GLOBAL HEMP GROUP

A HEALTHIER FUTURE THROUGH SUSTAINABLE BUSINESS STRATEGIES

Global Hemp Group Inc.

Management Discussion & Analysis for the Three and Nine Months ended June 30, 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 June 30, 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 August 29, 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 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 Venture farm in Scio, Oregon (https://globalhempgroup.com/scio-oregon) is an example of the execution of this first phase of the strategy that is 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.

Business Update

Scio, Oregon, USA – 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 due to its history of hemp cultivation, irrigation infrastructure with sufficient authorized water rights to allow for irrigated cultivation, and a high level of organic matter in the soil, making it ideal for growing hemp.

The 2019 season is well underway, with harvest expected to begin in early October. A significantly larger quantity of biomass is expected from this year's harvest compared to the previous year, due to improved genetics, a longer growing season from earlier planting and more plants in the ground. This year, the CBA team planted approximately 22% more plants at the farm (49,000 plants compared with only 40,000 in 2018). Additionally, CBA's access to higher-quality genetics in 2018 was limited due to planting later in the season. As a result of unstable genetics, approximately 4,000 male plants were required to be culled from the field, netting approximately 36,000 plants at harvest. With improved, more-stable genetics this year, the number of male plants that will be required to be culled from the field should be greatly reduced. In addition, cultivars planted this year are expected to produce a higher cannabidiol yield from improved genetics.

In addition, a portion of the 2019 crop is being grown for the smokable hemp flower market. This is a rapidly growing market where current prices to the farm are five to ten times more than for CBD biomass for extraction.

Harvest - In preparation for the handling of this year's harvest, the CBA team has designed a shucking machine to remove the flowers and leaves from the stalk and stems, greatly reducing the amount of labour required for this initial processing of the hemp. The team is now in the process of fabricating a prototype and have reserved a small amount of biomass from last year's harvest to test the equipment. Once shucked, the biomass will be sold or processed into crude oil or distillate for sale on the open market.

New Brunswick, Canada Hemp Project

The Company intends to concentrate its future activities in State of Oregon where the Company's Joint Venture hemp farm is located. Currently the financial opportunities are markedly greater in the United States since hemp was legalized federally with the passing of the 2018 Farm Bill in December. Coupled with the availability of cultivars with significantly greater CBD content, an abundance of readily accessible processing infrastructure in the region, an advanced regulatory and legislative environment and a more developed marketplace for CBD and CBD related products, Management will be focusing its attention on its Scio, Oregon project going forward.

Cash Crop Today Media, LLC ("CCTM")

The Company holds a 50% equity interest in CCTM (http://cashcroptoday.com). CCTM is a media distribution company, distributing and producing quality hemp and cannabis content with the goal of distributing and being a voice for the hemp and cannabis industry. Captivating hemp and cannabis aficionados through digital streaming brands, the company's outlets include some of the first of its kind: CashCropToday, CannaVid TV, The Foodie Dispensary, Healthy CBD Reviews and Growed. CCTM continues to grow its viewership and advertising revenue.

Instagram

Follow the development of the Scio Oregon Hemp Project on Instagram @hemp_global

SUBSEQUENT EVENTS

Technology Development Contract to Develop the World's First Hemp Biocomposite Drone for Commercial Agricultural Monitoring

On July 18, 2019 the Company announced that had entered into a Technology Development Agreement (http://bit.ly/QWorx_Agr) with Q Worx LLC ("QWorx") to develop the world's first commercial hemp biocomposite (H-Fiber) drone specifically designed to monitor large scale cultivations, initially focusing on hemp.

Qworx, in association with FPV Militia, has developed a line of H-Fiber First Person View drones for competitive racing, freestyle and cinematic use. The agreement, for the development of an agricultural monitoring drone dubbed the "Field Agent", is for a next generation drone that will be capable of monitoring various aspects of hemp cultivation on the farm. The Field Agent is being constructed out of industrial hemp composites, making this drone stronger than similar models currently on the market made out of carbon fibre. It is non-conductive, made from renewable source materials, and has improved end of use recyclability. The drone will be complete with a custom software platform which will enable the user to preprogram exact flight paths, altitudes and missions, allowing the user to fully automate the drone. The Field Agent will reduce labour costs as it will reduce the need for team members to walk the field to monitor each plant for sufficient water, nutrients and to identify male plants that need to be culled. The Field Agent will be equipped with multiple cameras to identify potential disease and will connect to sensors strategically placed throughout the field to collect water saturation, soil temperature, nutrient content, among other data. API's are being developed to interface with Agri-Analytics systems to collect and analyze data that can be used to optimize crop production.

QWorx expects to have a working prototype ready to begin beta testing at the Company's JV hemp farm in Scio, Oregon in early September. Upon successful completion of the on-farm testing, GHG and QWorx will explore manufacturing and marketing of the Field Agent.

GHG and QWorx are in discussions regarding the development of other H-Fiber products in addition to the Field Agent project. With the legalization of hemp in the United States, Research & Development into the use of hemp biocomposites is ramping up. H-Fiber will undoubtedly be utilized as a replacement for carbon or glass fiber in a myriad of commercial applications as a result of this R&D.

In addition, GHG subsidiary, Covered Bridge Acres ("CBA") has entered into an exclusive supply contract with Q Worx to provide all of the hemp fiber required to develop and manufacture the Field Agent. This relationship furthers GHG's efforts to develop a "whole plant processing" model.

Revenue from Farm Operation in Scio, Oregon

On August 9, 2019 the Company announced (http://bit.ly/GHG_Update) that it had begun generating revenue through its JV hemp farm in Scio, Oregon. To date Covered Bridge Acres (CBA), in its first year of operations, has had gross sales through a combination of the sales of raw biomass, plantlets, CBD crude oil and CBD distillate that was produced from various processing test runs, along with other farm operations in the amount of US$525,500 (approx. CDN$695,000). The most recent transaction on August 6th was the sale of 10,000 pounds of shucked biomass that was sold to an Oregon extraction facility for $400,000 (U.S.) (approximately $530,000).

The CBA team is currently working with a number of parties to complete the sale of its remaining biomass inventory. In addition, approximately 4,000 lb of unshucked biomass is currently out for processing into distillate. Once processed, it will be sold along with other distillate inventory on hand.

Selected Quarterly Information

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

	Quarter Ended							
	30-Jun-19 $	31-Mar-19 $	31-Dec-18 $	30-Sep-18 $	30-Jun-18 $	31-Mar-18 $	31-Dec-17 $	30-Sep-17 $
Revenue	-	1,381	-	-	-	-	-	-
Operating expenses	(47,310)	(126,819)	(3,092,888)	(1,072,630)	(45,418)	(75,062)	(78,339)	(758,437)
Net Income (Loss) from continued operations & net loss	(340,297)	(167,078)	(3,071,134)	(1,302,591)	(155,691)	(49,498)	(77,739)	(757,031)
Loss per share, basic & diluted	0.00	0.00	(0.01)	(0.01)	0.00	0.00	0.00	(0.01)

Results of Operations

Quarter Ended June 30, 2019 ("2019 Q3")

Loss for 2019 Q3 was $340,297 (Quarter Ended June 30, 2018 ("2018 Q3") – loss of $155,691). The $340,297 loss was mainly a combined result of having operating expenses of $47,310 (2018 Q3 – $45,418), share of profit of investment in associates of $31,620 (2018 Q3 – Loss of $121,913), and exchange loss of $16,083 (2018 Q3 – Gain of $8,739). The decrease in consulting fees from $28,303 in 2018 Q3 to $5,000 in 2019 Q3 was mainly due to the deferral of the consulting fees to various directors to next quarter when a significant amount of profits were generated from the commercial sales of biomass from the Oregon Joint Venture owned 50% by the Company. During the 2019 Q3, the Company recognized a fair value write-down of $309,000 of the biomass owned by the New Brunswick Subsidiary (2018 Q3 - $NIL).

During 2019 Q3, the Company recorded the share of profit from investment in associates of $31,620 mainly due to the 50% share of the profits related to the biomass sales and logging service revenue generated by the Oregon Joint Venture (2018 Q3 – Loss of $121,913).

Nine Months Ended June 30, 2019 ("2019 Q3 YTD")

Loss for 2019 Q3 YTD was $3,578,509 (Nine Months Ended June 30, 2018 ("2018 Q2 YTD") – loss of $282,928). 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 Q3 YTD while no option grant thus share based compensation was recognized in 2018 Q3 YTD.

As at June 30, 2019, the Company had $342,534 cash (September 30, 2018 - $964,609), accounts payable and accrued liabilities of $235,975 (September 30, 2018 - $308,218), notes payable of $28,451 (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 June 30, 2019, the Company had a working capital of $120,826.

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	188,197,016
Warrants	35,487,978
Stock Options	12,800,000

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	**Nine months ended June 30, 2019**	**2018**
		$	$
Directors	Consulting fees	35,000	83,558
Directors	Share-based compensation	3,042,000	-

During the nine months ended June 30, 2019, Mr. Charlie Larsen, the President and Chief Executive Officer ("CEO") of the Company charged $10,000 consulting fee to the Company.

During the nine months ended June 30, 2019, 6,000,000 share purchase warrants[1] were granted to the President and CEO of the Company with an exercise price of $0.12/warrant and expiry date on December 10, 2023 as compensation for the CEO's service. Share-based compensation of $1,014,000 were recognized during the period.

During the nine months ended June 30, 2019, Mr. Curt Huber, the Chief Financial Officer ("CFO") of the Company charged $15,000 consulting fee to the Company.

During the nine months ended June 30, 2019, 6,000,000 share purchase warrants[1] were granted to the CFO of the Company with an exercise price of $0.12/warrant and expiry date on December 10, 2023 as compensation for the CFO's service. Share-based compensation of $1,014,000 were recognized during the period.

During the nine months ended June 30, 2019, the CFO exercised 1,100,000 share purchase options at $0.10 per share for $110,000.

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

During the nine months ended June 30, 2019, Mr. Paul Perrault, the director of the Company charged $10,000 consulting fee to the Company.

During the nine months ended June 30, 2019, 6,000,000 share purchase warrants[1] were granted to Mr. Paul Perrault with an exercise price of $0.12/warrant and expiry date on December 10, 2023 as compensation for the Director's service. Share-based compensation of $1,014,000 were recognized during the period.

During the nine months ended June 30, 2019, Mr. 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% on December 15, 2019, and 30% on December 15, 2020. Securities issued in connection with this transaction are subject to a four-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 nine months ended June 30, 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 June 30, 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