ENDOCAN SOLUTIONS INC.

(the "Company" or "Endocan")

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED OCTOBER 31, 2021

The following management discussion and analysis ("MD&A") has been prepared by management as of February 28, 2022, and should be read in conjunction with the audited financial statements of the Company and related notes for the year ended October 31, 2021. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All amounts are stated in Canadian dollars unless otherwise indicated.

CAUTIONARY NOTES FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information with respect to the Company's future business plans and strategy. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" (or "does not expect"), "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" (or "does not anticipate"), or "believes", and other similar words and phrases, or which states that certain actions, events, or results "may", "could", "might", or "will" occur. Forward-looking information is based on assumptions and expectations which the Company considers are reasonable, and which are based on management's experience and its perception of trends, current conditions, and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made. The assumptions used to develop forward-looking information include, but not limited to, assumptions about:

- general business and economic conditions;
- the timing of the receipt of regulatory and governmental approvals, permits and authorizations necessary to implement and carry on the Company's planned business objectives;
- conditions in the financial markets generally;
- the Company's ability to secure the necessary consulting, technical and related services and supplies on favourable terms;
- the Company's ability to attract and retain key staff;
- the nature and location of the Company's plants, and the timing of the ability to commence its business operations;
- the anticipated terms of the consents, permits and authorizations necessary to carry out the planned operations and the Company's ability to comply with such terms on a cost-effective basis; and
- the ongoing relations of the Company with the industry regulators.

Although the Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information. The Company can give no assurance that forward-looking information, or the assumptions and expectations on which it is based, will prove to be correct. The Company does not undertake to revise or update any forward-looking information, except in accordance with applicable laws. Readers should not place undue reliance on forward looking information.

Forward-looking information is subject to known and unknown risks and uncertainties that may cause the actual results, or performance of the Company to be materially different from those expressed or implied by such forward-looking information. These risks and uncertainties include risk and uncertainties associated with the medical marijuana industry, such as the potential changes in government regulation, and the uncertainty of predicting operating and capital costs. They also include risks and uncertainties that affect the business environment generally, such as changes in interest rates and the condition of financial markets, and changes in exchange rates, and other risks identified herein under "Risks and Uncertainties".

OVERVIEW

Endocan Solutions Inc. (the "Company") was incorporated on May 11, 2011 under the laws of British Columbia, Canada and maintains its head office at Suite 2100, 650 West Georgia Street, Vancouver, B.C. V6B 4N8. The Company was listed on the Canadian Securities Exchange (the "CSE") under the symbol "WWM". In 2016, the Company was unable to file its audited annual financial statements for its financial year ended October 31, 2015 and the related Management's Discussion and Analysis required under National Instrument 51-102 due to lack of capital required to complete the audit. As a result, the Company received a cease trade order on August 18, 2016, and delisted from the CSE effective December 6, 2016. On October 21, 2019, the Company received the revocation of cease trade orders and has brought all its filings up to date.

Proposed transaction

On June 4, 2021, the Company announced the signing of a share exchange agreement whereby the Company proposed to acquire 100% of the issued and outstanding shares of Nirvana Life Sciences Inc. ("Nirvana") in exchange of approximately 39,000,000 common shares of the Company (the "Transaction"). Under the amendment signed on August 16, 2021, the Company will acquire 39,455,095 out of 39,827,095 issued and outstanding common shares in the capital of Nirvana. The Transaction will be considered a reverse takeover transaction. The Company will seek a reactivation of its listing on the CSE.

On January 10, 2022, three shareholders of Nirvana surrendered a total of 13,750,000 common shares of Nirvana for cancellation. As a result, the share exchange agreement was further amended to reflect the fact that Endocan will be acquiring 25,905,095 Nirvana shares, which constitutes 99.34% of the issued and outstanding shares of Nirvana.

Completion of the Transaction will be subject to certain conditions, including but not limited to, completion of confirmatory due diligence by the Company, receipt of shareholder approvals, receipt of all necessary approvals of the Transaction by the CSE as the Company's reactivation transaction, the resulting issuer satisfying the listing requirements of the CSE, and the receipt of all necessary third-party consents.

Nirvana, a private company based in Vancouver, B.C., is a development company focused on developing novel therapeutic products derived from psychedelics. Nirvana was founded by researchers who believe that psychedelics-based medicines can offer new approaches to pain management as well as treatment for ailments such addiction, anxiety and depression. Nirvana's early focus is twofold; to develop psilocybin derived medicines that can break human addiction to opioids and to develop non-abusive delivery systems. Nirvana has received an exemption under Section 56 of Controlled Drugs and Substances Act (Canada) from Health Canada and is currently awaiting decision on its application for a Dealer's License under the Food and Drugs Regulations for its proposed laboratory facility in Vancouver.

On September, 2021, the Company completed a non-brokered private placement of 1,914,529 common shares at a price of $0.35 per common share for gross proceeds of $670,085.

COVID-19 uncertainty

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds at this time. The Company will continue to monitor the impact of the pandemic on all aspects of its business and evaluate its impact on the Company's liquidity and future prospects.

SELECTED ANNUAL INFORMATION

The following table sets out selected financial information for the Company which has been derived from the Company's audited financial statements for the fiscal years ended October 31, 2021, 2020, and 2019.

	Fiscal 2021 ($)	**Fiscal 2020** ($)	**Fiscal 2019** ($)
Revenues	-	-	-
Net income (loss)	(254,475)	(314,239)	13,307
Net income (loss) per share - basic and diluted	(0.05)	(0.07)	0.01
Total assets	532,491	2,358	4,375
Total non-current liabilities	-	-	-
Dividends	-	-	-

Factors That Affect the Comparability of the Annual Financial Data Disclosed Above

Net income (loss) for the years ended October 31, 2021, 2020, and 2019 were ($254,475), ($314,239), and $13,307, respectively. The income (loss) for these fiscal years were mainly attributable to the general administrative expenses (2021 - $333,725, 2020 - $314,239, 2019 - $78,080), mitigated by gain from extinguishment of amounts due to related parties and accounts payable (2021 - $10,250, 2020 - $nil, 2019 - $91,090) and other income (2021 - $69,000, 2020 - $nil, 2019 - $297). The major factor contributing to the variance in general administrative expenses in fiscal 2020 and 2021 was the increase in management fees charged by the executive team (2021 - $240,000, 2020 - $240,000, 2019 - $60,000). The increase in total assets in fiscal 2021 is mainly due to the private placement financing of $670,085 completed during the fiscal year.

DISCUSSION OF OPERATIONS

The Company is currently reviewing business opportunities for acquisition and has not yet generated operating revenue. During the year ended October 31, 2021, the Company reported a net loss of $254,475 compared to a net loss of $314,239 incurred in the year ended October 31, 2020. The net loss in fiscal 2021 relates primarily to general administrative expenses of $333,725 (2020 - $314,239), partially offset by other income of $69,000 (2020 - $nil) and gain on extinguishment of accounts payable of $10,250 (2020 - $nil). Other income is a recovery of expenses from Nirvana for due diligence work related to the proposed transaction.

The general administrative expenses excluding share-based payment expenses for the year ended October 31, 2021 were $333,725 (2020 - $268,552). The variance is mainly attributable to:

- Accounting and audit fees of $14,950 (2020 - $7,950) have increased due to an increase in activities.
- Legal fees of $25,653 (2020 - $3,513) relate mainly to the proposed transaction and the listing application including preparation of the listing statement and regulatory communications.
- Professional fees of $22,857 (2020 - $nil) related to review work conducted patent specialists on Nirvana's technology and intellectual properties.
- Rent of $10,949 (2020 - $nil) relates to office space shared with a company with directors in common.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth selected unaudited financial information for the Company's eight most recent quarters ending with the last quarter for the three months ended on October 31, 2021.

	For the Three Months Ended

	Fiscal 2021				Fiscal 2020			
	Oct. 31, 2021	Jul. 31, 2021	Apr. 30, 2021	Jan. 31, 2021	Oct. 31, 2020	Jul. 31, 2020	Apr. 30, 2020	Jan. 31, 2020
	($)	($)	($)	($)	($)	($)	($)	($)
Total revenues	-	-	-	-	-	-	-	-
Income (loss) from continuing operations	(138,474)	(65,908)	4,623	(54,716)	(70,085)	(61,215)	(116,686)	(66,253)
Net income (loss)	(138,474)	(65,908)	4,623	(54,716)	(70,085)	(61,215)	(116,686)	(66,253)
Income (loss) from continuing operations per share - basic and diluted	(0.02)	(0.01)	0.00	(0.01)	(0.02)	(0.01)	(0.03)	(0.02)
Net income (loss) per share - basic and diluted	(0.02)	(0.01)	0.00	(0.01)	(0.02)	(0.01)	(0.03)	(0.02)

Factors That Affect the Comparability of the Quarterly Financial Data Disclosed Above

The significant increase in loss in the fourth quarter of fiscal 2021 is due to an increase in activities related to the proposed transaction and the listing application. The net income in the second quarter of fiscal 2021 is a result of gain on reversal of accounts payable of $7,750 and other income of $69,000 from Nirvana for due diligence work related to the proposed transaction. The general administrative expenses excluding share-based payment expenses are generally consistent for all the quarters.

FOURTH QUARTER

During the fourth quarter ended October 31, 2020, the Company incurred a net loss of $138,474 (2020 - $70,085). The increase in loss during the current quarter is due to an increase in activities related to the proposed transaction and the listing application. Factors affecting the loss for the current quarter are similar to those explained under the “Discussion of Operations” Section.

LIQUIDITY AND CAPITAL RESOURCES

As at October 31, 2021, the Company had a cash balance of $475,786, an increase of $473,533 from the cash balance of $2,253 as at October 31, 2020. Cash used in operating activities totaled $155,971. The Company received net proceeds of $655,385 from a private placement financing and repaid $25,881 of advances from related parties during the year ended October 31, 2021.

The Company had a working capital deficiency of $16,058 as at October 31, 2021 compared to a working capital deficiency of $529,468 as at October 31, 2020.

At present, Management believes that the current cash and working capital position will be sufficient to fund the Company’s operating and capital requirements for at least the next 12 months. Should the Company obtain the necessary approvals for the proposed transaction, it would be required to raise additional capital to finance the development of Nirvana’s research projects. 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.

Going Concern

At present, the Company’s operations do not generate cash flow and its financial success is dependent on management’s ability to continue to raise adequate financing on reasonable terms and to commence profitable operations in the future. The aforementioned factors indicate the existence of a material uncertainty which may cast significant doubt about the Company’s ability to continue as a going concern. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the balance sheets. The Company’s financial statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Amounts due to related parties of $509,222 (October 31, 2020 - $362,352) are comprised of management and legal fees charged by companies controlled by its directors and officers. These amounts are unsecured, non-interest bearing, and have no specific terms of repayment.

Included in loans payable to related parties are $628 (October 31, 2020 - $26,509) in advances from the CEO of the Company and companies with common directors. These loans are unsecured, non-interest bearing, and have no specific terms of repayment.

A breakdown of related party balances is as follows:

	2021	2020
A company controlled by Bruce Clark, CEO	$ 315,000	$ 180,000
A company controlled by Annie Storey, Director	50,000	50,000
A company controlled by Gordon Fretwell, Corporate Secretary	79,222	78,102
A company controlled by Connie Hang, CFO	65,000	54,250
Bruce Clark, CEO	628	5,965
Companies with directors in common	-	20,544
	$ 509,850	$ 388,861

During the year ended October 31, 2020, the Company issued 1,706,666 common shares to settle the loans of $320,000 payable to the company controlled by the CEO of the Company.

During the year ended October 31, 2020, the Company also entered into debt settlement agreements with companies controlled separately by a director and an officer of the Company to settle debt of $160,000 by issuing 720,000 common shares of the Company.

These related party creditors were not considered to be direct or indirect shareholders acting in the capacity of such. As the Company's shares are not publicly traded, the Company determined that the fair value of the shares on the date of settlement could not be reliably measured. The Company assessed that the aggregate 2,426,666 common shares issued (Note 6) shall be measured to reflect the fair value of the debt extinguished under IFRIC 19 *Extinguishing Financial Liabilities with Equity Instruments*. Due to the short-term nature, the fair value of the debt settled approximates the total carrying value of $480,000.

Key management personnel include directors (executive and non-executive) and officers of the Company. The compensation paid or payable to key management personnel during the years ended October 31 is as follows:

	2021	2020
Management fees	$ 240,000	$ 240,000
Legal fees	-	3,513
Share-based payments	-	45,687
Total	$ 240,000	$ 289,200

The Company entered into the following related party transactions during the year ended October 31, 2021:

a) Paid or accrued management fees of $180,000 (2020 - $180,000) to a company controlled by the CEO of the Company.

b) Paid or accrued management fees of $60,000 (2020 - $60,000) to a company controlled by the CFO of the Company.

c) Paid or accrued legal fees of $nil (2020 - $3,513) to the Corporate Secretary of the Company.

The Company has entered into services agreements with two companies controlled separately by the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") of the Company for a total monthly base fee of $20,000, with no specified term. The services agreements may be terminated with a termination payment equal to six to twenty-four months of base fee.

CONTINGENCIES

On June 6, 2019, Robert van Santen, a former director of the Company, and Agilis Capital Corporation ("Agilis", a company controlled by Robert van Santen) filed a Notice of Civil Claim against the Company claiming a total of $301,882 as follows: $107,507 for outstanding fees, $180,000 in severance compensation, and $14,375 for GST and an unspecified amount for special damages. The outstanding fees plus applicable GST in the total amount of $115,000 were included in accounts payable and accrued liabilities on the statements of financial position as at October 31, 2020.

During the nine months ended July 31, 2021, the Company entered into a settlement agreement with Robert van Santen, whereby the Company issued 450,000 common shares of the Company to Robert van Santen in satisfaction of $112,500 owed to Robert van Santen and Robert van Santen accepted the settlement and terminated and released the Company from any and all actions and claims in respect of his involvement with the Company.

SUMMARY OF OUTSTANDING SHARE DATA

The Company's issued and outstanding share capital as at the date of this report is as follows:

(1) Authorized: Unlimited common shares without par value.
(2) As at February 28, 2022, the Company has 7,115,044 common shares and 300,000 stock options issued and outstanding.

FINANCIAL INSTRUMENTS

The Company classified its financial instruments as follows: cash as subsequently measured at amortized cost; accounts payable, amounts due to related parties, and loans payable to related parties as subsequently measured at amortized cost. Information on certain types of financial instruments is included elsewhere in these financial statements as follows: accounts payable, amounts due to related parties and loans payable to related parties.

The carrying amounts of cash, accounts payable, amounts due to related parties, and loans payable to related parties, carried at amortized cost is a reasonable approximation of their fair value due to the relatively short period to maturity of these financial instruments.

Financial risk management

The Company's financial risks arising from its financial instruments are credit risk, liquidity risk, and interest rate risk. The Company's exposures to these risks and the policies on how to mitigate these risks are set out below. Management monitors and manages these exposures to ensure appropriate measures are implemented on a timely basis and in an effective manner.

Credit risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The credit risk of the Company is associated with cash. The credit risk with respect to its cash is minimal as they are held with high-credit quality financial institutions. Management does not expect these counterparties to fail to meet their obligations.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its obligations associated with its financial liabilities as they fall due. The Company performs cash flow forecasting for each fiscal year to ensure sufficient cash is available to fund its projects and operations. As at October 31, 2021, the Company had a cash balance of $475,786 and current liabilities of $548,549. The Company's financial liabilities include accounts payable, amounts due to related parties, and loans payable to related parties which have contractual maturities of 30 days or are due on demand.

At present, the Company's operations do not generate positive cash flows. The Company's primary source of funding has been the issuance of equity securities through private placements and advances from related parties. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings.

Interest rate risk

The Company is exposed to interest rate risk arising from the cash maintained at Canadian financial institutions. The exposure to interest rates for the Company is considered minimal. The Company has not used any financial instrument to hedge potential fluctuations in interest.

CRITICAL ACCOUNTING ESTIMATES

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Significant areas requiring the use of management estimates include:

i) The determination of the fair value of stock options using stock option pricing models, requires the input of highly subjective assumptions, including the expected share price volatility. Changes in the subjective input assumptions could materially affect the fair value estimate.

ii) The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts.

RISKS AND UNCERTAINTIES

Management is actively pursuing business opportunities with a view to making an acquisition that will qualify the Company to re-list on the CSE. The following is a description of important factors that may cause our actual results of operations in future periods to differ materially from those currently expected or discussed in the forward-looking statements set forth in this report relating to our financial results, operations and business prospects. Except as required by law, we undertake no obligation to update any such forward-looking statements to reflect events or circumstances after the date of this MD&A. These risks include, but are not limited to the following:

Additional funding requirements

The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further acquisition and development of its projects when required. As such, the Company is subject to many common risks to new and developing enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further acquisition activities.

Business acquisition risk

A number of risks associated with business acquisition include: (i) potential disruption of our ongoing business; (ii) distraction of management; (iii) increased financial leverage; (iv) the anticipated benefits and cost savings of those transactions may not be realized fully, or at all, or may take longer to realize than expected; (v) increased scope and complexity of our operations; and (vi) loss or reduction of control over certain of our assets. The presence of one or more material liabilities and/or commitments of an acquired company that are unknown to us at the time of acquisition could have a material adverse effect on our results of operations, business prospects and financial condition. A strategic transaction may result in a significant change in the nature of our business, operations and strategy. In addition, we may encounter unforeseen obstacles or costs in implementing a strategic transaction or integrating any acquired business into our existing operations.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

New accounting standards

There were no new or amended IFRS pronouncements effective November 1, 2020 that impacted the Company's interim financial statements.

DISCLOSURE CONTROLS

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

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

ADDITIONAL INFORMATION

Additional information concerning the Company and its operations is available on SEDAR at www.sedar.com.

APPROVAL

The Board of Directors of Endocan Solutions Inc. has approved the contents of this management discussion and analysis on February 28, 2022.