Cannabix Technologies Inc.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE QUARTER ENDED OCTOBER 31, 2020

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited financial statements and notes thereto for the period ended October 31, 2020 of Cannabix Technologies Inc. (the "Company"). Such financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

DATE

This MD&A is prepared as of December 23, 2020

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to marijuana breathalyzer technology development and future mineral property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about its marijuana breathalyzer technology development, mineral property interests, the global economic environment, the market for marijuana breathalysers and demand for commodities and our ability to manage our technology development, property interests and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) inability to develop an effective marijuana breathalyzer (3) delays in technology development (4) industry competition (5) the uncertainty of government regulation, no guarantee of patent acceptance by regulator authorities (6) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, (7) inability to finance (8) other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

DESCRIPTION OF BUSINESS

The Company was incorporated under the laws of the province of British Columbia on April 5, 2011. The Company completed an initial public offering to list on the TSX Venture Exchange on December 16, 2013 under the symbol "WPO". Effective June 26, 2014, the Company delisted from the TSXV and listed on the Canadian Securities Exchange ("CSE") under the symbol BLO. Previously, the Company was in the mineral acquisition and exploration business and held ownership in one mineral exploration property located in Quebec, Canada. Currently, the Company's primary business is the development of marijuana breathalyzer technology. On August 12, 2014, the Company completed a name change from West Point Resources Inc. to Cannabix Technologies Inc. For further details, please see the Amended and Restated Final Prospectus of the Company dated September 26, 2013 which is available on SEDAR at www.sedar.com

MARIJUANA BREATHALYZER TECHNOLOGY DEVELOPMENT

University of British Columbia Licence Agreement

On September 20, 2019, the Company entered into Licence Agreement to develop a marijuana breath detection device based upon microfluidic technology developed at the University of British Columbia ("UBC"). The Licence Agreement covers Canadian (2947079) and U.S. patent (15/800,679) applications for "Apparatus for Volatile Organic Compound (VOC) Detection" filed on November 1, 2016. UBC has granted the Company a worldwide exclusive license, in the field of use for the detection of human consumption of illegal or controlled substances by means of human breath analysis.

The term of the Licence Agreement is 20 years or until the expiry of the last patent licensed under the agreement. The Company paid a $10,000 licence fee representing reimbursement to UBC of a portion of out of pocket costs and expenses incurred by UBC in connection with the patents. The Company agrees to reimburse UBC for all future out of pocket fees, costs and expenses incurred in connection with the patents. The Company will pay to UBC a royalty equal to 5% of the revenue generated from the licenced technology. The Licence Agreement requires the Company to spend a minimum of $100,000 per year on the development and marketing of licenced technology until the end of the first fiscal year that the Company achieves a minimum of $300,000 of revenue from the licenced technology. There is no assurance that a final patent will be accepted and issued by regulatory authorities in relation to PCT/CA2947079 and 15/800,679.

University of Florida Licence Agreements

On August 6, 2015, the Company entered into research and patent option agreements with Yost Research Group at the University of Florida to develop a marijuana breath detection device based upon high-field ion mobility (FAIMS) and mass spectrometry (MS). On July 25, 2016 (amended on March 6, 2018 and August 26, 2019) completed a definitive license and equity agreement with the University of Florida Research Foundation (UFRF) for US Patent 8,237,118, entitled "Partial Ovoidal FAIMS Electrode", Patent filed on August 21, 2008, invented by Richard A. Yost, Todd A. Prox, Marilyn Prieto and Jennifer G. Bryant, in the area of breath analysis of controlled substances. The agreement provides Cannabix exclusive worldwide rights in the area of breath analysis of controlled substances. Pursuant to the terms of the licence agreement, the company has been granted the licence for a period of 10 years after the first commercial sale of a licensed product (with an option to extend for additional five-year terms). As consideration for the patent licence, the company has issued UFRF 603,870 common shares of the company. Commencing in 2017, an annual license maintenance fee of US$2,000 would be paid by the Company and every year thereafter until the first commercial sale. In addition, the company will pay an annual licence maintenance fee and will make payments upon meeting certain development, regulatory and commercialization milestones. Upon commencement of commercial production, the Company will pay a royalty between 2% and 4% on all net sales.

On March 6, 2018 the Company entered into a second license agreement with the UFRF for Patent Cooperation Treaty ("PCT") application, "Device and Method for Detection of Cannabis and Other Controlled Substances Using FAIMS" (PCT/CA2017/000042), and amended on August 26, 2019. The agreement provides Cannabix exclusive worldwide rights in all breath diagnostic applications of controlled substances. Pursuant to the terms of the licence agreement, the Company has been granted the licence for a period of 10 years after the first commercial sale of a licensed product (with an option to extend for additional five-year terms). The Company will pay an annual licence maintenance fee and will make payments upon meeting certain development, regulatory and commercialization milestones. Upon commencement of commercial production, the Company will pay a royalty between 2% and 4% on all net sales. There is no assurance that a final patent will be accepted and issued by regulatory authorities in relation to PCT/CA2017/000042.

Other Patent Applications

The Company has filed additional patent applications in relation to its technology, all of which are in pending status, and is contemplating further patent filings to protect additional advances in its technology. Applications that are currently pending include a US application for an Ignition Interlock System for Detection of Cannabis and other Controlled Substances Using FAIMS, and Canadian and US applications directed to an Ignition Interlock System for

Detection of Cannabis. There is no assurance that final patents will be accepted and issued by regulatory authorities. A provisional patent application directed at multiple technological advancements that the company has made to FAIMS technology to render it sufficiently sensitive for the detection of cannabis from breath samples has also been filed, and the technology protected by this application extends to the detection of other molecules by FAIMS as well.

Agreement with Cannabix Breathalyzer Inc.

On June 5, 2014, the Company and Cannabix Breathalyzer Inc (a private company) entered into a definitive licensing agreement for marijuana breath detection technology. The definitive licensing agreement ("Definitive Agreement") provides the Company (the "Licensee") exclusive right, title, and interest in United States Patent Application Serial No. 61/981,650 No. 1 ("Licensed Patent") from Cannabix Breathalyzer Inc. (the licensor). The territory covered in the agreement is the United States and its territories and possessions, and all other countries that are deemed to constitute the North American Continent (the "Territory"). In consideration for the Licensed Patent, the Company issued 7,500,000 common shares to current shareholders of Cannabix Breathalyzer Inc. and issued 7,500,000 warrants exercisable at $0.075 (fully exercised by the expiry date on June 26, 2015) to Cannabix Breathalyzer Inc. The Licensee shall pay Licensor a royalty of three percent (3%) of Licensee's selling price for each Licensed Product manufactured, used, or sold by Licensee in the Territory or imported by Licensee into the Territory. Additional milestone share payments are required by the Definitive Agreement.

Additional milestone payments

The Definitive Agreement outlines share payments upon reaching the following milestones: The issuance of 7,500,000 of common shares of the Company within 14 business days of prototype delivery to the Company and this prototype was received and shares were issued on April 9, 2015. Furthermore, upon the future receipt of the final patent, the company will issue 5,000,000 common shares of the Company. US non-provisional patent application no. 14/689,434 was filed April 17, 2015 (cannabis drug detection device) claiming priority from the prior provisional application and naming the same inventors Attariwala and Malhi. The US application was published on October 29, 2015. Assignment of the application from the inventors to Cannabix Breathalyzer was recorded in the US Patent Office on June 4, 2015. Assignment of the application from Cannabix Breathalyzer Inc. to Cannabix Technologies Inc. was recorded in the US Patent Office on August 23, 2016. Corresponding Canadian patent application No. 2887841 was filed April 16, 2015, also claiming priority from the prior provisional application, and an assignment of the application from Cannabix Breathalyzer Inc. to Cannabix Technologies Inc. was also recorded with the Canadian Intellectual Property Office on August 23, 2016.

The Company has received office actions and comments from Canadian and US Patent and Trademark Offices since its initial filing. As it is entitled to do with all patent applications, the Company on has filed a response on February 27, 2020 to overcome objections raised in an Office Action issued by the US Patent and Trademark Office dated August 29, 2019. The Company has also filed a response on January 2, 2020, to address objections raised by the Canadian Intellectual Property Office in an Examiner's Report issued July 3, 2019. New office actions were issued by the US and Canadian authorities on March 17, 2020 and April 9, 2020, respectively, and the Company is currently working with its intellectual property counsel to respond to the objections raised in those office actions. A response was filed in the US on September 15, 2020. On October 16, 2020 the Company received a notice of allowance from the USPTO for US non-provisional patent application no. 14/689,434. There is no assurance that final patents will be accepted and issued by regulatory authorities.

OVERALL PERFORMANCE

The Company was incorporated on April 5, 2011. As an early-stage technology development company, the Company has not generated revenues to date from the development its marijuana breathalyzer technologies and anticipates that it will continue to require equity financing to fund operations until such time a commercial product is developed and generates revenues on a profitable basis. The Company is focussed on technology development and management anticipates that expenses will increase during the foreseeable future as the Company carries out prototype development of its marijuana breathalyzer technologies and eventually initiates third party research and testing studies on such a product. The Company has incurred costs in connection with the technology development business. Net loss for the three-month period ended October 31, 2020 was $433,855 compared to $1,418,439 for the three-month period ended October 31, 2019. Net loss for the six-month period ended October 31, 2020 was $1,543,797 compared to $1,957,514 for the six-month period ended October 31, 2019.

The Company has two licence agreements with the University of Florida to develop a marijuana breath detection device based upon high-field ion mobility (FAIMS) and mass spectrometry. The Company has a licence agreement with UBC to develop a marijuana breath detection device based upon microfluidic sensor technology.

RESULTS OF OPERATIONS

Three-month period ended October 31, 2020

During the three-month period ended October 31, 2020, the Company incurred expenses of $485,572 compared to $1,437,957 for the period ended October 31, 2019. Expenses were comprised of primarily Research and Development costs of $305,584 compared to $321,380 for the period ended October 31, 2019, which was similar in both periods and all related to the technology development. Advertising and promotion expenses were $9,280 compared to $47,178 in 2019, which was significantly lower in 2020 due to the timing of advertising campaigns. Consulting fees were $112,500 in both comparable periods ending October 31, 2020 and October 31, 2019. Professional fees (legal & Accounting) for the period ended October 31, 2020, were $17,337, compared to $19,115 for the period ended October 31, 2019, the slightly higher amount in 2019 is due to additional legal fees related to patent filings. Transfer agent and filing fees were $17,740 for the quarter ended October 31, 2020 compared to $25,147 for the quarter ended October 31, 2019. Travel related expenses were $153 during the three-month period ended October 31, 2020 compared to $7,074 in 2019, which was significantly lower in 2020 due to suspended travel as a result of COVID-19. Office and administration expenses were $4,487 for the period ended October 31, 2020 compared to $3,319 for the period ended October 31, 2019. Rent expense was $12,513 for the quarter ended October 31, 2020 compared to $6,600 for the quarter ended October 31, 2019, the increase was due to the Company having additional office space in Vancouver, BC and Gainesville, FL. The Company recorded depreciation of $5,978 in the quarter ended October 31, 2020 compared to $5,352 in the quarter ended October 31, 2019. Insurance costs were $nil during the quarter ended October 31, 2020 compared to $17,950 during the quarter ended October 31, 2019, a difference resulting from the timing of policy renewals. Fair value of stock options granted during the period ended October 31, 2020 was $nil compared to $872,342 for the period ended October 31, 2019. Fair value amounts related to stock options were recorded as share-based compensation. Interest income for the quarter ended October 31, 2020 was $51,717 compared to $19,518 for the quarter ended October 31, 2019. Net loss for the three-month period ended October 31, 2020 was $433,855, compared to a net loss of $1,418,439 for the three-month period ended October 31, 2019.

Six-month period ended October 31, 2020

During the six-month period ended October 31, 2020, the Company incurred expenses of $1,595,514 compared to $1,977,032 for the six-month period ended October 31, 2019. Expenses were comprised of primarily share-based compensation of $687,453, which was the fair value of 1,790,000 stock options granted during the period. During the six-month period ended October 31, 2019, $944,732, was recorded as the fair value of 2,150,000 stock options granted. Research and Development costs for the six months in 2020 were $509,899 compared to $588,797 for the period ended October 31, 2019, which were higher for the period ended October 31, 2019 due to additional expenditures related to the technology development. Advertising and promotion expenses were $30,310 compared to $87,997 in 2019, a higher amount during 2019 due to the timing of advertising campaigns. Consulting fees were $225,000 during both of the compared periods ending October 31, 2020 and October 31, 2019. Professional fees (legal & Accounting) for the six-month period ended October 31, 2020, were $40,854, compared to $28,780 for the six-month period ended October 31, 2019, the increase was due to additional legal fees related to patent filings. Transfer agent and filing fees were $55,240 compared to $29,479 for the period ended October 31, 2019, which were higher in 2020 due to an increase in exchange fees and the timing of transfer agent fees related to the AGM. Insurance costs were $nil during the six-month period ended October 31, 2020 compared to $17,950 during the six-month period ended October 31, 2019, a difference resulting from the timing of policy renewals Travel related expenses were $153 compared to $16,038 in 2019, which was significantly lower due to suspended travel as a result of COVID-19. Rent expense was $22,633 for the six-month period ended October 31, 2020 compared to $18,645 for the six-month period ended October 31, 2019, the increase was due to the Company having additional office space in Vancouver, BC and Gainesville, FL. The Company recorded depreciation of $11,330 for the six-month period ended October 31, 2020 compared to $10,704 for the same period ended October 31, 2019. Interest income from GICs for the six-month period ended October 31, 2020 was $51,717 compared to $19,518 for the same period in 2019. Net loss for the six-month period ended October 31, 2020 was $1,543,797, compared to a net loss of $1,957,514 for the six-month period ended October 31, 2019.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Quarter Ended October 31, 2020	**Quarter Ended July 31, 2020 $**	**Quarter Ended April 30, 2020 $**	**Quarter Ended January 31, 2020 $**	**Quarter Ended October 31, 2019 $**	**Quarter Ended July 31, 2019 $**	**Quarter Ended April 30, 2019 $**	**Quarter Ended January 31, 2019 $**
	10/31/2020	07/31/2020	04/30/2020	01/31/2020	10/31/2019	07/31/2019	04/30/2019	01/31/2019
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss	(433,855)	(1,109,942)	(4,490,480)	(523,435)	(1,418,439)	(538,431)	(803,982)	(524,406)
Loss per share, basic and diluted	–	(0.01)	(0.04)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)

On a quarter-by-quarter basis the loss can fluctuate significantly due to research & development costs and the timing of stock option grants.

An analysis of the quarterly results over the last eight quarters shows significant changes in financial performance during the quarters ended July 31, 2020, April 30, 2020, October 31, 2019, and a slightly higher net loss for the quarter ended April 30, 2019. Net loss was higher during the quarter ended April 30, 2020, primarily due to the write-down of deferred costs relating to the original license agreement of $3,893,163. Net loss for the Company was higher due to the Company incurring costs related to share-based payments during the quarters ended July 31, 2020 and October 31, 2019, and a year-end adjustment to the stock-based compensation during the quarter ended April 30, 2019. During the quarter ended July 31, 2020, the Company incurred share-based payment expenses of $687,453. During the quarter ended October 31, 2019, the Company incurred share-based payment expenses of $1,876,940. During the quarter ended July 31, 2019, the Company incurred share-based payment expenses of $72,390. Share-based compensation is the fair value of the stock options granted using the Black-Scholes option pricing model. Research and development costs began increasing during the quarter ended January 31, 2017 and have continued to increase or remain at this current level during the subsequent quarters. Research and development costs have increased due to additional consulting, independent contractors, testing, and materials, all related to the technology development. Management anticipates expenditures to increase slightly or remain similar to the last eight quarters, with exception of the share-based compensation expenses. Research and development costs and consulting fees may increase slightly, and investor communications fees should remain similar. Share-based payments are expected to decrease over the next few quarters if additional stock options are not issued. Other expenditures should remain relatively stable going forward as management does not anticipate additional costs related to the Company's activities. General and administrative expenses incurred during last eight quarters have remained relatively stable, but may increase slightly.

LIQUIDITY

The Company has not begun commercial sales of any of its technology holdings and nor has production occurred form activities on its resource properties and accordingly, the Company does not generate cash from operations. The Company finances technology development by raising capital from equity markets. The Company may encounter difficulty sourcing future financing in light of the recent economic downturn.

The Company had cash of $7,634,581 at October 31, 2020 and $9,229,341 at October 31, 2019, and the Company had working capital of $7,567,464 at October 31, 2020 and working capital of $9,261,442 at October 31, 2019. The Company had $546,000 in short-term investments at October 31, 2020 and $7,017,250 at October 31, 2019.

During the six-month period ending October 31, 2020, the Company issued nil (2019 - 1,100,000) common shares for proceeds of $nil (2019 - $137,500) pursuant to the exercise of share purchase options. As at October 31, 2020, the amount of $78,750 is recorded as share subscriptions receivable.

If additional funds are required, the Company plans to raise additional capital primarily through the private placement of its equity securities. Under such circumstances, there is no assurance that the Company will be able to obtain further funds required for the Company's continued working capital requirements. Due to the recovery from the global financial crisis, the Company may find it increasingly difficult to raise the funds required to continue the Company's operations. Share prices have undergone significant decreases and any issuance of the Company's equity securities in the near future may result in substantial dilution to the Company's existing shareholders.

CAPITAL RESOURCES

The Company continues to utilize its cash resources to fund its administrative requirements and product development. As the Company does not currently generate revenue, cash balances will continue to decline as funds are utilized to conduct its operations, unless replenished by capital fundraising. In order to fund the Company's ongoing operational needs, the Company will need funding through equity or debt financing. The Company's operations to date have been financed by the issuance of its common shares. The Company continues to seek capital through various means including the issuance of equity and debt. While the Company has been successful in raising funds in the past, there is no assurance that it will continue to do so in the future or that it will be available on a timely basis or on terms acceptable to the Company.

The financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. If the Company is unable to obtain sufficient funding, the ability of the Company to meet its obligations as they come due and, accordingly, the ability of the Company to continue as a going concern will be in significant doubt.

Operating Activities

The Company used net cash of $370,275 in operating activities during the quarter ended October 31, 2020 compared to $560,439 during the quarter ended October 31, 2019.

Financing Activities

The Company received net cash of $nil from financing activities during the quarters ended October 31, 2020 and October 31, 2019.

Investing Activities

The Company used cash of $65,693 in investing activities during the quarter ended October 31, 2020 compared to $nil during the quarter ended October 31, 2019.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

(a) As at October 31, 2020, the Company owed $nil (2019 - $11,000) to officers and directors of the Company which was included in accounts payable and accrued liabilities.

(b) During the period ended October 31, 2020, the Company incurred consulting fees of $37,500 (2019 - $37,500) to the Chief Executive Officer of the Company

(c) During the period ended October 31, 2020, the Company incurred consulting fees of $33,000 (2019 - $33,000) to the Chief Financial Officer of the Company.

(d) During the period ended October 31, 2020, the Company incurred consulting fees of $42,000 (2019 - $42,000) to a company controlled by the President of the Company.

(e) During the period ended October 31, 2020, the Company incurred research and development costs of $33,000 (2019 - $33,000) to a director of the Company.

(f) During the three-month period ended October 31, 2020, the Company granted nil (2019 – 1,845,000) stock options with a fair value of $nil (2019 – $827,143) to Directors and Officers.

(g) As at October 31, 2020, the Company was owed $78,750 (2019 - $78,750) from the Chief Financial Officer of the Company which is recorded as share subscriptions receivable.

PROPOSED TRANSACTIONS

There are no proposed transactions that have not been disclosed herein.

SUBSEQUENT EVENTS

On November 20, 2020 the Company extended the expiry date of 3,681,500 outstanding share purchase warrants. The warrants were issued pursuant to a private placement completed in December 2017 with an exercise price of $1.60 per common share and would have expired on December 7, 2020. The expiry date of these warrants has been extended to December 7, 2022. All other terms of the warrants remain the same.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Company has implemented all new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities, and due to related parties. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest rate, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

During the periods ended October 31, 2020 and 2019, the Company incurred the following expenses:

	Quarter Ended October 31, 2020	**Quarter Ended October 31, 2019**
Research & Development	$305,584	$321,380
Share-based payments	$nil	$872,342
General and administrative costs	$179,988	$244,235

An analysis of material components of the Company's general and administrative expenses is disclosed in the unaudited financial statements for the period ended October 31, 2020 to which this MD&A relates.

DISCLOSURE OF OUTSTANDING SHARE DATA

Common Shares

The Company's common shares are listed on the Canadian Securities Exchange. The Company's authorized share capital consists of an unlimited number of common shares without par value. As at October 31, 2020 the Company had 105,124,104 common shares issued and outstanding.

Share Purchase Warrants

As at October 31, 2020, the following share purchase warrants were outstanding:

Number of warrants outstanding	Exercise price $	Expiry date
3,681,500	1.60	December 7, 2020
3,681,500		

Stock Options

During the six-month period ended October 31, 2020, the Company granted 1,790,000 stock options. The Company had 8,740,000 stock options outstanding as at October 31, 2020 which had the following characteristics:

Number of Options	Exercise Price	Expiry Date
2,300,000	$0.35	May 12, 2021
2,300,000	$0.85	January 24, 2022
150,000	$1.50	May 13, 2021
1,845,000	$0.80	September 23, 2024
155,000	$0.80	September 23, 2021
200,000	$0.80	February 11, 2022
1,565,000	$0.50	May 11, 2025
225,000	$0.50	May 11, 2022

RISK FACTORS

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

Risks Related to the Company's Business

Because of the unique difficulties and uncertainties inherent in ***early stage technology development****, the Company faces a high risk of business failure.*

Risks and Uncertainties

An investment in the Company involves significant risks and must be considered speculative due to the nature of the Company's business. Investors should carefully consider the risks and uncertainties described below. This list of risks and uncertainties below is not exhaustive. Furthermore, additional risks and uncertainties not presently known to the Company or that the Company believes to be immaterial may also adversely affect Cannabix Technologies' business.

Risks Related to the Company's Business

The Company has a history of operating losses and may never achieve profitability in the future. The Company is an early stage technology development company; accordingly, it has not yet generated any revenues.

The Company expects to be involved in research and development to create several prototype marijuana breathalyzers and then performing extensive trial testing and conducting research studies with such devices prior to determining their commercial viability. This process may take several years and require significant financial resources without income. The Company expects these expenses to result in continuing operating losses for the foreseeable future.

The Company's ability to generate future revenue or achieve profitable operations is largely dependent on its ability to attract the experienced management and know-how to develop a trial tested device and to (perhaps) partner with larger, more established companies in the industry to successfully commercialize a marijuana breathalyzer. Successfully developing a marijuana breathalyzer into marketable device may take several years and significant financial resources and the Company cannot assure that it can achieve these objectives.

The Company will primarily be in a developing industry and will be subject to all associated regulatory risks.

As a result, the Company's business must be evaluated in light of the problems, delays, uncertainties and complications encountered in connection with establishing a marijuana breathalyzer and related business.

There is a possibility that the Company's marijuana breathalyzer, currently under development, will be found to be ineffective, that it will be unable to receive necessary regulatory approvals in order to commercialize a device, or that it will obtain regulatory approvals that are too narrow to be commercially viable.

Any failure to successfully develop and obtain regulatory approval for products would have a material adverse effect on the Company's business, financial condition and results of operations.

Trial testing for potential marijuana breathalyzer will be expensive and time consuming, and their outcome uncertain.

Before the Company can obtain regulatory approval for the commercial sale of any marijuana breathalyzer, it will be required to complete extensive trial testing to demonstrate safety and efficacy. Depending on the exact nature of trial testing, such trials can be expensive and are difficult to design and implement. The testing process is also time-consuming and can often be subject to unexpected delays.

The timing and completion of trial testing may be subject to significant delays relating to various causes, including: inability to manufacture or obtain sufficient quantities of materials and or test subjects for use in trial testing; delays arising from collaborative partnerships; delays or failures in the technology during the testing period; delays in obtaining regulatory approvals to commence a study, or government intervention to suspend or terminate a study; delays, suspensions or termination of trial testing due to the applicable institutional review board or independent ethics board responsible for overseeing the study to protect research subjects; delays in identifying and reaching agreement on acceptable terms with prospective trial testing sites and subjects; variability in the number and types of subjects available for each study and resulting difficulties in identifying and enrolling subjects who meet trial eligibility criteria; scheduling conflicts; difficulty in maintaining contact with subjects after testing, resulting in incomplete data; unforeseen safety issues or side effects; lack of efficacy during trial testing; reliance on research organizations to conduct trial testing, which may not conduct such trials with good laboratory practices; or other regulatory delays.

Protection of proprietary technology can be unpredictable and costly.

The Company's success will in part, depend upon its ability to obtain patents for its patent applications and being able to maintain the existing patent it has licenced from UFRF as well as successfully file future patents. Obtaining such patent protection can be costly and the outcome of any application for such can be unpredictable. In addition, any breach of confidentiality by a third party by premature disclosure may preclude the obtainment of appropriate patent protection, thereby affecting the development and commercial value of the Company's technology and products.

Competition

The planned business to be carried out by the Company will be highly competitive and involve a high degree of risk. There are several direct and indirect competitors to the Company. In its efforts to achieve its objectives, the Company will compete with other companies that may have greater resources, faster execution to market, and potentially superior technology.

Uninsured or Uninsurable Risk

The Company may become subject to risks against which it cannot insure or against which it may elect not to insure. Settling related liabilities would reduce funds available for core business activities. Settlement of uninsured liabilities could have a material adverse effect on our financial position.

Conflicts of Interest

The Company's directors and officers may currently be involved, or become involved, in other business ventures that compete with our platform and services. Business opportunities for the Company may create circumstances in which outside interests of our directors and officers conflict with the interests of the Company. Directors and officers are required to act in good faith and in a manner that benefits the Company.

It is possible, however, that our directors and officers may owe similar consideration to another organization(s). It is possible that these and other conflicts of interest are resolved in a way that has a material adverse impact on the Company.

Dependence on Key Personnel

The Company depends on support from existing directors and officers and its ability to attract, and retain, new directors, officers and other personnel with appropriate skill sets. Inability to retain key team members or find new professionals to serve in important roles could have a material adverse effect on the Company's business. There can be no assurance that we will be able to attract or retain the quality of personnel required in the future.

Patent & IP

The Company through its Licence Agreement with Cannabix Breathalyzer Inc. holds certain rights to patent pending technology but cannot guarantee their final patent approval or commercial viability. The Company through its Licence Agreement with UFRF holds certain rights to patented and unpatented technology. The Company through its Licence Agreement with UBC holds certain rights to unpatented technology. The Company cannot guarantee its ability to financially maintain such patents, and or their future commercial viability or use. The Company cannot guarantee final patent approval or commercial viability for any of its licenced or non-licenced patent applications.

Financial Liquidity

The Company has not yet generated meaningful revenue and will likely operate at a loss as it develops its first commercially available device. The Company may require additional financing in order to execute its business plan. The Company's ability to secure required financing will depend in part upon on investor perception of our ability to create a successful business. Capital market conditions and other factors beyond the Company's control may also play important roles in the Company ability to raise capital. The Company can offer no assurance that it will be able to successfully obtain additional financing, or that future financing occurs on terms satisfactory to management and/or shareholders. If funds are unavailable in the future, or unavailable in the amounts that the business requires, or unavailable on acceptable terms, the Company may be required to cease operating or modify its business plans in a manner that may make it unable to achieve the Company's business objectives.

Financial Statements Prepared on Going Concern Basis

The Company's financial statements have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the successful completion of financing and the creation of operations deemed successful according to the standards of our industry. The Company cannot guarantee that it will be successful in obtaining financing in the future or in achieving business objective set forth internally or externally. Our consolidated financial statements may not contain the adjustments relating to carrying values and classification of assets and/or liabilities that would be necessary should the Company be unable to continue as a going concern.

Costs of Maintaining a Public Listing

As a result of obtaining a public listing, the Company will incur greater legal, accounting and other expenses related to regulatory compliance than it would have had it remained a private entity. 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.

Share Price Volatility and Speculative Nature of Share Ownership

The Company is listed for trading on the CSE, resulting in many legacy shareholders being able to freely trade their shares. Factors both internal and external to the Company may significantly influence the price at which our shares trade, and the volatility of our share price. Quarterly operating results and material developments reported by the Company can, and likely will, influence the price of our shares.

Sentiment toward technology stocks, as well as toward the stock market in general, are among the many external factors that may have a significant impact on the price of the Company's shares. The Company is an early-stage company that is not generating revenue and does not possess significant cash reserves. As such, it should be considered a speculative investment. There is no guarantee that a liquid market will be developed or maintained for the Company's shares.

Public Health Crises

Global or national health concerns, including the outbreak of pandemic or contagious diseases, such as COVID-19, may adversely affect the Company. The Company's business, operations and financial condition could be materially adversely affected by the outbreak of epidemics or pandemics or other health crises. The Company expects to experience some short to medium term negative impacts from the COVID-19 outbreak; however, the extent of such impacts is currently unquantifiable, but may be significant. Such impacts include, with respect to its operations, the ability of the Company to access debt or equity capital on acceptable terms or at all.

Risks Relating to the Company's Common Stock

A decline in the price of the Company's common stock could affect its ability to raise further working capital and adversely impact its ability to continue operations.

A prolonged decline in the price of the Company's common stock could result in a reduction in the liquidity of its common stock and a reduction in its ability to raise capital. Because a significant portion of the Company's operations have been and will be financed through the sale of equity securities, a decline in the price of its common stock could be especially detrimental to the Company's liquidity and its operations. Such reductions may force the Company to reallocate funds from other planned uses and may have a significant negative effect on the Company's business plan and operations, including its ability to develop new products and continue its current operations. If the Company's stock price declines, it can offer no assurance that the Company will be able to raise additional capital or generate funds from operations sufficient to meet its obligations. If the Company is unable to raise sufficient capital in the future, the Company may not be able to have the resources to continue its normal operations.

ADDITIONAL INFORMATION

Additional information about the Company is available on SEDAR at http://www.sedar.com.

BOARD APPROVAL

The board of directors of the Company has approved this MD&A.