible debentures, plus accrued interest in the amount of $47,247.20 was converted to 5,921,349 common shares of the Company.

Private Placement Financing **-** During the 2017 fiscal year, pursuant to a private placement, the Company issued a total of 4,119,350 units at a price of $0.03 per unit for gross proceeds of $123,580.50. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to acquire one additional common share of the Company at a price of $0.05 per common share exercisable until December 18, 2021 or February 28, 2022.

Selected Yearly Information

Selected annual information of the Company in the last three years is as follows:

	2017 $	2016 $	2015 $
Net Loss	813,518	65,946	482,863
Net Loss per share, basic & diluted	0.01	0.00	0.00
Total Assets	54,329	9,309	37,568
Total Long Term Liabilities	-	186,220	259,330
Cash Dividend	-	-	-

Selected Quarterly Information

The following table summarizes the results of operations for the Company's eight most recent quarters.

	QUARTER ENDED							
	September 30, 2017 **$**	**June 30, 2017** **$**	**March 31, 2017** **$**	**December 30, 2016** **$**	**September 30, 2016** **$**	**June 30, 2016** **$**	**March 31, 2016** **$**	**December 30, 2015** **$**
Revenue	-	-	-	-	-	-	6,474	554
Operating expenses	(758,437)	(15,920)	(26,377)	(12,784)	(39,132)	(13,353)	(21,857)	(20,354)
Net Income (Loss) from continued operations & net loss	(757,031)	(14,020)	(25,159)	(14,904)	2,486	(19,936)	(25,063)	(23,433)
Loss per share, basic & diluted	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

Results of Operations

Year Ended September 30, 2017 ("Fiscal 2017")

Loss for Fiscal 2017 was $813,518 (Fiscal 2016 – loss of $65,946). The $807,667 loss was mainly a combined result of having operating expenses of $815,922 (Fiscal 2016 –$94,696), and foreign exchange reserve deficit realized on dissolution of foreign subsidiary of $NIL (Fiscal 2016 - $24,900) foreign exchange gain of $2,404 (Fiscal 2016 – Loss of $828 loss), vendor credit of $NIL (Fiscal 2016 - $53,000).

Operating expenses increased by $721,226 due to the recognition of stock based compensation of the 8.75 million options granted and fully vested on September 21, 2017 of $365,106 (Fiscal 2016 – NIL) and the accrued director fees of $360,000 (Fiscal 2016 – NIL). Main components of operating expense are consulting fees of $378,206 which include the $360,000 director fees (Fiscal 2016 - $31,612), interest related to the convertible debentures and note payable issued during the year of $23,387 (Fiscal 2016-$28,728) and trust and filing fees of $17,667 (Fiscal 2016 - $14,481). The trust and filing fees increased as higher numbers of shares issued as a result of more convertible debentures being converted in fiscal 2017 compared to fiscal 2016.

As at September 30, 2017, the Company had $40,455 cash (September 30, 2016 - $563), accounts payable and accrued liabilities of $244.221 (September 30, 2016 - $275,699), notes payable of $24,597 (September 30, 2016 - $23,394), convertible debentures of $NIL (September 30, 2016 - $186,220) and $3,423,935 in share capital (September 30, 2016 - $3,093,107).

The increase in share capital is due to conversion of convertible debentures of $207,247 into 5,921,348 common shares and issuance of common shares in a private placement proceeds of $123,581 of 4,119,350 common shares.

Quarter ended September 30, 2017 (2017 Q4)
Net loss for 2017 Q4 was $753,584 (2016 Q4 –Income of 2,486). The $753,584 net loss was mainly a combined result of having operating expenses of $757,031 (2016 Q4 –$39,132), foreign exchange reserve deficit realized on dissolution of foreign subsidiary of $NIL (2016 Q4 - $24,900) foreign exchange gain of $1,406 (2016 Q4 – $724 loss), vendor credit of $NIL (2016 Q4 - $53,000).

Main components of operating expense are stock-based compensation of $365,106 (2016 Q4 – NIL), interest of $11,135 (2016 Q4-$6,895), consulting fees of $360,000 (2016 Q4 - $1,310), and professional fees of $12,836 (2016 Q4 - $13,500). The increase in consulting fees in 2017 Q4 compared to 2016 Q4 is due to the accrued director fees of $360,000.

Liquidity and Capital Resources

Financing of operations has been achieved primarily through equity and debt financing. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they are due. As at September 30, the Company had a working capital deficiency of $593,813.

Management realizes that the current liquidity and capital on hands are not sufficient to develop the Company into a viable business. In order to eliminate the working capital deficiency, the Company completed a private placement on December 18, 2016. The Company issued a total of 1,600,000 units at a price of $0.03 per unit for gross proceeds of $48,000. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to acquire one additional common share of the Company at a price of $0.05 per common share exercisable up until December 18, 2024. (see "Convertible Debenture Financing" subsection).

The Company may further raise capital in the future to finance the Company's operations through equity or debt financing, including related party loan, or through other arrangements including but not limited to joint-venturing.

While the Company believes it will be able to raise additional financing when required, there is no guarantee that the Company can complete equity or debt financings in the future. There are inherent risks associated with the equities market and fluctuations in this market could negatively impact the Company's liquidity and access to capital resources. See the "Risks and Uncertainties" for further discussion of the risks the Company may have.

The Company does not have capital commitments and its capital resources are not subject to external restrictions.
During Fiscal 2017, the Company received $123,581 from its financial activities by issuing common shares in a private placement in December 2016.

Proposed Transactions

There are no proposed transactions that may have material impact to the Company except the Proposed Financing disclosed in the above

Outstanding Share Data

As at the date of this MD&A, the Company has the following shares or equities that are convertible to the Company's share capital on a one-to-one basis:

Class A Common Shares	162,883,814
Warrants	3,630,304
Stock Options	13,950,000

Off-Balance Sheet Arrangements

The company does not have off-balance sheet arrangements.

Transactions with Related Parties

Key Management Compensation:

	Nature of transaction	September 30, 2017	September 30, 2016
		$	$
Directors	Share-based compensation	365,106	-
Directors	Consulting fees	360,000	-

As at September 30, 2017, $122,685 (2016-$Nil) was owing to the CEO of the Company.

As at September 30, 2017, $128,882 (2016-$1,225) was owing to the CFO of the Company.

As at September 30, 2017, $127,677 (2016-$Nil) was owing to a director of the Company.

During the year ended September 30, 2016, fees payable to a director of the company for consulting services rendered during the year ended September 30, 2014 aggregating $53,000 was forgiven.

Financial Instruments and Other Instruments

Refer to Notes 3 and 11 to the Company's audited financial statements for the year ended September 30, 2017.

Changes in Accounting Policies including Initial Adoption

Refer to Notes 3 to the Company's audited financial statements for the year ended September 30, 2017.

Risks and Uncertainties

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. Significant risks of the Company's business include the following:

New Business

Our business is subject to risks inherent in the establishment of a new business enterprise, such as limited historical financial information, limited capital resources and the inability to raise additional funds when required. No commitments to provide additional funds have been made by management or other shareholders.

Dilution to the Existing Shareholders

The Company is very likely to further issue common stock to raise additional capital. The issuance of additional equity securities by the Company could result in a significant dilution in the equity interests of existing shareholders.

Reliance on Management's Expertise

GHG strongly depends on the expertise of its management team and there is little possibility that this dependence will decrease in the near term. The loss of the services of any member of such team could have a material adverse effect on the Company. GHG does not have any key person insurance in place for management.

Permits and Licenses

The hemp and cannabis industries may require the Company to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that the Company will be able to obtain all necessary permits and licenses that are required to carry out the Company's hemp and cannabis business.

Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other companies in similar line of business. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Financial and Disclosure Controls and Procedures

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company's certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

In connection with Exemption Orders issued in November 2007 and revised in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate under National Instrument ("NI 52-109") (Certification of Disclosure in Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Directors and Officers

Charles Larsen	Director, President & CEO
Curt Huber	Director & CFO
Dr. Paul Perrault	Director
Jeffrey Kilpatrick	Director