Global Hemp Group Inc.

Management Discussion & Analysis
for the Three and Six Months
ended March 31, 2019

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 three months ended March 31, 2019 and should be read in conjunction with the Company's audited annual financial statements for the most recent year ended September 30, 2018. 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 May 30, 2019

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 the condition of capital markets*

Overall Performance

Background & Nature of Business

Global Hemp Group (the "Company" or "GHG") was incorporated on October 30, 2009 in British Columbia, Canada, originally under the name Arris Holdings Inc., and on March 24, 2014 changed its name to Global Hemp Group Inc. The Company's registered 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 Börse Frankfurt under the symbol "GHG", and on the U.S. OTC Markets under the symbol "GBHPF".

The Company is focused on a multi-phased strategy to build a strong presence in the industrial hemp industry in both Canada and the United States. The first phase of this strategy is to develop hemp cultivation for cannabinoid (CBD, CBG, CBN & CBC) extraction, creating a near term revenue stream that will allow the Company to expand and develop successive phases of the strategy. The Company's Joint Ventures projects in Oregon, USA (https://globalhempgroup.com/scio-oregon) and New Brunswick, Canada (https://globalhempgroup.com/new-brunswick), are examples of the execution of this first phase of the strategy that are currently underway.

The second phase of the plan will focus on the development of value-added industrial products utilizing the processing of the whole hemp plant, as envisioned in the Company's Hemp Agro-Industrial Zone (HAIZ) strategy. 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 industry. It seeks to build cooperative mechanisms between capital, farmers and labour, and across industrial sectors, focused on different parts of the hemp plant, to produce greater social and environmental benefits with substantial financial reward for those involved.

Benefits of the HAIZ strategy:

- Economic: Currently, the most profitable aspect of the HAIZ is cannabinoid extraction and refinement. In the near term, extraction will be the foundation that will subsidize the development of industrial applications for this strategy. Management expects that over time, the industrial applications of hemp will become the largest and most profitable aspects of the HAIZ.

- Social: From soil to shelf, the HAIZ concept is based on a collaborative rather than competitive operations model, benefiting all stakeholders throughout the process. From growing of the crops through to the final materials and products, the HAIZ concept promotes cross-sector partnerships, rural development and job creation.

- Environmental: GHG embodies a commitment to environmentally friendly processes, from farming to production. The HAIZ concept utilizes the entire plant for the production of raw materials and products for the overall best benefits that balance profitability, as well as socio-economic and environmental impacts.

State of the Hemp Industry in the United States and Canada

The hemp industry continues to rapidly mature and more data is becoming available for analysis. In recent years, approximations of sales of hemp products only included industrial categories of textiles, auto parts, building materials, hemp foods, body care products, etc. As the industry matures and adopts standard industry practices, much more specific data is becoming available that includes the cannabinoid market. The Hemp Business Journal projects a USD $2B hemp market by 2020 overall, while the hemp CBD market is projected to be USD $1B within three years, according to Brightfield Group. Ultimately Global Hemp Group believes that industrial solutions will far outweigh the cannabinoid market and for now we will use the cannabinoid market as a subsidy to stimulate the myriad of sustainable industrial solutions that hemp brings to the table.

Vote Hemp estimates that approximately 78,176 acres of hemp were planted in the U.S. in 2018, up from 25,713 acres planted in 2017, which increased from 9,770 acres planted in 2016, with the total number of hemp licenses issued across all states more than doubling from 1,456 in 2017 to 3,546 in 2018. By comparison, it has been reported by Health Canada that there was approximately of 138,018 acres of hemp was grown in 2017, up from 82,2447 acres grown in 2016. The numbers from Health Canada for 2018 are not available yet.

Two significant events occurred in 2018 that have had a significant impact on the development of the hemp industry in North America. First, the passage of the Cannabis Act (S.C. 2018, c. 16) in Canada late last year, which legalized cannabis for adult use without medical requirements, and also removed restrictions on the processing of the flowers and leaves of hemp, allowing for extraction of cannabinoids. Prior to the passage of this Act, hemp farmers were legally required to destroy the flowers and leaves and under no circumstances could cannabinoids be extracted. Secondly, with the passing of the 2018 U.S. Farm Bill in late December, hemp and its derivatives were removed from Schedule I of the Controlled Substances Act, clearing up the legal gray area that has existed prior, when there was no distinction made between hemp and cannabis. Hemp can now be grown in all 50 States.

It is expected that acreage of hemp being grown in 2019 and beyond will expand significantly in Canada as breeders register higher yielding CBD cultivars with Health Canada. And, now that hemp is Federally legal, it is expected that acreage will increase exponentially in the United States in 2019 and beyond.

Hemp in Canada - Twenty years after the legalization of industrial hemp, Health Canada (HC) introduced major changes to its legislation as part of the new Cannabis Act, which came into force on October 17, 2018. The new law introduces basically two types of licenses, the Industrial Hemp license, and the Cannabis license.

The new Industrial Hemp (IH) License is based on the previous one with one major difference. It allows the harvest of hemp flowers and leaves and their drying for further processing. Until this year, such flowers and leaves were left in the field and plowed under. This opens up the burgeoning Cannabidiol (CBD) market to hemp farmers. Currently HC approved hemp cultivars contain significantly less CBD content than hemp grown in the United States, but in time, this will change, making hemp cultivation even more lucrative in Canada as improved hemp genetics are imported and more processing infrastructure is developed.

Other significant changes in the legislation include:

- the lifting of restrictions regarding hemp farming near schools and public grounds;
- simpler application process for IH licenses and longer validity, 5 years instead of one;
- reduction of security requirements for the storage of flowers and leaves.

Hemp cultivation remains restricted to approved Health Canada hemp cultivars.

The production in New Brunswick comes under the purview of the new law, which means that the Company must use a licensed cannabis processor to extract the CBD content from the hemp, and sell the final product.

Business Update

As part of Phase One of Company's development plan, the Company embarked on hemp cultivation in both Canada and the United States with its Joint Venture funding partner Marijuana Company of America (the "Partners"). Cultivation in 2018 employed both orchard style and field crop methods. This was the first year that both methods we employed giving the Company an opportunity to evaluate the best method of creating biomass for the extraction of cannabinoids. There are clear advantages emerging for operating in the United States with the current regulatory environment since the signing of the Farm Bill.

SCIO, OREGON, USA – High Yielding CBD Hemp Project

Located in the fertile Willamette Valley, approximately 70 miles south of Portland, the Company's 109 acre Joint Venture farm was acquired in 2018 because of a history of hemp cultivation, irrigation infrastructure with sufficient authorized water rights to allow for irrigated cultivation, and contained a high level of organic matter in the soil, making it ideal for hemp cultivation. The 2018 cultivation utilized the lower 33 acres of the farm. Having now signed a contract for the processing of the biomass produced from the 2018 harvest *(see subsequent events below)*, the Company has begun the process of monetizing the harvest.

Preparation for the 2019 cultivation at the farm is now well underway, which includes field and irrigation preparation and the cloning of all the required plants for the current season (approximately 50,000). The Company continues to evaluate ways to expand acreage in the area. Discussions are underway with local farmers who have expressed interest in working with the Company.

NEW BRUNSWICK, CANADA Hemp Project

The Partners are developing a multi-phase hemp/CBD project on the Acadian peninsula, in northeast New Brunswick (NB), Canada. Hemp was grown in a field cropping style for cannabinoid extraction. This was the second year that the hemp was grown in region, after a 20-year hiatus.

Until recently, hemp cultivation in Canada was focused on food production containing low amounts of CBD. There is currently research and development underway to breed new strains of high CBD hemp that can be approved by Health Canada for cultivation. Industrial hemp cultivars containing 4-5% CBD already on trial in NB would more than double the performance of current cultivars used in 2018 but have yet to be registered for use as a Health Canada approved cultivar. Management anticipates significantly better results with improved genetics and the further refinement of farming and processing practices.

Lack of processing infrastructure continues to bottleneck the entire hemp industry in Canada. The change of legislation in late 2018 allowing for the extraction of the flowers and leaves from the hemp plant has been a catalyst for investment in this type of processing infrastructure in the industry. This is now beginning to translate into more opportunities to monetize hemp biomass going forward. The Company is in discussions to secure an agreement with potential processing partners.

Cash Crop Today Media, LLC

The Company holds a 50% equity interest in Cash Crop Today Media, LLC ("CCT") (http://cashcroptoday.com). CCT is a global media, branding, and technology company that is focused on reporting the latest industry news related to investment information, entrepreneurship, politics, and technology from the industrial hemp and cannabis sectors. Through its hemp and cannabis digital outlets (Cashcroptoday.com; Growed.com; TheFoodieDispensary.com; CannaVid Tv; CBDHealthyReviews.com) CCT is able to directly market content to a wide range of hemp/cannabis subsectors, giving content creators and companies the ability to reach their target audiences as effectively as possible. CCT continues to develop its brand and build out its online presence.

Subsequent Events

On May 17, 2019 it was announced that GHG's subsidiary, Covered Bridge Acres Ltd. (CBA), had entered into a contract with Richardson Gap Farm LLC (RGF) to extract cannabinoids from the hemp biomass produced from last season's crop at the Company's Scio, Oregon hemp farm. CBA is the operating company for the project, a 50/50 joint venture with Marijuana Company of America Inc.

CBA had been working with a number of hemp buyers and extraction facilities in Oregon to process the Company's biomass. RGF was one such company that did an extraction test on the company's biomass, converting it to distillate. Key reasons for choosing RGF were; supporting Oregon hemp development and the local Scio community, the excellent quality of the product they produce, as well as the proximity to the CBA farm. Working with a local company that is just over five miles away, reduces transport costs significantly and the associated carbon footprint, and enables CBA management to easily oversee the extraction process.

The contract will process the biomass into CBD distillate. The output would then be split on a 55/45 basis, with 55% going to CBA. Based on the results from a recent test run by RGF, CBA's 55% share of the distillate produced is expected to be 400 to 500 kilograms. CBA is currently selling distillate produced from earlier test extraction runs for US$4,000 to US$5,000 per kg. The initial supply of biomass has been delivered to RGF for processing and will be delivered in batches as required by the processor.

In addition, as part of the ongoing relationship with RGF, they are converting 16 kg of CDB crude oil produced from the various test runs with other processors to distillate, on a 20% tolling basis.

Charles Larsen, President of Global Hemp commented in the announcement, "While monetizing the biomass from our first hemp crop in Oregon has taken longer than we expected, we have now selected a processing partner that meets all the criteria we were looking for, with the added benefit of being one of our neighbours in Scio that is also contributing to the development of the hemp industry in the local community"

CBA also engaged H&H Wood Products (H&H) to selectively log a small hillside section of land surrounding the upper field at the Scio farm. H&H will be responsible for all logging operations, as well as transport and marketing of the logs, and CBA will be responsible for replanting the area logged. The agreement calls for CBA Oregon and H&H to share the net profit from the sale of the logs on a 50/50 basis.

Further information
Global Hemp has recently launched a new website and corporate brochure. To view www.globalhempgroup.com.

Selected Quarterly Information

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

	QUARTER ENDED							
	Mar 31 2019	Dec 31 2018	Sept 30 2018	June 30 2018	Mar 31 2018	Dec 31 2017	Sept 30 2017	June 30 2017
	$	$	$	$	$	$	$	$
Revenue	1,381	-	-	-	-	-	-	-
Operating Expenses	(126,819)	(3,092,888)	(1,072,630)	(45,418)	(75,062)	(78,339)	(758,437)	(15,920)
Net Income (Loss) from continued operations & net loss	(167,078)	(3,071,134)	(1,302,591)	(155,691)	(49,498)	(77,739)	(757,031)	(14,020)
Loss per share, basic & diluted	**(0.00)**	**(0.01)**	**(0.01)**	**(0.00)**	**(0.00)**	**(0.00)**	**(0.00)**	**(0.00)**

Results of Operations

Quarter Ended March 31, 2019 ("2019 Q2")
Loss for 2019 Q2 was $167,078 (Quarter Ended March 31, 2018 ("2018 Q2") – loss of $49,498). The $167,078 loss was mainly a combined result of having operating expenses of $126,819 (2018 Q2 – $75,062), share of loss of investment in associates of $15,981 (2018 Q2 - $Nil), and exchange loss of $18,754 (2018 Q2 – Gain of $17,740). The increase in consulting fees of $42,000 (2018 Q2 - $16,687) to the directors as directors compared to 2018 Q2 was mainly due to the progressing of both Oregon and New Brunswick projects in the 2019 Q2 as opposed to just started in 2018 Q2. Similar reason accounted for the significant increase in advertising and promotion of $53,212 in 2019 Q2 (2018 Q2 - $26) as the Company has engaged marketing professionals in the current period. Rent increase in 2019 Q2 for $9,225 (2018 Q2 – NIL). These rent expenses in 2019 Q2 were related the office rent for the New Brunswick subsidiary which has been consolidated since July 2018.

Share of loss of investment in associates of $15,981 during 2019 Q2 was related to the 50% share of the operating losses incurred by Covered Bridge Acres Ltd., the Oregon Joint Venture company incorporated in April 2018.

Six Months Ended March 31, 2019 ("2019 Q2 YTD")
Loss for 2019 Q2 YTD was $3,238,212 (Six Months Ended March 31, 2018 ("2018 Q2 YTD") – loss of

$133,283). The variances for these YTD periods similar to the previous three months variances are similar except for the followings:

The December 2018 options grant contributed $3,042,000 share based compensation for 2019 Q2 YTD while no option grant thus share based compensation was recognized in 2018 Q2 YTD.

As at March 31, 2019, the Company had $561,831 cash (September 30, 2018 - $964,609), accounts payable and accrued liabilities of $237,754 (September 30, 2018 - $308,218), notes payable of $27,901 (September 30, 2018 - $26,799) and $6,640,817 in share capital (September 30, 2018 - $6,409,271).

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 March 31, 2019, the Company had a working capital of $624,074.

Management realizes that the current liquidity and capital on hands are not sufficient to develop the Company into a viable business. In order to improve the working capital, 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.

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	187,097,016
Warrants	34,387,978
Stock Options	13,050,000

Off-Balance Sheet Arrangements

The company does not have off-balance sheet arrangements.

Transactions with Related Parties

Related party transactions not disclosed elsewhere are as follows:

Key Management Compensation:

	Nature of transactions	Six months ended March 31, 2019	2018
		$	$
Directors	Consulting fees	30,000	55,277
Directors	Share-based compensation	3,042,000	-

During the quarter ended March 31, 2019, Charles Larsen, the President and Chief Executive Officer ("CEO") of the Company charged $10,000 consulting fee to the Company.

During the quarter December 31, 2018, 6,000,000 share purchase warrants[1] were granted to the President and CEO of the Company. The warrants, issued as compensation for the CEO's service, have an exercise price of $0.12 per share and expire on December 10, 2023. Share-based compensation of $1,014,000 were recognized during the period.

During the quarter ended March 31, 2019, Curt Huber, the Chief Financial Officer ("CFO) of the Company charged $10,000 consulting fee to the Company.

During the quarter period ended December 31, 2018, 6,000,000 share purchase warrants[1] were granted to the CFO of the Company. The warrants, issued as compensation for the CFO's service, have an exercise price of $0.12 per share and expire on December 10, 2023. Share-based compensation of $1,014,000 were recognized during the period.

During the quarter period ended March 31, 2019, the CFO exercised 1,100,000 incentive share options at $0.10 per share for $110,000.

As at March 31, 2019, $502 (September 30, 2018-$7,512) was owing to the CFO of the Company.

During the quarter ended March 31, 2019, Dr. Paul Perrault, a director of the Company charged $10,000 consulting fee to the Company.

During the quarter ended December 31, 2018, 6,000,000 share purchase warrants[1] were granted to Dr. Paul Perrault. The warrants, issued as compensation for Dr. Perrault's service, have an exercise price of $0.12 per share and expire on December 10, 2023. Share-based compensation of $1,014,000 were recognized during the period.

During the quarter ended March 31, 2019, Jeffrey Kilpatrick, a director of the Company exercised 100,000 share purchase options at $0.10 per share for $10,000.

[1] The warrants will vest 40.0% on issuance, 30.0% on December 15, 2019 and 30.0% on December 15, 2020. Securities issued in connection with this transaction is subject to a 4-month and one day hold period.

Financial Instruments and Other Instruments

Refer to Notes 11 to the Company's interim financial statements for the three and six months ended March 31, 2019.

Changes in Accounting Policies including Initial Adoption

Refer to Notes 3 to the Company's interim financial statements for the three and six months ended March 31, 2019.

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

The Company's 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 industry 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 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 and CEO
Curt Huber	Director and CFO
Dr. Paul Perrault	Director
Jeffrey Kilpatrick	Director