Lords & Company Worldwide Holdings Inc.
(formerly: Pac Roots Cannabis Corp.)

Management's Discussion and Analysis

For the year ended November 30, 2022

(Expressed in Canadian Dollars)

Introduction

This Management Discussion and Analysis ("MD&A") of the financial condition as of November 10, 2023 provides an analysis of Lords & Company Worldwide Holdings Inc. (formerly: Pac Roots Cannabis Corp.) ("Lords" or the "Company")'s financial results and progress for the year ended November 30, 2022. This MD&A should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the year ended November 30, 2022 and audited consolidated financial statements and notes thereto of the Company for the year ended November 30, 2021.

These audited consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the Financial Reporting Interpretations Committee ("IFRIC").

This MD&A is prepared as at November 10, 2023. All dollar figures stated herein are expressed in Canadian dollars unless otherwise indicated. Additional information related to Lords is available on the Company's profile on SEDAR at www.sedarplus.ca.

Forward looking information

Certain statements and information contained herein may constitute "forward-looking statements" and "forward-looking information," respectively, under Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as, "expect", "anticipate", "continue", "estimate", "may", "will", "should", "believe", "intends", "forecast", "plans", "guidance" and similar expressions are intended to identify forward-looking statements or information. The forward-looking statements are not historical facts, but reflect the current expectations of management of Lords regarding future results or events and are based on information currently available to them. Certain material factors and assumptions were applied in providing these forward-looking statements.

Forward-looking statements regarding the Company are based on the Company's estimates and are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, levels of activity, performance or achievements of Lords to be materially different from those expressed or implied by such forward-looking statements or forward-looking information, including capital expenditures and other costs. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Lords will not update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws.

Forward-looking statements used in this MD&A are subject to various risks, uncertainties and other factors, most of which are difficult to predict and are generally beyond the control of the Company. These risks, uncertainties and other factors may include, but are not limited to, those set forth under "Risks and Uncertainties" section below.

Corporate Overview

Lords was incorporated on May 16, 2012 in British Columbia under the Business Corporations Act. The address of the Company's corporate office and its principal place of business is 1055 Hastings Street, Unit 300, Vancouver, British Columbia, Canada.

On February 4, 2022, the Company completed a share consolidation of its common shares on the basis of 1 new common share for every existing 10 old common shares. The share consolidation has been retroactively presented in the consolidated financial statements by adjusting all share amounts, including per share amounts.

The Company has completed its investment in the Rock Creek Farms Joint Venture during the year ended November 30, 2021. The Rock Creek Farms Joint Venture consists of 100-acres Hemp CBD and was awarded an industrial hemp license by Health Canada. Planting commenced in June 2020, with approximately 130,000 premium hemp CBD plants placed systematically throughout the two 50-acre parcels.

On June 6, 2018, the Company executed a definitive share exchange agreement with 1157630 B.C. Ltd. ("1157630"), a private company, and its shareholders for the acquisition of all of the issued and outstanding shares of 1157630 and its subsidiary Go Green (the "Go Green Transaction") and completed a reverse take-over ("RTO").

Description of the Business

Lords is a rapidly growing e-Commerce organization focused on aggressive expansion of our customers base for their dietary supplement and natural health and wellness products. Powered by a proprietary technology platform, the Company utilizes an e-Commerce Ecosystem to scale its customers brands in the domestic and USA markets.

The Company has entered into financing and management services agreements with its customers ("Merchants") to engage in and facilitate marketing campaigns for the sale of white-label health and wellness products to retail customers. Accordingly, the Company entered into a co-packing agreement with a third-party manufacturer that provides services related to product acquisition, labelling and packaging, shipping and logistics, and customer service functions. These services are provided to the Merchants to facilitate their respective marketing campaigns. Lords recognizes revenue based on campaign profits realized from the Merchant's marketing campaign for the Company's services provided and coordinated to operate the campaign.

2022 Business Highlights

On June 1, 2022, the Company completed a private placement for the offering of 1,808,000 units at a price of $0.083 per unit for gross proceeds of $150,064. Each unit is comprised of one common share and one common share purchase warrant, exercisable at a price of $0.20 and expiring on June 1, 2024. In connection with the transaction, the Company paid cash finders' fees of $12,005 and issued 144,640 agent's warrants as finders' fees valued at $6,000, exercisable at a price of $0.20 and expiring on June 1, 2024.

On May 20, 2022, the Company completed a private placement for the offering of 3,711,916 units at a price of $0.083 per unit for gross proceeds of $308,089. Each unit is comprised of one common share and one common share purchase warrant, exercisable at a price of $0.20 and expiring on May 20, 2024. In connection with the transaction, the Company issued 37,119 common shares to an arm's-length third party for administrative fees with a fair value of $3,081 related to the private placement.

On April 5, 2022, the Company completed a private placement for the offering of 11,050,238 units at a price of $0.083 per unit for gross proceeds of $917,170. Each unit is comprised of one common share and one common share purchase warrant, exercisable at a price of $0.20 and expiring on April 5, 2024. In connection with the transaction, the Company issued 132,863 common shares to an arm's-length third party for administrative fees with a fair value of $11,028 related to the private placement.

On February 16, 2022, the Company completed a private placement for the offering of 2,236,181 units at a price of $0.11 per unit for gross proceeds of $245,980. Each unit is comprised of one common share and one common share purchase warrant, exercisable at a price of $0.20 and expiring on February 16, 2024. In connection with the transaction, the Company paid cash finders' fees of $15,998 and issued 145,440 agent's warrants as finders' fees with a fair value of $9,000, exercisable at a price of $0.20 and expiring on February 16, 2024.

Significant Transactions and Financings

PNW Apparel Inc.

On November 22, 2021, the Company signed a non-binding letter of intent for the acquisition of all issued and outstanding common shares of PNW Apparel Inc. ("PNW"), the parent entity of Lords of Gastown Motorcycle Company Inc. ("Gastown"), a company that holds all operations, intellectual property, and goodwill pertaining to the lifestyle brand "Lords of Gastown". In consideration for the transaction, the Company will issue 22,000,000 common shares at a price of $0.10 per share with a fair value of $2,200,000. Gastown is a cannabis motorcycle lifestyle cannabis and apparel brand that spawned from the vision of Tyler Hazelwood, founder, and director of Lords of Gastown.

Related to the transaction with PNW, the Company has entered into loan agreements whereby the Company has provided loans for a total of $226,000 to be repaid within 30 business days of request by Lords, bearing an interest rate of 10% per annum to PNW. As at November 30, 2022, the Company has recognized accrued interest on the loans for $14,690. The loans are due on demand.

The Company has also entered into a revolving line of credit agreement whereby the Company may provide to PNW up to the principal sum of $100,000 to be repaid by August 1, 2023, bearing an interest rate of 1% per month. As at November 30, 2022, the Company has provided total advances of $85,054 and recognized accrued interest on the loans for $3,124.

As of November 30, 2022, the Company wrote-off all accrued interest, advances and loans receivable from PNW in the amount of $328,868 as the Company has determined these amounts to not be collectible, see further below.

On February 14, 2023, the Company completed the acquisition of all issued and outstanding shares of PNW pursuant to the share purchase agreement effective February 6, 2023, to attain the wholly owned subsidiary Lords of Gastown Motorcycle Company Inc. that specializes in lifestyle and apparel merchandise. As a result of the transaction, the Company issued 22,000,000 common shares to PNW shareholders. The Company also issued 440,000 common shares as administrative fees to a third-party who assisted in the transaction.

At the date of acquisition, the Company determined PNW did constitute a business as defined under IFRS 3, Business Combinations, and the PNW acquisition was accounted for as a business combination under the acquisition method. The consideration paid was recognized at the fair value of the common shares of the Company at a price of $0.10 per share with a fair value of $2,200,000.

As a result of the acquisition, the Company will engage a valuator to assess the fair value of any intangible assets identified and measurable in accordance with IFRS. The excess of the consideration paid over the fair value of the assets and liabilities assumed from PNW will be capitalized as goodwill. As at the date of these consolidated financial statements, the preliminary purchase price allocation was in progress of being prepared as the accounting records of PNW and Lords of Gastown Motorcycle Company Inc. were in the process of being reviewed.

As part of the acquisition, the Company identified the Lords of Gastown Motorcycle Company Inc. brand, and its customer base as intangibles acquired. Subsequent to the date of the acquisition, PNW has continued to realize operating losses, with no significant improvements in margins or revenue growth. There will need to be a significant investment made by the Company on various strategic initiatives, to create further growth and improve operating margins. As a result, the value allocated to the intangibles acquired as part of the purchase price allocation would be considered nominal, and any excess purchase price allocated to goodwill is impaired to Nil subsequent to the acquisition.

Further to the acquisition of PNW, significant obligations acquired are as follows:

- $255,000 in outstanding loans owing to certain creditors of PNW to be paid on or before August 13, 2023. As at the date of this MD&A, the loans have not been paid and remain outstanding. Management has discussed the arrangement with the creditors of PNW and have agreed to make payments against the balance subject to available working capital;

Significant Transactions and Financings (continued)

- Approximately $333,000 in outstanding loans and advances owing to the Company, see above;
- Approximately $94,000 in accounts payable and accrued liabilities to creditors of Gastown; and
- $60,000 in outstanding CEBA loans.

Phenome One Corp.

On April 8, 2019, MLK entered into a license agreement with Phenome One Corp. ("Phenome") in order to obtain a license (the "Phenome License") from Phenome in respect of a genetic cannabis library of certain cultivars, and technical and materials owned by Phenome in order to allow the Company to propagate, cultivate, harvest, process, breed and develop, manufacture, produce and use such licensed property (the "Phenome Agreement") subject to the following terms:

a) 250,000 common shares on the date on which the Issuer receives the approval of the CSE for the Fundamental Change Transactions (the "approval date") (Issued);
b) 250,000 common shares on the date on which is three months following the approval date (Issued);
c) 250,000 common shares on the date on which is six months following the approval date (Issued);
d) 250,000 common shares on the date on which is year following the approval date (Issued);
e) $50,000 in cash on the date which is 18 months following the approval date (Issued);
f) $100,000 in cash on the date which is 24 months following the approval date; and
g) $100,000 in cash on the date which is 30 months following the approval date.

Phenome is a company related to Lords by a former common officer.

In addition, Lords will make non-refundable, non-creditable royalty payments to Phenome equal to 5% of gross sales of products, which royalty shall be payable within 60 days of each calendar quarter. The Phenome License Agreement will continue for as long as the Lords has payment obligations, including the royalty payments, to Phenome, unless earlier terminated as a result of breach of the agreement or other circumstances, including where gross sales of products in any two consecutive calendar quarters, after 2019, are less than $1,000,000. Lords has been granted a right of first refusal in respect of any of the licensed cultivars, technology or materials (the "licensed material"), subject to certain exceptions as set forth in the Phenome License Agreement, such that should Phenome receive a bona fide offer from an independent third party dealing with it arm's length to acquire such licensed material, it must first offer the licensed material to Lords on terms no less favorable than those offered to it. Lords will have a period of 30 days to accept such offer, failing which Phenome will be entitled to sell the licensed material on the terms specified for a period of 60 days.

Under the Phenome License Agreement, Lords will have the sole responsibility and decision-making authority in relation to development and commercialization activities in respect of the licensed materials, at its own cost, but shall provide progress reports to Phenome of its activities within 60 days of each calendar quarter.

Pursuant to terms of the Phenome license, the Company recorded intangible assets of $2,781,899 representing the discounted fair value of the common share at $3.00 per share and the cash payable to reflect the time value of money. During the period ended November 30, 2020, the Company issued 750,000 common shares with a fair value of $2,034,666 as a result of the Phenome Agreement and has a remaining commitment to issue 250,000 common shares with a discounted value of $576,359. The Company discounted the cash consideration using a discount rate of 20% to reflect the time value of money related to future cash outlays and discounted the share issuances using the average strike put-option model which resulted in a present value of $2,781,899 on acquisition date.

During the period ended November 30, 2020, the Company recorded impairment on the intangible assets of $2,781,899 as the recoverable amount could not be determined reliably. As at November 30, 2022 and November 30, 2021, the balance of intangible assets is $NIL for the assets acquired from Phenome.

(Expressed in Canadian Dollars)

Significant Transactions and Financings (continued)

During the year ended November 30, 2021, the Company recognized accretion expense of $39,959 and issued the common shares with a discounted value of $576,359. As at November 30, 2022, the Company recognized accretion expense of $19,992 related to the last two cash payments due and a consideration payable to Phenome of $200,000 comprised of the fully accreted present value of the remaining cash payments. During the year ended November 30, 2022, the $50,000 cash due 18 months after the approval date was settled through the issuance of common shares.

1088070 BC. Ltd.

On September 18, 2020, the Company closed a share purchase agreement (the "1088 Agreement") with 1088070 BC. Ltd. ("1088"), a company existing under the laws of the Canada and 0909077 BC Ltd. and Norm Tapp (together, the "1088 Shareholders" and each, a "1088 Shareholder") pursuant to which the Company would acquire all of the issued and outstanding shares of 1088. 1088 owns and controls nine parcels of land comprised of 250 acres of land in the Fraser Valley Region of British Columbia.

The Company will pay an aggregate of $1,500,000 in cash and issue an aggregate of 300,000 common shares to the 1088 Shareholders, pro rata in accordance with their holdings as follows (the "Consideration"):

a) 37,500 shares to be issued on or before the date which is 30 days from the date of Closing (the "1088 Closing Date") (Issued);
b) $200,000* within three months of the Closing Date (paid);
c) $300,000 in cash and 56,250 common shares within 12 months of the 1088 Closing Date;
d) $400,000 in cash and 93,750 common shares within 18 months of the 1088 Closing Date; and
e) $600,000 and 112,500 common shares within 24 months after the Closing Date. Pending the payment of the Consideration in full, the Company will grant a mortgage over its land package in favor of the 1088 Shareholders.

* In February 2021, the Company and 1088 shareholders agreed to delay the payment by 56 days from the initial payment date at $318 per day for a total penalty of $17,797. The amended balance of $217,797 was paid by the Company on February 24, 2021.

The details of the purchase have been accounted for as follows:

Cash to be paid, discounted	$	1,162,045
Fair Value of common shares to be issued, discounted		585,925
Total consideration	**$**	**1,747,970**
Land acquired	**$**	**1,747,970**

During the period ended November 30, 2020, the Company issued 37,500 shares with a fair value of $106,177 pursuant to terms of the 1088 Agreement and has a remaining consideration payable of 262,500 common shares to pay to 1088 Shareholders with a discounted value of $479,748. The Company discounted the cash consideration using a discount rate of 20% to reflect the time value of money related to future cash outlays and share issuances, resulting in a present value of $1,747,970 and discounted future share issuances using the average strike put-option model at acquisition date. During the period ended November 30, 2020, the Company recognized accretion expense of $54,193. As at November 30, 2020, the Company had consideration payable to 1088 of $1,216,238.

During the period ended November 30, 2020, the Company recorded impairment on the land of $1,450,000 to management's best estimate of its recoverable amount of $297,970.

On September 15, 2021, the Company signed a settlement agreement with 1088070 BC Ltd. to return all issued and outstanding shares of 1088070 BC Ltd. and terminated the share purchase agreement.

Accordingly, during the year ended November 30, 2021, the Company recognized accretion expense of $155,603, reduced the consideration payable to $NIL, reduced the commitment to issue shares from $479,749 to $NIL, and recognized a gain on disposal of subsidiary of $1,353,620.

(Expressed in Canadian Dollars)

Significant Transactions and Financings (continued)

Lords of Grasstown Holdings Ltd.

On February 22, 2021, the Company closed a share purchase agreement (the "Grasstown Agreement") with Lords of Grasstown Holdings Ltd. ("Grasstown"), a company existing under the laws of the Canada pursuant to which the Company would acquire all of the issued and outstanding shares of Grasstown. Grasstown owns and holds 100% of the interest in and to intellectual property.

The Company paid an aggregate of $50,000 in cash and issued an aggregate of 600,000 common shares to the Grasstown Shareholders, pro rata in accordance with their holdings as follows (the "Grasstown Consideration"):

a) $50,000 paid within 30 days from the date of Closing (the "Grasstown Closing Date") (paid); and
b) 600,000 common shares (issued).

The details of the purchase have been accounted for as follows:

Fair Value of the common shares issued	$	1,410,000
Cash paid		50,000
Total consideration	**$**	**1,460,000**
Intangible assets acquired	**$**	**1,460,000**

During the year ended November 30, 2021, the Company recorded impairment on the intangible assets of $1,460,000.

Rock Creek Farms Joint Venture

Lords & Company Worldwide Holdings Inc. (formerly: PacRoots Cannabis Corp.) and Rock Creek Farms 100-acre premium hemp joint venture commenced in late May after receiving the hemp cultivation license from Health Canada on May 22nd, 2020. The operations team spent several weeks working the fields, installing irrigation systems, before planting began in mid-June. Seedlings were planted systematically in rows in the field after spending the first month in greenhouses, ensuring optimal growth while minimizing environmental influences in the early stage.

On June 30, 2020 and amended March 10, 2021, the Company entered into an agreement (the "Investment Agreement") with Rock Creek Farms Ltd. ("Rock Creek") for the formation of 1293953 BC Ltd. (the "Rock Creek Farms Joint Venture"), which is 49% owned by Lords and 51% by Rock Creek Farms Ltd. The Company's contribution to the joint venture was an aggregate of $300,000 in capital. The Company contributed the capital in the prior year. Rock Creek will contribute two commercial leases, consulting services, cultivation equipment, agricultural infrastructure and intellectual property relating to commercial scale hemp operations and proprietary biomass storage techniques (the "Rock Creek Capital Contribution"). Profits generated from the joint venture will be distributed first to the Company until its capital contributions have been repaid and thereafter in accordance with the interests in the joint venture held by the parties. During the year ended November 30, 2021, the Company contributed an additional $35,000 to the Rock Creek Farms Joint Venture. As at November 30, 2022 the Company has $Nil (2021 - $Nil) recorded in the investment in the Rock Creek Farms Joint Venture.

On March 11, 2021, the Company was issued 300,000 shares of 1293953 BC Ltd. Pursuant to the Investment Agreement signed with Rock Creek Farms Ltd., these shares effectively represent 49% of the Rock Creek Farms Joint Venture owned by the Company. During the year ended November 30, 2021, the Company recognized an impairment of the investment for $335,000.

Lords and Rock Creek Farms deploy traditional and customized hemp farming techniques, while utilizing the rich native soil. We optimize cultivation through these unique methods:

- Our nutrients are custom formulated from raw salts for specific cultivars.
- Systematic planting of cultivars that are stress-tested, planted young and hardy, measuring up to 18 inches, providing maximum opportunity for growth and resilience.
- Row compaction and mowing for weed control, enabling a selected harvest
- Complex irrigation systems with direct nutrient and spring water delivery to each plant site.

(Expressed in Canadian Dollars)

Selected Annual Information

The table below sets out certain selected financial information regarding the operations of the Company for the period indicated. The selected financial information has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements and related notes.

	November 30, 2022 $	**November 30, 2021 $**	**November 30, 2020* $**
	(Audited)	(Audited)	(Audited)
Total revenues	245,430	-	-
Net and comprehensive loss for the year	(1,468,077)	(3,256,753)	(8,856,657)
Basic and diluted income (loss) per share	(0.07)	(0.39)	(2.44)
Total assets	410,899	72,155	1,861,540
Total long-term liabilities	-	-	936,211
Cash dividends	-	-	-

*Fifteen months period ended November 30, 2020

Summary of Quarterly Results

For the quarter ended	**November 30, 2022 $**	**August 31, 2022 $**	**May 31, 2022 $**	**February 28, 2022 $**
Assets	410,899	953,434	658,340	251,800
Total expenses (recovery)	557,196	(159,712)	828,835	176,134
Revenue (Loss)	199,836	(32,831)	78,425	-
Net and comprehensive loss	(677,655)	131,760	(746,349)	(175,833)
Gain (loss) per share – basic and diluted	(0.02)	0.01	(0.05)	(0.02)

Quarter end	**November 30, 2021 $**	**August 31, 2021 $**	**May 31, 2021 $**	**February 28, 2021 $**
Assets	72,155	3,067,176	3,293,497	4,199,578
Total expenses (recovery)	348,846	265,786	289,661	999,870
Revenue	-	-	-	-
Net and comprehensive loss	(1,677,492)	(320,880)	(288,511)	(969,870)
Loss per share – basic and diluted	(0.19)	(0.04)	(0.03)	(0.13)

Results of Operations

For the three months ended November 30, 2022:

During the three months ended November 30, 2022, the Company recorded a net and comprehensive loss of $677,655 as compared to a net and comprehensive loss of $1,677,492 for the comparable three months ended November 31, 2021. The significant decrease in the loss was primarily attributed to the Company recognizing impairment of investments and intangible assets in the previous year for $335,000 and $1,460,000, respectively. The net and comprehensive loss for the three months ended November 30, 2022 includes non-cash expenditures of $2,222 in accretion and interest expenses.

Total expenses for the three months amounted to $557,196 as compared to $348,846 for the comparable period, an increase of $208,350. The increase in overall expenditures can be attributed to the following:

- Amortization of right-of-use asset decreased to $Nil from $31,914 as the Company either completed or terminated the term of its lease agreements.

Results of Operations (continued)

For the three months ended November 30, 2022 (continued):

- Consulting fees increased to $447,433 from $45,748 as the Company engaged in a marketing services and distribution agreement related to its revenue operations and increased the number of individuals involved in management during the months and engaged consultants to develop its business operations. The Company relies heavily on consultants to achieve its goals on all facets of business and these industry consultants bring a wide range of expertise and connections to the Company. Consultants include the management and directors of the Company, and other support roles.
- Professional fees decreased to $52,590 from $172,913, which can be attributed to higher legal fees incurred in the previous year.

For the year ended November 30, 2022:

During the year ended November 30, 2022, the Company recorded a net and comprehensive loss of $1,468,077 as compared to a net and comprehensive loss of $3,256,753 for the comparable year ended November 30, 2021. The significant decrease in the loss was attributed to the Company recognizing impairment of investments and intangible assets in the previous year for $335,000 and $1,460,000, respectively. Additionally, during the year ended November 30, 2021, the Company incurred $574,601 of share-based compensation whereas none were incurred during the year ended November 30, 2022. The net and comprehensive loss for the year ended November 30, 2022 includes non-cash expenditures of $19,992 in accretion and interest expenses.

Total expenses for the year ended amounted to $1,402,453 as compared to $1,904,163 for the comparable year, a decrease of $501,710. The increase in overall expenditures can be attributed to the following:

- Advertising and promotion decreased to $18,744 from $251,228 as the Company has fewer engaged third-party consultants to develop and refine digital marketing services and investor relations to assist the Company in raising equity capital compared to the previous year.
- Amortization of right-of-use asset decreased to $Nil from $115,042 as the Company either completed or terminated the term of its lease agreements.
- Consulting fees increased to $1,007,000 from $392,023 as the Company engaged in a marketing services and distribution agreement related to its revenue operations and increased the number of individuals involved in management during the year and engaged consultants to develop its business operations. The Company relies heavily on consultants to achieve its goals on all facets of business and these industry consultants bring a wide range of expertise and connections to the Company. Consultants include the management and directors of the Company, and other support roles.
- Professional fees decreased to $190,605 from $243,654 which can be attributed to higher legal fees incurred in the previous year.

Liquidity and Capital Resources

As at November 30, 2022, the Company has a working capital deficiency of $817,592 compared to a working capital deficiency of $1,008,621 at November 30, 2021 as a result of the completion of the private placement during the year.

Operating Activities

During the year ended November 30, 2022, the Company used cash of $1,036,887 from operating activities (year ended November 31, 2021 - $855,559) for normal operating expenses. The Company incurred non-cash expenditures of $19,992 related to accretion of its consideration payable to Phenome (year ended November 31, 2021 – non-cash expenditures of $195,562 related to accretion, $115,042 related to amortization of the right-of-use asset, $1,460,000 for the impairment of intangible assets, $335,00 for the impairment of investments, $574,601 for share-based payments, and $912,360 for the write-off of assets).

Liquidity and Capital Resources (continued)

Investing Activities

During the year ended November 30, 2022, the Company used cash of $311,054 (year ended November 31, 2021 - $302,797) in investing activities that consisted of $311,054 provided as a loan to PNW. In the prior period, the Company paid cash consideration of $217,797 to 1088, $50,000 to Lords of Grasstown, and $35,000 to the investment in Rock Creek.

Financing Activities

Finally, the Company received cash of $1,497,424 (year ended November 31, 2021 - $1,135,114) from financing activities. The Company completed a private placement for proceeds of $1,497,424, net of share issue costs and subscriptions during the current period. In the prior period, the Company completed a private placement, made lease payments, and repaid a loan.

The Company's principal assets are at a start-up stage and the Company believes that the current capital resources are not sufficient to satisfy its current liabilities and pay overhead expenses for the next twelve months and will need to seek additional financing to fund its operations and pursue future expansions. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects. As the Company is currently not able to generate sufficient cash from its operations to fund its operations, the Company will have to rely on issuing shares for cash or to settle debt, loans, and related party loans to fund ongoing operations and investments.

This MD&A has been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. As at November 30, 2022, the Company has accumulated losses of $17,053,889 since inception and expects to incur further losses in the development of its business, all of which are material uncertainties that cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations.

Although the Company has been successful in the past in raising funds to continue operations and management is intending to secure additional financing as may be required, there is no assurance it will be able to do so in the future.

Capital Management

The Company's shareholders' equity comprises its capital under management. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue new business opportunities in the area of white label product sales and distribution and to maintain a flexible capital structure that optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

In order to maximize ongoing development efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with maturities of 365 days or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations. To fund future operating activities, the Company will need to become profitable in perusing its new business and/or raise funds through future share issuances, issue new debt or dispose of assets. There have been no changes to the Company's approach to capital management during the year ended November 30, 2022. The Company is not subject to externally imposed capital requirements.

(Expressed in Canadian Dollars)

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions and Balances

The Directors and Executive Officers of the Company as of the date of this report are as follows:

Chris Farnworth	CEO, Interim CFO, Corporate Secretary, and Director
Chad Clelland	Director
Matthew McGill	Director

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and Chief Executive Officer, and Chief Finance Officer. Subsequent to year-end, the Company's Chief Finance Officer resigned and the Chief Executive Officer was appointed as interim Chief Finance Officer.

These transactions are incurred in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties unless otherwise stated. Remuneration attributed to key management personnel can be summarized as follows:

Year ended November 30, 2022	**Consulting Fees**	**Share-based Compensation**
Consulting fees paid/accrued to the current CEO	$ 105,000	$ -
Consulting fees paid/accrued to a director	173,000	
Consulting fees paid/accrued to the current Corporate Secretary	15,000	
Consulting fees paid/accrued to the former Corporate Secretary	6,000	
	$ 299,000	$ -

Year ended November 30, 2021	**Consulting Fees**	**Share-based Compensation**
Consulting fees paid/accrued to the former CEO	$ -	$ 87,817
Consulting fees paid/accrued to the current CEO	15,000	-
Consulting fees paid/accrued to the Corporate Secretary	36,000	43,909
Consulting fees paid/accrued to a company controlled by the former CEO	67,500	-
Consulting fees paid/accrued to a company controlled by the former CFO	5,025	-
Share-based payments to the former CFO	-	14,636
Share-based payments to directors of the Company	-	65,863
	$ 123,525	$ 212,225

Included in accounts payable and accrued liabilities at November 30, 2022 is $2,000 (November 30, 2021 - $48,260) owing to current and former directors, companies controlled by directors or companies with directors in common.

(Expressed in Canadian Dollars)

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are disclosed in Note 4 of the consolidated financial statements.

Financial Instruments

The Company's financial instruments are categorized in a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company classifies its cash as fair value through profit or loss and, amounts receivable, and loan receivable at amortized cost. The carrying values of accounts payable and accrued liabilities and consideration payable, which have been classified as financial liabilities at amortized cost, are measured at amortized cost using the effective interest method.

Assets measured at fair value on a recurring basis were presented on the Company's audited consolidated statement of financial position as at November 30, 2022 and November 30, 2021 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets for Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)	Total
November 30, 2022				
Assets				
Cash	$ 154,016	$ -	$ -	$ 154,016
November 30, 2021				
Assets				
Cash	$ 4,533	$ -	$ -	$ 4,533

The Company's risk exposure and the impact on the Company's financial instruments are summarized below.

Credit risk

Credit risk is the risk of potential loss to the Company if a counter party to a financial instrument fails to meet its payment obligations. The Company is exposed to credit risk with respect to its cash and amounts receivable. The Company's credit risk is primarily attributable to cash and amounts receivable. Management believes that the credit risk concentration with respect to cash is remote as it maintains accounts with highly-rated financial institutions. Amounts receivable have been collected subsequent to year-end.

Financial Instruments (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. As at November 30, 2022, the Company had current liabilities of $1,226,691 (November 30, 2021 - $1,078,976). Based on the current funds held, the Company does not have sufficient working capital for the short term, and thus will need to rely upon financing from shareholders and/or debt holders to obtain sufficient working capital. There is no assurance that such financing will be available on terms and conditions acceptable to the Company.

The following is a table of the Company's maturity of its liabilities as at November 30, 2022, excluding accounts payable and accrued liabilities:

	Phenome Agreement	Total
	$	$
Due in 1 year	200,000	200,000
	200,000	**200,000**

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(i) Interest rate risk

Interest rate risk consists of two components:

(a) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.

(b) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company is not exposed to significant interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign currency rates. The Company is exposed to foreign exchange rate risk as it conducts business in both the United States and Canada. As at November 30, 2022, the Company had cash of US $82,375, amounts receivable of US $119,601 and accounts payable of US $142,166 denominated in USD. A 10% change in the appreciation or depreciation of the Canadian dollar relative to the US dollar would result in a change of approximately $11,500 to the Company's cash, $16,200 to the Company's amounts receivable, and $19,000 to the Company's accounts payable. Management monitors its foreign currency balances, but the Company does not engage in any hedging activities to reduce its foreign currency risk.

(ii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company does not hold any equity securities and therefore does not have significant exposure to price risk.

(Expressed in Canadian Dollars)

Subsequent Events

On January 3, 2023, the Company repriced the warrants granted on February 16, 2022, April 5, 2022, May 20, 2022, and June 1, 2022 from an exercise price of \$0.20 to \$0.10.

On January 9, 2023, the Company entered into a loan agreement with PNW to provide a loan of \$9,000. The loan bears interest of 10% per annum and is due on demand.

On February 14, 2023, the Company completed the acquisition of all issued and outstanding shares of PNW, see Note 6 of the consolidated financial statements for additional details.

On April 5, 2023, the warrant expiry acceleration clause was triggered and the warrants originally issued on February 16, 2022, April 5, 2022, May 20, 2022, and June 1, 2022 will expire on May 12, 2023. Pursuant to this clause, 12,486,606 warrants with an exercise price of \$0.10 expired unexercised on May 12, 2023.

On April 12, 2023, the Company issued 4,350,000 stock options with an exercise price of \$0.11 to consultants that expire on April 12, 2025.

On June 8, 2023, 365,000 stock options with an exercise price of \$2.05 expired unexercised.

Subsequent to the year ended November 30, 2022, the Company issued 6,319,729 common shares pursuant to the exercise of warrants for gross proceeds of \$631,973.

Outstanding Share Data

As of November 30, 2022 and November 10, 2023, the Company has the following equity outstanding:

	November 30, 2022	November 10, 2023
Common shares	28,880,990	57,640,719
Stock options	750,000	4,735,000
Warrants	19,551,160	744,825
Agent warrants	331,910	331,910
Fully diluted shares	49,514,060	63,452,454

Board Approval

The board of directors of the Company approved this MD&A on November 10, 2023.

Risks and Uncertainties

Under Canadian reporting requirements, management of the Company is required to identify and comment on significant risks and uncertainties associated with its business activities.

Warrants are Speculative in Nature and may not have any Value
The Warrants do not confer any rights of Common Share ownership on their holders, such as voting rights or the right to receive dividends, but rather merely represent the right to acquire Common Shares at a fixed price for a limited period of time. Moreover, the market value of the Warrants, if any, is uncertain and there can be no assurance that the market value of the Warrants will equal or exceed their imputed offering price. There can be no assurance that the market price of the Common Shares will ever equal or exceed the exercise price of the Warrants, and consequently, whether it will ever be profitable for holders of the Warrants to exercise their Warrants.

Volatility of Stock Price and Market Conditions
The market price of the common shares may be subject to wide fluctuations in response to factors such as actual or anticipated variations in its results of operations, changes in financial estimates by securities analysts, general market conditions and other factors. Market fluctuations, as well as general economic, political and market conditions such as recessions, interest rate changes or international currency fluctuations, may adversely affect the market price of the common shares, even if the Company is successful in maintaining revenues, cash flows or earnings. The purchase of the common shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Securities of the Company should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company should not constitute a major portion of an investor's portfolio.

Negative Cash Flow from Operations
During the year ended November 30, 2022, the Company sustained net losses from operations. Although the Company anticipates it will have positive cash flow from operating activities in future periods, it is possible the Company may have negative cash flow in any future period as the Company continues to progress its expansion plans and its capacity of operations.

Environmental Regulations and Risks
The Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non- compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. The Company may be required to compensate those suffering loss or damage by reason of its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Early Stage of Development
The Company, while incorporated in 2012, began carrying on business in 2021 and has generated limited revenue from the sale of products to date. The Company is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

Additional Financing
The Company may require equity and/or debt financing to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to the Company when needed or on terms that are commercially viable. The Company's inability to raise financing to fund capital expenditures or acquisitions could limit its growth and may have a material adverse effect upon future profitability.

If additional funds are raised through further issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions.

Reliance on Management
The success of the Company is dependent upon the ability, expertise, judgment, discretion and good faith of its senior management and employees. While employment agreements or management agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

Product Liability
Certain of the Company's proposed manufacture, process and/or distribute of its products are designed to be ingested by humans, and therefore face an inherent risk of exposure to product liability claims, regulatory action and litigation if products are alleged to have caused significant loss or injury. In addition, previously unknown adverse reactions resulting from human consumption of its products alone or in combination with other medications or substances could occur. A product liability claim or regulatory action against the Company could result in increased costs, could adversely affect the Company's reputation, and could have a material adverse effect on the results of operations and financial condition of the Company.

Management of Growth
The Company may experience a period of significant growth in the number of personnel that will place a strain upon its management systems and resources. Its future will depend in part on the ability of its officers and other key employees to implement and improve financial and management controls, reporting systems and procedures on a timely basis and to expand, train, motivate and manage the workforce. The Company's current and planned personnel, systems, procedures and controls may be inadequate to support its future operations.

Dividends
The Company does not anticipate paying any dividends in the foreseeable future. Dividends paid by the Company would be subject to tax and, potentially, withholdings.

Intellectual Property
The success of the Company will depend, in part, on the ability to maintain and enhance trade secret protection over the various existing and potential proprietary techniques and processes of the Company. The Company may be vulnerable to competitors who develop competing technology, whether independently or as a result of acquiring access to the proprietary products and trade secrets of the Company. In addition, effective future patent, copyright and trade secret protection may be unavailable or limited in certain foreign countries and may be unenforceable under the laws of certain jurisdictions.

Insurance Coverage
The Company will require insurance coverage for a number of risks. Although Management believes that the events and amounts of liability covered by such insurance policies should be reasonable, taking into account the risks relevant to the Company's business, and the fact that agreements with users contain limitations of liability, there can be no assurance that such coverage will be available or sufficient to cover claims to which the Company may become subject. If insurance coverage is unavailable or insufficient to cover any such claims, the Company's financial resources, results of operations and prospects, could be adversely affected.

Costs of Maintaining a Public Listing
As a public company, there are costs associated with legal, accounting and other expenses related to regulatory compliance. Securities legislation and the rules and policies of the CSE, OTCQB and Frankfurt Stock Exchange require listed companies to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information, all of which add to a company's legal and financial compliance costs. The Company may also elect to devote greater resources than it otherwise would have on communication and other activities typically considered important by publicly traded companies.

Operational Risks
The Company may be affected by a number of operational risks and may not be adequately insured for certain risks, such as, labour disputes; catastrophic accidents; fires; blockades or other acts of social activism; changes in the regulatory environment; impact of non-compliance with laws and regulations; natural phenomena, such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's Property and Facility, personal injury or death, environmental damage, adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and adverse governmental action, any of which could have an adverse impact on the Company's future cash flows, earnings and financial condition on the Company. Also, the Company may be subject to or affected by liability or sustain loss for certain risks and hazards against which they may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Difficulty Implementing Business Strategy
The growth and expansion of the Company is heavily dependent upon the successful implementation of its business strategy. There can be no assurance that the Company will be successful in the implementation of its business strategy.

Conflicts of Interest
Certain of the Company's directors and officers are, and may continue to be, involved in other business ventures through their direct and indirect participation in corporations, partnerships, joint ventures, etc. that may become potential competitors of the technologies, products and services the Company intends to provide. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors' and officers' conflict with or diverge from the Company's interests. In accordance with applicable corporate law, directors who have a material interest in or who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and officers are required to act honestly and in good faith with a view to the Company's best interests.

However, in conflict-of-interest situations, the Company's directors and officers may owe the same duty to another company and will need to balance their competing interests with their duties to the Company. Circumstances (including future corporate opportunities) may arise that may be resolved in a manner that is unfavourable to the Company.

Ability to Maintain Bank Accounts
While the Company does not anticipate any banking restrictions at this time, there is a risk that banking institutions may not accept payments related to the cannabis industry. Such risks could increase costs for the Company. In the event financial service providers do not accept accounts or transactions related to the cannabis industry, it is possible that the Company may be required to seek alternative payment solutions. If the industry was to move towards alternative payment solutions the Company would have to adopt policies and protocols to manage these changes. The Company's inability to manage such risks may adversely affect the Company's operations and financial performance.

Changes in Political and Market Conditions
The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events and potential economic global challenges, such as the risk of higher inflation and energy crises, may create further uncertainty with respect to the Company's ability to execute its business plans.

Significant Accounting Estimates and Judgements
For a detailed summary of the Company's significant accounting estimates and judgements, the readers are directed to Note 4 of the Notes to the audited consolidated financial statements for the years ended November 30, 2023 and 2022 that are available on SEDAR at www.sedarplus.ca.

Adoption of New Accounting Pronouncements
For a detailed summary of the Company's significant accounting policies, the readers are directed to Note 3 of the Notes to the audited consolidated financial statements for the years ended November 30, 2023 and 2022 that are available on SEDAR at www.sedarplus.ca.