TRUE LEAF MEDICINE INTERNATIONAL LTD.
(the "*Company*")

November 30, 2015

MANAGEMENT DISCUSSION & ANALYSIS

This Management's Discussion & Analysis ("*MD&A*") has been prepared by management and should be read in conjunction with the interim financial statements of the Company together with the related notes thereto for the six months ended September 30, 2015, as well as our audited consolidated financial statements and accompanying MD&A for the year ended March 31, 2015. 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.

FORWARD LOOKING STATEMENTS

This MD&A contains certain statements related to industry scope and state, production, revenue, expenses, plans, development schedules and similar items that represent forward-looking statements. Such statements are based on assumptions and estimates related to future economic and market conditions. Such statements include declarations regarding management's intent, belief or current expectations. Certain statements contained herein may contain words such as "could", "should", "expect", "believe", "will" and similar expressions and statements relating to matters that are not historical facts but are forward-looking statements. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties; actual results may differ materially from those indicated by such forward-looking statements. Some of the important factors, but certainly not all, that could cause actual results to differ materially from those indicated by such forward-looking statements are: (i) that the information is of a preliminary nature and may be subject to further adjustment , (ii) the possible unavailability of financing, (iii) start-up risks, (iv) general operating risks, (v) dependence on third parties, (vi) changes in government regulation, (vii) the effects of competition, (viii) dependence on senior management, (ix) impact of Canadian economic conditions, and (x) fluctuations in currency exchange rates and interest rates.

OVERVIEW

The Company was incorporated on June 6, 2014 under the *Business Corporations Act* (British Columbia) ("*BCBCA*") and has two wholly-owned subsidiaries, being True Leaf Investments Corp. ("*TL Investments*"), which was incorporated on March 26, 2014 under the BCBCA, and True Leaf Medicine Inc. ("*TL Medicine*"), which was incorporated on July 4, 2013 under the BCBCA and is wholly-owned by TL Investments. The Company's registered office is Suite 1820, 925 West Georgia Street, Vancouver, BC V6C 3L2.

On May 23, 2014, TL Investments completed a Share Exchange Agreement (the "*Share Exchange Agreement*") with TL Medicine in which the TL Investments issued 25,000,000 common shares valued at $750,000 for all of the outstanding common shares of TL Medicine.

In June 2014, the Company entered into an Arrangement Agreement with Noor Energy Corporation

(“*Noor*”), which was the former parent of the Company, and TL Investments for the purpose of becoming a publicly traded entity by way of a plan of arrangement (the “*Arrangement*”).

Pursuant to the terms of the Arrangement:

- TL Investments purchased all the issued and outstanding shares of the Company (the “*Purchase Shares*”) from Noor for consideration of $20,000;

- The Company acquired all the outstanding shares of the TL Investments from all TL Investments shareholders through a 1-for-1 share exchange;

- Noor issued 5,000 of its common shares to the Company and received in exchange 355,000 common shares of the Company (the “*Distribution Shares*”);

- The Distribution Shares were distributed as dividends to Noor’s shareholders on a pro rata basis; and

- The Purchase Shares were then cancelled.

On February 2, 2015, the Company executed the Arrangement and on February 9, 2015, the Company began trading on the Canadian Securities Exchange (“*CSE*”) under the symbol “MJ”. In March 2015, the Company announced that it had also commenced trading on German stock exchanges in Frankfurt, Munich and Berlin under the symbol “TLA”.

As a result of the Arrangement, the former shareholders of TL Investments for accounting purposes, are considered to have acquired control of the Company. Accordingly, the Arrangement has been accounted for as a reverse takeover that was not a business combination and effectively a capital transaction of the Company. As TL Investments is deemed to be the acquirer for accounting purposes, its assets and liabilities and operations since incorporation on March 26, 2014 are included in the consolidated financial statements at their historical carrying value. The consolidated financial statements are a continuation of TL Investments in accordance with IFRS 3, Business Combinations. The Company’s results of operations are included from June 9, 2014 onwards.

The Company, through TL Medicine, is seeking to become a licensed producer of medical marijuana under Canada's *Marihuana for Medical Purposes Regulations* (“*MMPR*”) program administered by Health Canada. As at September 30, 2015, the Company does not have a license with the MMPR and no products are in commercial production or use. The Company will be required to satisfy additional obligations in order to qualify including the completion of a compliant facility on a parcel of leased land in Lumby, British Columbia. There is a significant risk that the Company will not receive an MMPR license, thus rendering the Company unable to proceed with its business model. The Company continues to work diligently to comply with all of the requirements of Health Canada.

As the Company awaits approval of its license application from Health Canada it is looking at new opportunities with hemp-based nutrition for pets. The Company is planning to enter the US and Canadian National pet product market with a product line consisting of innovative hemp-based functional chews and supplemental products for pets in the fall of 2015.

SUMMARY OF QUARTERLY RESULTS

As TL Investments is deemed to be the acquirer for accounting purposes, its assets and liabilities and operations since incorporation on March 26, 2014 are included in the consolidated financial statements at their historical carrying value. The consolidated financial statements are a continuation of TL Investments in accordance with IFRS 3, Business Combinations. The Company's results of operations are included from June 9, 2014 onwards.

Description	Three months ended Sept. 30, 2015 $	Three months ended Jun 30, 2015 $	Three months ended Mar 31, 2015 $	Three months ended Dec 31, 2014 $	Three Months ended Sept 30, 2014 $	Period ended June 30, 2014 $
Net Revenues	*0*	*0*	*0*	*0*	*0*	*0*
Income (loss) before other items						
Total	*(236,391)*	*(342,761)*	*(185,874)*	*(125,990)*	*(277,086)*	*(205,238)*
Net and comprehensive income (loss) for period						
Total	*(236,391)*	*(342,762)*	*(236,089)*	*(125,990)*	*(277,086)*	*(1,083,578)*
Per share	*(0.01)*	*(0.01)*	*(0.01)*	*(0.01)*	*(0.01)*	*(0.07)*

PLAN OF OPERATIONS

The Company, through TL Medicine, is seeking to become a licensed producer of medical marijuana under Canada's *Marihuana for Medical Purposes Regulations* ("*MMPR*") program administered by Health Canada. As at September 30, 2015, the Company does not have a license with the MMPR and no products are in commercial production or use. The Company will be required to satisfy additional obligations in order to qualify including the completion of a compliant facility on a parcel of leased land in Lumby, British Columbia. There is a significant risk that the Company will not receive an MMPR license, thus rendering the Company unable to proceed with its business model. The Company continues to work diligently to comply with all of the requirements of Health Canada.

The Company received a 'Ready to Build' approval for its first licensing application in January 2014; however, issues arose with the facility location and local zoning. In March 2014, the Company secured a second location, and on April 8, 2014, the Company submitted a second licensing application.

The Company's short term business objectives for the next 12 months are:

1. Successfully complete a $3 million private placement which will be used to launch medical marijuana and launch hemp-based functional chews for pets in the US and Canadian market.
2. Enter the US and Canadian natural pet product market with a product line consisting of innovative hemp-based functional chews and supplemental products for pets.

The Company's long business objectives are:

1. For medical marijuana:

a. Complete a $2 million financing for construction of production facilities, grow to crop And obtain approval from Health Canada to be a licensed producer of medical marijuana.
b. Achieve commercial distribution of medical marijuana;
c. Increase its patient customer base annually through its marketing campaign;
d. As demand for the Product increases, seek to expand product capacity by adding growing rooms through the addition of mezzanine floors and increasing the facility footprint at an estimated cost of $4.68 million, financed from internal or external sources of capital over a six year period; and
e. Perform ongoing research and development at an initial cost of 10% of sales.

2. For the natural pet market:
   a. Secure a new animal drug application for a cannabis-based pet medication sold via veterinary prescription in the pet medication market. It is intended this will aid the foundation for the Company's long-term strategy to secure a new animal drug application for a cannabis-based pet medication sold by a veterinary prescription in the $13.8 billion pet medication market.

As the Company awaits the approval of its license application from Health Canada, it is looking at new opportunities with hemp nutrition.

In May 2015, the Company entered into an agreement with Wodema Industries Ltd. ("*Wodema*") to produce the company's proprietary hemp-based supplements and treats for pets. The agreement gives the Company proprietary rights for any production utilizing hemp, cannabis, or its derivatives at Wodema.

Wodema is a manufacturer of treats for the pet industry, doing business in Kelowna, BC Canada since 1996. Pursuant to the agreement, Wodema will provide the Company with manufacturing capacity to produce hemp-based chewable pet supplements, medication and treats. Wodema's US-approved plant gives the Company a currency advantage and a low-cost means of launching its own pet product line.
Initial product formulations have been produced and were launched at the PIJAC Pet Industry Show in Toronto on September 20th 2015 to the Canadian market. The company also introduced product concepts at the International Cannabis Business Exhibition in Los Angeles and plans to officially launch the new product line to the US market at the Global Pet Expo in Orlando in March of 2016.

Initially, the Company intends to market soft chews and supplements through direct, pet, natural health and veterinary channels in Canada and the US. Ultimately it hopes to market a cannabis-based animal drug after pilot trials and regulatory approvals have been satisfied. The Company has commenced trial runs for its hemp-based pet chews and secured CenterPoint Warehousing ("*CentrePoint*") in Kansas City, Missouri as its exclusive order fulfillment and distribution center. CenterPoint is a full service provider of warehousing, logistics, order-fulfillment and distribution services, serving the pet products industry for over 15 years. CenterPoint occupies just over 350,000 square feet in an underground USDA and FDA inspected warehouse facility that is certified food grade and meets all industry standards.

RESULTS OF OPERATIONS

Six Months ended September 30, 2015 and Period ended September 30, 2014

The Company incurred a loss and comprehensive loss of $579,153 for the six months ended September, 2015, compared to $1,360,664 for the period ended September 30, 2014. Some of the significant items comprising the loss for the six months ended September 30, 2015 were accounting and legal of $88,799 (2014 - $256,460), administrative and office of $72,686 (2014 - $90,994), consulting fees of $70,912 (2014 - $81,915), advertising and marketing of $97,790 (2014 - $32,250), management fees of $30,000 (2014 - $Nil), research of $7,424 (2014 - $20,705) and share based compensation of $206,246 (2014 - $Nil). The higher loss for the period ended September 30, 2014 resulted from increased accounting and legal of $167,661 related to the Company's establishment of operations and listing on the CSE, which were offset by increased advertising and marketing during the six months ended September, 2015 of $65,540 and non-cash share based compensation of $206,246 (2014 - $Nil).

In addition, during the period ended September 30, 2014, the Company incurred transaction costs totaling $878,340 with respect to the Share Exchange Agreement.

The Company does not have any employees; all of its services are carried out by the directors and officers or by consultants retained on an as needed basis.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2015, the Company had cash of $8,987 and a working capital deficit of $329,542, compared to cash of $139,301 and working capital deficit of $105,635 for the period ended September 30, 2015.

During the six months ended September 30, 2015, the Company did not raise any funds from the issuance of equity securities.

Subsequent to September 30, 2015, the Company entered into a loan agreement with First Pacific Enterprises Inc. ("First Pacific"), pursuant to which First Pacific loaned the Company a total of $60,000. First Pacific is a company controlled by the Company's CEO. The loan is due on April 30, 2016 and bears interest at a rate of 10% per annum. First Pacific has the right to convert all or any portion of the loan into units of the Company at the conversion price of $0.105 per unit. Each unit would consist of one common share of the Company and one half of one share purchase warrant, with each full warrant being exercisable into an additional common share of the Company at a price of $0.15 for a period of two years.

The Company estimates that it will require approximately $500,000 to fund its general and administrative expenses for the next twelve months. The current cash and cash equivalents are not sufficient to meet the cash requirements for the next twelve months. The Company will require additional financing to fund its administrative expenses.

The Company has no further funding commitments or arrangements for additional financing at this time and there is no assurance that it will be able to obtain any additional financing on terms acceptable to it, if at all. Any additional funds raised will be used for general and administrative expenses and for the development of its business. The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise.

RELATED PARTY TRANSACTIONS

During the six months ended September 30, 2015 and the period ended September 30, 2014, the Company:

1. Paid or accrued a total of $30,000 (2014 - $Nil) to its Chief Executive Officer for management fees;

2. Paid or accrued a total of $12,000 (2014 - $Nil) to its Chief Financial Officer for accounting fees; and

3. Paid or accrued a total of $3,750 (2014 - $Nil) in directors' fees.

As at September 30, 2015, the Company is indebted to its Chief Executive Officer in the amount of $68,183 (2014 - $nil) for management fees and expenses paid on the Company's behalf, to its Chief Financial Officer in the amount of $12,000 (2014 - $nil) for accounting fees and expenses paid on the Company's behalf and $10,810 (2014 $nil) in director's fees and expense reimbursement to the Company's other directors. The amounts are unsecured, non-interest bearing with no scheduled terms of repayment.

SHARE CAPITAL

The Company's authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preferred non-voting shares without par value. As of November 27, 2015, the total number of issued and outstanding common shares was 39,796,6630 common shares and there were nil preferred non-voting shares.

During the Six months ended September, 2015, the Company did not issue any securities. During the period ended September 30, 2014, the Company issued the following securities:

1. On April 24, 2014, the Company completed a private placement of 2,950,000 common shares at a price of $0.01 per share for gross proceeds of $29,500.

2. On May 6, 2014, the Company completed a private placement of 1,666,666 units at a price of $0.03 per unit for gross proceeds of $50,000. Each unit consists of one common share and one share purchase warrant, with each warrant being exercisable into one common share at a price of $0.20 per share for a period of two years.

3. On May 23, 2014, the Company issued 25,000,000 with a fair value of $750,000 in accordance with the Share Exchange Agreement. The Company also issued 550,000 common shares with a fair value of $16,500 as finder's fee shares associated with the Share Exchange Agreement.

4. On May 25, 2014, the Company completed a private placement of 4,200,000 units at a price of $0.05 per unit for gross proceeds of $210,000. Each unit consists of one common share and one share purchase warrant, with each warrant being exercisable into one common share at a price of $0.20 per share for a period of two years.

5. On June 24, 2014, the Company completed a private placement of 1,420,000 units at a price of $0.25 per unit for gross proceeds of $355,000. Each unit consists of one common share and one half of one share purchase warrant, with each full warrant being exercisable into one common share at a price of $0.40 per share for a period of two years. The Company incurred cash share issue costs of $33,645 associated with this private placement and issued 142,000 broker's warrants, with each warrant being exercisable into one common share at a price of $0.25 for a period of two years.

The Company had the following share capital transaction during the six month period ended September 30, 2015:

1. On August 11, 2015, the Company completed a private placement by issuing 1,550,000 units at a price of $0.08 per unit for gross proceeds of $124,000. Each unity is comprised of one common share and ne share purchase warrant. Each warrant is exercisable into an additional common share at $0.15 per share for a period of two years. No value was assigned to the warrants issued as part of the unit offering completed.
2. On September 24, 2015, the Company issued 240,000 common shares with a fair value of $24,000 for past consulting services provided. The amount had been accrued as a commitment to issue shares as at March 31, 2015.
3. On September 24, 2015, the Company issued 50,000 common shares with a fair value of $5,000 pursuant to a debt settlement agreement.

<u>Share subscriptions received:</u>

During the six month period ended September 30, 2015, the Company received $20,000 towards a future financing to be completed. The terms of the financing have not yet been completed. Subsequent to September 30, 2015, the Company received an additional $5,000 towards the financing.

Warrants

As at September 30, 2015 the following warrants are outstanding:

	Number of Warrants	Exercise Price ($)	Expiry Date
Warrants	1,666,666	0.20	May 6, 2016
Warrants	4,200,000	0.20	May 25, 2016
Warrants	1,183,333	0.25	October 23, 2016
Broker warrants	236,661	0.15	October 23, 2016
Warrants	336,667	0.25	February 2, 2017
Broker warrants	39,000	0.15	February 2, 2017
Warrants	1,550,000	0.15	August 11, 2017
	9,212,327		

Stock options

As at September 30, 2015 the following stock options are outstanding:

	Number of Options	**Exercise Price ($)**	**Expiry Date**
Stock options	3,750,000	0.10	March 19, 2017
	3,750,000		

FINANCIAL INSTRUMENTS

Fair Value

Financial instruments recorded at fair value on the consolidated statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(a) Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;

(b) Level 2 - Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and

(c) Level 3 - Inputs for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. The carrying value of accounts payable and accrued liabilities and due to related parties approximates their fair value because of the short-term nature of these instruments.

The fair values of cash and marketable securities are measured based on level 1 inputs of the fair value hierarchy.

Risk

The Company is exposed to various risks through its financial instruments and has a risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Company's risk exposure and concentration as of September 30, 2015:

Credit risk

Credit risk refers to the risk that another entity will default on its contractual obligations which will result in a loss for the Company. At September 30, 2015, the Company’s maximum exposure to credit risk was the carrying value of cash. The Company limits its credit exposure on cash by holding its deposits mainly with Canadian chartered banks.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting future obligations with financial liabilities. The Company is exposed to this risk mainly in respect to finance future growth. As at September 30, 2015, the Company has cash of $8,987 to settle current liabilities of $380,177.

Currency risk

The Company is not exposed to any currency risk as of September 30, 2015.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risk from interest rate fluctuations, the Company manages exposure through its normal operating and financing activities. The Company is not at risk as of September 30, 2015.

CHANGES IN ACCOUNTING POLICIES

New standard not yet adopted

IFRS 9 Financial Instruments (Revised) was issued by the IASB in October 2010. It incorporates revised requirements for the classification and measurement of financial liabilities and carrying over the existing derecognition requirements from IAS 39 Financial instruments: recognition and measurement. The revised financial liability provisions maintain the existing amortized cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at fair value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The impact of IFRS 9 on the Company's consolidated financial instruments has not yet been determined.

OFF-BALANCE SHEET ARRANGEMENTS

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

SUBSEQUENT EVENTS

Subsequent to September 30, 2015, the Company entered into a loan agreement with First Pacific Enterprises Inc. ("First Pacific"), pursuant to which First Pacific loaned the Company a total of $60,000. First Pacific is a company controlled by the Company's CEO. The loan is due on April 30, 2016 and bears interest at a rate of 10% per annum. First Pacific has the right to convert all or any portion of the loan into units of the Company at the conversion price of $0.105 per unit. Each unit would consist of one common share of the Company and one half of one share purchase warrant, with each full warrant being exercisable into an additional common share of the Company at a price of $0.15 for a period of two years.

True Leaf Medicine International Ltd. has entered into negotiations with a European co-packer manufacturer of pet products, secured a European supply of hemp and is reviewing prospective firms to represent the company in Europe. Mr. Narcisse Kayser, former international sales manager for ANF pet foods, has been hired by the company to help manage the initial European strategy. With three brands, True Love™, True Spirit™ and True Calm™, the True Leaf European product line will follow the same format as in North America, where the line is now on sale, but will incorporate European-grown hemp along with other active ingredients sourced in Europe. Distribution will be fulfilled through third party logistics companies and serviced from proprietary manufacturing facilities located within the European Union.

APPROVAL

The Company's Board of Directors has approved the disclosures in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

ADDITIONAL INFORMATION

Additional information concerning the Company and its operations is available on SEDAR at **Error! Hyperlink reference not valid.**