CABBAY HOLDINGS CORP.

MANAGMENTS'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Year Ended December 31, 2017

Overview

This MD&A has been prepared as of April 6, 2018 and the following information should be read in conjunction with the Issuer's audited financial statements for the period ended December 31, 2017 and the period from incorporation March 6, 2016 ended December 31, 2016 together with the notes thereto. The Issuer's financial statements for the period have been prepared in accordance with International Financial Reporting Standards (IFRS).

This discussion contains forward-looking statements that involve certain risks and uncertainties. Statements regarding future events, expectations and beliefs of management and other statements that do not express historical facts are forward-looking statements. In this discussion, the words "believe", "may", "will", "estimate", "continue", "anticipate", "intend", "expect", "plan", "predict", "potential" and similar expressions, as they relate to the Issuer, its business and management, are intended to identify forward looking statements. The Issuer has based these forward-looking statements largely on its current expectations and projections about future events and financial trends affecting the financial condition of the business. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements.

Except as may be required by applicable law or regulation, the Issuer undertakes no obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Accordingly, readers should not place undue reliance on forward-looking statements. If the Issuer updates one or more forward-looking statements, no inference should be drawn that additional updates will be made with respect to those or other forward-looking statements. Additional information relating to the Issuer, is available by accessing the SEDAR website at www.sedar.com.

Business Overview and Strategy

Cabbay Holdings Corp. (the "**Issuer"** or **"Company"** or **"Cabbay**") was incorporated on March 6, 2016 under the BC Business Corporations Act as a wholly-owned subsidiary of Pacific Therapeutics Ltd. ("**PT**"), a public company, the common shares of which trade on the Canadian Securities Exchange ("**CSE**"). The Issuer began as a holding company; its major holding is an agreement with ForwoRx Therapeutics Inc. the (the "**ForwoRx Agreement**") for the further development of a combination therapy for Fibrosis. The Issuer with the ForwoRx Agreement were spun out of PT under a plan of arrangement which closed on October 3, 2016 (the "**Arrangement**").

On closing of the Arrangement the Issuer was a holding company. It's major holding, an agreement with ForwoRx Therapeutics Inc. (the **"ForwoRx Agreement"**) regarding the development of therapies to treat fibrosis and pulmonary arterial hypertension. The ForwoRx Agreement covers the lead compound for

Fibrosis, PTL-202, a combination of already approved drugs which have well established safety profiles. PTL-202 has completed a phase 1 drug/ drug interaction clinical trial. In addition, the agreement covers the development of a sublingual formulation of sildenafil citrate for use as a treatment for erectile dysfunction and pulmonary arterial hypertension.

On March 26, 2018 the Issuer incorporated a British Columbia incorporated, wholly owned subsidiary Alta-Sun Samson Holdings Ltd. ("Samson Ltd."). Samson Ltd. is the General partner of the Alta-Sun Samson Limited Partnership ("Samson Partnership"). The Samson Partnership is the developer and future operator of the 200,000 sq. ft. greenhouse facility on the Samson first nations lands. This development is the first step in the Issuer's strategy to enter the cannabis cultivation space.

Overall Performance

The Issuer is focused on Cannabis production in Alberta, Canada in partnership with First Nations leaders and communities. These partnerships will develop greenhouses and utilize low cost inputs into cannabis cultivation with the goal of being a low-cost producer in the cannabis industry.

The Issuer, through its subsidiaries and partnerships with indigenous peoples, will apply for a cannabis production licenses on First Nations lands in Alberta beginning with the Samson Cree First Nation.

The issuer plans to build 200,000 sq. ft. greenhouses at Samson.

Corporate Highlights

During the period ended, December 31, 2017 the Issuer accomplished the following:

- On February 20, 2018 the Issuer signed a letter of intent with Rod Saddleback of the Samson Cree First Nation to develop a 200,000 sq. ft. greenhouse for the cultivation of cannabis on 25 acres of land located on the Samson Cree First Nation lands.

- On January 18, 2017, the Issuer issued 25,000 options to buy common shares of the Company to a consultant of the Company. The options have an exercise price of $0.10 per share and are exercisable for a period of five years.

- On January 27, 2017, the Company converted $126,027 into 84,017 common shares of the company at a conversion rate of $1.50 per common share.

- On April 13, 2017 Mark van der Horst was appointed as a director of the Issuer

- On April 27, 2017, the Issuer closed a financing, issuing 725,500 common shares at $0.02 per share for total proceeds of $14,510.

- On June 1, 2017 the Issuer issued 2,500,000 common shares for total proceeds of $9,250 in cash and $53,250 in debt settlements with directors all at a price of $0.025 per share.

- On June 30, 2017 the Issuer closed a private placement and issued 1,570,360 common shares at

$0.05 per share for gross proceeds of $78,518. Of that amount, $49,750 was cash proceed and $28,768 was debt converted.

- At a board meeting on June 26, 2017, the Board approved the issuance of 340,000 options to buy common shares of the Issuer to directors of the Issuer. The options may be exercised for a price of $0.10 per share for a period of 5 years.

- On August 22, 2017 the Issuer issued 1,594,860 common shares for total proceeds of $145,000 in cash and $14,486 in debt settlements with directors all at a price of $0.10 per share.

- On September 21, 2017 the Issuer announced the issuance of 220,000 options to buy common shares to directors under the 2017 stock option plan. The options may be exercised for a price of $0.10 for a period of 5 years.

- On March 26, 2018 the company incorporated a wholly owned subsidiary, Alta-Sun Samson Holdings Corp.

Selected Financial Information

The financial information reported here has been prepared in accordance with IFRS. The Issuer uses the Canadian dollar (CDN) as its reporting currency. Selected audited financial data for the annual operations of the Issuer for the period ended December 31, 2017 and the period from incorporation March 6, 2016 to December 31, 2016:

Selected Statement of Operations Data

Period ended	**Year Ended December, 31 2017**	**From Incorporation March 6, 2016 to December 31, 2016**
Total revenues	$Nil	$Nil
Expenses	($222,304)	($12,403)
Net Income / (Loss)	($217,483)	($442,103)
Basic and Diluted loss per share (Audited)	($0.05)	($1.08)
Weighted average shares	4,782,894	409,367

Selected Balance Sheet Data

Period ended	**December 31, 2017**	**December 31, 2016**
Cash & Equivalents	49,752	$88
Current Assets	53,005	$88
Total Assets	54,414	$89
Current liabilities	65,838	$441,187
Non-Current liabilities	151,203	$Nil

Total liabilities	217,041	$441,187
Working Capital (Deficit)	(12,833)	$(441,099)

Revenues

The Issuer had no revenues for the year ended December 31, 2017 or for the period from incorporation on March 6, 2016 to December 31, 2016. The Issuer does not expect any revenues during the next fiscal year.

The Issuer is a development stage company focused on Cannabis cultivation and holds an agreement with ForwoRx Therapeutics Inc. for further commercialization of technology focused on repurposing and reformulating existing approved drugs as well as developing proprietary drug technologies from late stage pre-clinical testing thru phase 2 clinical trials. A condition of the agreement is that ForwoRX will pay to the Company an annual maintenance fee of $50,000. As of December 31, 2017, $100,000 of maintenance fees were due. In the Company's judgment, no portion of this amount will be recognized until collection can be assured.

Research & Development Expense

The company does not conduct any research or development. Any research or development on the therapeutics technology is conducted by ForwoRx.

General and Administrative Expenses

General and administrative costs consist primarily of accounting costs and other professional and administrative costs associated with general corporate activities.

The General and administrative costs for the year ended December 31, 2018 were $222,304 and for the period from incorporation March 6, 2016 to December 31, 2016 was $12,403. This expense for the period from incorporation March 6, 2016 to December 31, 2016 was offset by reimbursement of $5,659 of audit expense paid by Pacific Therapeutics Ltd., the Company's former parent company. Expenses increased in all categories from 2016 to 2017 as the Issuer developed from having a single holding, the ForwoRx Agreement to actively seeking additional business opportunities.

Intellectual Property and Intangible Assets

The company has no costs associated with the maintenance of patents or intellectual property under the ForwoRx Agreement.

Interest Expense/(Income) and Bank Charges

The interest expense and bank charges for the year ended December 31, 2017 was $4,778 and in the period from incorporation to December 31, 2016 was $113. This increase was due to interest accrued on the loan from an arms-length party of $56,000.

Profits

At this time, the Issuer is not anticipating profit from operations. The Issuer will report an annual deficit and quarterly deficit and will rely on its ability to obtain equity/or debt financing and maintenance fees from the ForwoRx Agreement to fund on-going operations. For information concerning the business of the Issuer, please see "*Business Overview and Strategy*".

Stock Based Compensation

For the year ended December 31, 2017 stock based compensation was $27,817 and for the period from incorporation March 6, 2016 ended December 31, 2016 stock based compensation was $5. The increase in stock based compensation was due to the issuance of 585,000 option to purchase shares issued to directors and consultants. Only 100,000 options to purchase shares were issued to directors and consultants for the period from incorporation March 6, 2016 ended December 31, 2016

Selected Quarterly Information

	Three Months Ended December 31, 2017	**Three Months Ended September 30, 2017**	**Three Months Ended June 30, 2017**	**Three Months Ended March 31, 2017**	**Three Months Ended December 31, 2016**	**Three Months Ended September 30, 2016**	**Three Months Ended June 30, 2016**	**From Incorporation March 6, 2016 to March 31, 2016,**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Total Revenues	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Net Income (Loss)	**(85,462)**	**(105,869)**	**(24,034)**	**(2,118)**	**(441,998)**	**5,626**	**(53)**	**(5,678)**
Income (Loss) per Share basic and diluted	**$0.01**	**$0.02**	**(0.01)**	**Nil**	**Nil**	**5,626**	**(53)**	**(5,678)**
Cash	**49,752**	**111,994**	**43,413**	**3,885**	**88**	**7**	**40**	**93**
Total Assets	**54,414**	**115,662**	**53,538**	**4,286**	**89**	**7**	**40**	**93**
Current Liabilities	**65,838**	**63,923**	**238,898**	**315,430**	**441,187**	**111**	**5,770**	**5,770**

Liquidity and Capital Resources

At December 31, 2017, the Issuer had cash and cash equivalents of $49,752 (December 31, 2016, $88). At December 31, 2017, the Issuer had a working capital deficit of $12,833 (December 31, 2016, $441,099) Working capital is defined as current assets less current liabilities. The improvement in working capital over the year was due to the Issuer's cash flows from financing activities during the period ended December 31, 2017 consisting of issuance of common shares of $218,510, assumption of loans payable $2,039 and advances from related parties $12,902 for a total of $233,451 resulting in an increase of cash of $49,664.

Cash utilized in operating activities during the period ended December 31, 2017 was $181,845 and from incorporation March 6, 2016 to December 31, 2016 was $435,702. The improvement in cash utilization was mainly due to a reduction in net loss for the period ended December 31, 2017 to $217,483 from $442,103 for the period from incorporation March 6, 2016 to December 31, 2016. In addition, an increase in accounts payable and accrued liabilities to $15,362 for the period ended December 31, 2017 from $6,396 for the period from incorporation March 6, 2016 to December 31, 2016 improved liquidity.

At December 31, 2017 share capital was $442,041 comprising of 7,854,624 issued and outstanding Common Shares (December 31, 2016, $1,000 - 1,379,887 common shares),

Warrant and Option Reserves at December 31, 2017 was $54,918 (December 31, 2016, $5). The increase in option reserves was due to an increase in options to consultants and directors of 585,000 options to purchase common shares.

As a result of the expenses for the period ended December 31, 2017 of $222,304 less forgiveness of loans payable of $10,750 and the assumption of debt of $5,929 the deficit at December 31, 2017 increased to $659,586 from $442,103 at December 31, 2016.

As a result of the expenses for the period from incorporation March 6, 2016 ending December 31, 2016 of $12,403 less reimbursement of $5,659 and the arrangement financing fee of $435,359 the deficit at December 31, 2016 increased to $442,103 from $Nil at incorporation on March 6, 2016.

At present, the Issuer's operations do not generate cash inflows and its financial success after December 31, 2017 is dependent on the asset purchase agreement with ForwoRx Therapeutics Inc. and the development of the Issuers cannabis cultivation operations. The research and development process can take many years and is subject to factors that are beyond the Issuer's control.

In order to finance the Issuer's future administrative and overhead expenses in the coming years the Issuer may raise money through equity sales. Many factors influence the Issuer's ability to raise funds, including the Issuer's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of research activities at ForwoRx Therapeutics Inc. and progress in the development of the Issuers cannabis cultivation operations. Management believes it will be able to raise equity capital as required in the long term, but recognizes there will be risks involved that may be beyond their control. Should those risks fully materialize, it may not be able to raise adequate funds to continue its operations.

Off Balance Sheet Arrangements

There are currently no off-balance sheet arrangements which could have an effect on current or future results or operations or the financial condition of the Company.

Transactions with Related Parties

- As of December 31, 2017, the Company has $2,184 (2016: $166,201) classified as short-term liabilities, and $78,940 (2016: $nil) classified as long-term liabilities owing to the CEO and director of the Company. The short-term balance has no set terms of repayment and does not bear interest.

- On September 20, 2017 the CEO and director signed an agreement which resulted in reclassification of $100,000 of the payable as long-term. The debt is due January 1, 2020 and does not bear interest. The initial fair value of the long-term debt was recorded at $76,642 using a discount rate of 12%. An interest benefit of $23,358 was recorded as an equity reserve upon reclassification. As at December 30, 2017, the unamortized discount on the debt was $21,059 and the carrying value was $78,940.

- As of December 31, 2017, the Company has $16,262 (2016: $nil) of long-term debt owing to a family member of the CEO and director. On December 18, 2017 the CEO assigned $20,000 of debt to this individual, which resulted in reclassification of the payable as long-term. The debt is due on September 30, 2019 and does not bear interest. The initial fair value of the debt was recorded at $16,262 using a discount rate of 12%. An interest benefit of $3,738 was recorded as an equity reserve upon reclassification.

- As of December 31, 2017, the Company has $1,352 (2016: $nil) due to related parties and has $nil (2016: $4,000) included in accrued liabilities owing to a director.

- The Company has $2,625 (2016: $nil) due to related parties and $2,500 (2016: $nil) included in accrued liabilities owing to a Company controlled by the director. The amounts do not bear interest and have no set terms of repayment.

- As of December 31, 2017, the Company has $nil (2016: $19,950) owing to a director and $100 (2016: $100) owing to a former director of the Company. The amounts do not bear interest and have no set terms of repayment.

- On August 22, 2017 the Company converted $14,486 of debt owing to directors of the Company to 144,860 shares at a conversion rate of $0.10 per share.

- On June 30, 2017 the Company converted $5,928 of debt owing to directors of the Company to 118,560 shares at a conversion rate of $0.05 per share.

- On June 1, 2017 the Company converted $50,000 of debt owing to directors of the Company to 2,000,000 shares at a conversion rate of $0.025 per share.

Fourth Quarter

The table below sets out the unaudited quarterly results for the fourth quarter ending December 31, 2017, and December 31, 2016.

Unaudited	**Three Months Ended December 31, 2017**	**Three Months Ended December 31, 2016**
	$	**$**
Total Revenues	**Nil**	**Nil**
Net Income (Loss)	**(85,462)**	**(441,998)**
Income (Loss) per Share basic and diluted	**$0.01**	**Nil**
Cash	**49,752**	**88**
Total Assets	**54,414**	**89**
Current Liabilities	**65,838**	**441,187**

The net loss in the fourth quarter of 2017 of $85,462 decreased compared to the fourth quarter of 2016, $441,998. The decrease in net loss in the fourth quarter ended December 31, 2017 was due to a decrease in the arrangement finance fee of $435,359. The arrangement finance fee was a one time cost related to the assumption of debt from the former parent company Pacific Therapeutics Ltd. The Issuer does not anticipate earning any revenue in the foreseeable future. Net loss, quarter over quarter is influenced by a number of factors including the scope and stage of project development. Consequently, expenses may vary from quarter to quarter. General and administrative expenses are dependent on the infrastructure required to support the business development activities of the Issuer. A material increase in general and administrative costs is anticipated over the short term, as the Issuer's business development, ACMPR application and potential construction activities increase. During the fourth quarter the Issuer, issued Nil common shares for total proceeds of $Nil (Q4 2016 - $1,379,887 and cancelled 1 share).

During the fourth quarter there were no dispositions of business segments, in addition the Issuer's business is not influenced by seasonal fluctuations.

Other MD&A Requirements

Additional Information relating to the Issuer may be found in the Issuer's audited financial statements for the fiscal year ended December 31, 2017, and the period from Incorporation March 6, 2016 to December 31, 2016.

Additional Disclosure for Venture Issuers Without Significant Revenue

The following table sets forth material cost for the Issuer, which has been derived from the Issuer's financial statements for the year ended December 31, 2017, and from incorporation March 6, 2016 to December 31, 2016. This summary should be read in conjunction with the Issuer's audited financial statements for the year ended December 31, 2017, and from incorporation March 6, 2016 to December 31, 2016:

Material Costs	Year ended December 31, 2017	Period from incorporation on March 6, 2016 to December 31, 2016
Consulting fees	$58,050	$Nil
Legal fees	29,014	Nil
Management fees	47,250	Nil
Share-based compensation	27,817	5
Total Expenses	(222,304)	(12,403)
Arrangement financing fee	Nil	(435,359)
Net loss and comprehensive loss for the year	$(217,483)	$(442,103)

Subsequent Events

There are no subsequent events to the date of this Management Discussion and Analysis, other than:

- The Issuer intends by way of a private placement, to raise up to $1,750,000 through the issuance of 7,000,000 units at a price of $0.25 per unit. Each unit consists of one common share and one half non-transferable share purchase warrant, each whole warrant entitles the holder to purchase one additional common share in the capital of the Issuer up to a period of 2 years at a purchase price of $0.35 per share.

  If, prior to the expiry date of the warrants, and once the warrants are free from the statutory resale restrictions (4 months plus one day), and the date is not less than 12 months after the closing date, and if the common shares are listed on a securities exchange, and the closing price of the common shares of the Issuer on the listing exchange equals or exceeds $0.60 for a period of not less than 10 consecutive trading days, the Issuer may force conversion in 30 days at the purchase price of $0.35 per share.

- The Issuer has signed a letter of intent to lease land on the Samson Cree First Nations lands in Alberta for the development of a 200,000 sq. ft. greenhouse to cultivate cannabis.

- On March 26, 2018, the Issuer incorporated a wholly owned subsidiary Alta-Sun Samson Corp.

Proposed Transactions

As at the date of this Management Discussion and Analysis there are no transactions currently contemplated by the Issuer, other than:

- On February 20, 2018 the Issuer signed a letter of intent with Rod Saddleback of the Samson Cree First Nation to develop a 200,000 sq. ft. greenhouse for the cultivation of cannabis on 25 acres of land located on the Samson Cree First Nation lands.

Financial Instruments and Other Instruments

The Issuer's financial instruments consist of cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities and amounts due to shareholders. Unless otherwise noted, it is management's opinion that the Issuer is not exposed to significant interest, currency or credit risks arising from financial instruments. The fair value of cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities approximates their carrying value due to their short-term maturity or capacity for prompt liquidation.

Disclosure of Outstanding Share Data

As at December 31, 2017, the Issuer had an unlimited number of authorized common shares with 7,854,624 common shares issued and outstanding (December 31, 2017 - 1,379,887).

As at December 31, 2017 the issuer had 685,000 options outstanding (December 31, 2016 – 100,000)

As at December 31, 2017 and December 31, 2016 the Issuer had 362,333 warrants outstanding.

The following table shows the details for the outstanding warrants and options:

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Warrants 1 whole warrant exercisable at $3.00 up until October 8, 2019	72,000	72,000
Warrants 1 whole warrant exercisable at $3.00 up until October 18, 2019	66,000	66,000
Warrants 1 whole warrant exercisable at $3.00 up until November 5, 2019	224,333	224,333
Options expiring October 31, 2021 with an exercise price of $0.10	100,000	100,000
Options expiring January 18, 2022 with an exercise price of	25,000	25,000

$0.10		
Options expiring July 10, 2022 with an exercise price of $0.10	340,000	340,000
Options expiring September 21, 2022 with an exercise price of $0.10	220,000	220,000