CABBAY HOLDINGS CORP.

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

For the Six Months Ended June 30, 2018

Overview

This MD&A has been prepared as of August 29, 2018 and the following information should be read in conjunction with the Issuer's un-audited financial statements for the three and six months ended June 30, 2018 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

As a result of a Plan of Arrangement with its parent company Tower One Wireless Corp., the Issuer became a reporting issuer in British Columbia, and Ontario on October 3, 2016. From the completion of the Plan of Arrangement the Issuer has been engaged in improving its balance sheet and seeking additional business opportunities, primarily related to the cultivation, marketing and/or distribution of medical cannabis and, when legal, cannabis products for recreational purposes.

Also, as part of the plan of arrangement, the Issuer holds an agreement with ForwoRx Therapeutics Inc. regarding the sale and purchase of therapies to treat fibrosis and pulmonary arterial hypertension. The agreement covers the lead compound for Fibrosis PTL-202. PTL-202 is a combination of already approved drugs which have well established safety profiles. PTL-202 has completed a phase 1 drug/ drug interaction clinical trial.

Overall Performance

On February 21, 2018 the Issuer signed a letter of intent to lease land on the Samson Cree First Nations ("Samson FN") land in Maskwacis Alberta to establish a greenhouse for the cultivation of cannabis. An additional agreement was signed on May 25, 2018 to further the land acquisition at Samson FN.

On March 26, 2018 the Issuer incorporated a British Columbia incorporated, wholly owned subsidiary Alta-Sun Samson Holdings Corp. ("Samson Corp."). Samson Corp. is the future operator of the 250,000 sq. ft. greenhouse facility on the Samson FN lands. This development is the first step in the Issuer's strategy to enter the cannabis cultivation space.

Corporate Highlights

During the six month period ended June 30, 2018 the Issuer accomplished the following:

- On February 21, 2018 the Issuer signed a letter of intent to lease land on the Samson Cree First Nations ("Samson FN") land in Maskwacis Alberta to establish a 250,000 sq. ft. greenhouse for the cultivation of cannabis;
- On April 4, 2018, the Company assumed $4,179 of debt from Pacific Therapeutics Ltd., the amount is non-interest bearing and has no set terms of repayment;
- On April 12, 2018, the Company issued 3,228,716 units for total proceeds of $807,179. Each unit consists of one common share of the Company and one half of one purchase warrant. Each whole warrant grants the holder the right to purchase one share for $0.35 for up to two years following the issuance date. $163,000 of the proceed relates to subscriptions received during the period ended March 31, 2018.
- On May 25, 2018 the Issuer signed an additional agreement with Rod Saddleback and Myron Sparkelingeyes on the lease and use of the Samson FN land.
- On June 18, 2108 the Company announced that it's subsidiary Alta-Sun Samson Holdings Corp. ("Samson") had entered into an agreement with Cannabis Compliance Inc. to assist Samson with its application under the Access to Cannabis for Medical Purpose Regulations ("ACMPR") respecting the licensing of a 250,000 sq. ft. greenhouse for the cultivation of cannabis to be built on Samson Cree First Nations lands in Alberta.

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 un-audited financial data for interim operations of the Issuer for the three months and six months ended June 30, 2017 and for the three months and six months ended June 30, 2018 are presented:

Selected Statement of Operations Data

Period ended	**Three Months Ended June 30, 2018**	**Three Months Ended June 30, 2017**	**Six Months Ended June 30, 2018**	**Six Months Ended June 30, 2017**
Total revenues	$Nil	$Nil	$Nil	$Nil
Net Income / (Loss)	$(164,588)	$(24,034)	$(247,782)	$(26,152)
Basic Income/(loss) per share	$(0.02)	$(0.01)	$(0.03)	$(0.01)

Diluted loss per share (Unaudited)	$(0.02)	(0.01)	$(0.03)	$(0.01)
Weighted average shares	10,668,719	2,785,371	9,271,672	2,112,502

Selected Balance Sheet Data

Period ended	**June 30, 2018**	**December 31, 2017**
Cash & Equivalents	$383,172	$49,752
Current Assets	$502,415	$53,005
Total Assets	$503,290	$54,414
Current liabilities	$75,020	$65,838
Non-Current liabilities	$56,000	$151,203
Total liabilities	$131,020	$217,041
Working Capital	$427,395	$(12,833)

Comparison of the Quarters ending June 30, 2018 and June 30, 2017

Revenues

The Issuer does not expect to receive revenue if any from the potential cannabis greenhouse operation on the Samson Cree First Nations ('Samson FN") land until the first quarter of 2020.

The Issuer holds an agreement with ForwoRx Therapeutics Inc. ("ForwoRx") *(see Business Overview and Strategy*). Under this agreement ForwoRx is to pay to the Issuer $50,000 per year in maintenance fees. This fee for 2016 and 2017 has not been paid and the company will not recognize it as revenue until such time that management is confident of its payment. A further payment of $50,00 is due in the third quarter of 2018.

Expenses

For the three months ended June 30, 2018 expenses totaled $164,588 compared to expenses of $24,034 for the three month period ended June 30, 2017. Expenses increased in all categories except accounting and audit fees for the three months ended June 30, 2018 when compared to the three months ended June 30, 2017. During the three month period ended June 30, 2017 the Issuer had minimal expenses to maintain the companies reporting status and investigate future business opportunities. During the three month period ended June 30, 2018 the Issuer pursued its plan of developing a greenhouse to grow cannabis on Samson FN lands and prepared a preliminary prospectus for submission to the British Columbia Securities Commission, causing increased expenses when compared to the three month period ended June 30, 2017; Consulting fees increased from $6,300 to $73,099 as consultants were hired to provide assistance in finance, land acquisition, indigenous relations, ACMPR application, as well as greenhouse design and financial analysis and modeling; Interest and bank charges increased as the $56,000 non-interest bearing short term loan was converted to a long-term interest bearing loan with an interest rate of 1% per month, the principal is due September 30, 2019; management fees increased as the President and CEO became a fulltime employee and a new CFO was added to the management team; office and administration costs increased to reflect the Issuers increased activity in pursuing its business plan; an increase in financing activity caused an increase in filling fees; travel increased as the Issuers operation are now focused in Alberta away from the head office in Vancouver, BC.

During the three month period ended June 30, 2018 the issuer assumed debt of $4,179 (2017 - $5,929) in relation the plan of arrangement with Tower One. During the three month period ended June 30, 2018, the Issuer had a loss on the conversion of long term debt of $17,268 (2017 - $Nil). This loss is attributed to the unamortized discounts on long-term debt balances that were converted to common shares. Long-term debts totaling $95,000 were converted to 380,000 common shares. The $4,063 loss on repayment of long-term debt relates to the unamortized discount on a long-term debt balance due to a related party that was paid off early.

Research & Development Expense

The company does not incur any expense associated with research and development under the asset purchase agreement with ForwoRx Therapeutics Inc.

General and Administrative Expenses

General and administrative costs consist primarily of consulting fees, management fees, accounting costs and other professional and administrative costs associated with maintenance of the Issuer's reporting status and general corporate activities such as pursuing the development of the greenhouse to grow cannabis on the Samson FN lands.

The General and administrative costs for the 3 month period ended June 30, 2018 was $139,078. The General and administrative costs for the three months ended June 30, 2017 was $18,105. For additional discussion of the expenses please *see "Expenses"*.

Intellectual Property and Intangible Assets

The company has no costs associated with the maintenance of patents or intellectual property under the asset purchase agreement with ForwoRx Therapeutics Inc.

Interest Expense/(Income)

The interest expense in the six month period ended June 30, 2018 was $3,360 (June 30, 2017, $Nil). On September 12, 2017, the Company signed a debt assumption agreement which resulted in reclassification of a loan totaling $56,000 as long-term debt. The debt is now due on September 30, 2019 and accrues interest at 1% per month, payable quarterly. Interest expense for the six month period ended June 30, 2018 was $3,360. Interest accrued at June 30, 2018, is $2,016 (December 31, 2017: $2,016)

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 Asset Purchase 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 3 month period ended June 30, 2018 stock based compensation was $Nil (June 30, 2017, $Nil).

Selected Quarterly Information

	Three Months Ended June 30, 2018	Three Months Ended March 31, 2018	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
	$	$	$	$	$	$	$	$
Total Revenues	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Net Income (Loss)	**(164,588)**	**(83,193)**	**(85,462)**	**(105,869)**	**(24,034)**	**(2,118)**	**(441,998)**	**5,626**
Income (Loss) per Share basic and diluted	**(0.02)**	**(0.01)**	**(0.01)**	**(0.02)**	**(0.01)**	**Nil**	**Nil**	**5,626**
Cash	**383,172**	**119,806**	**49,752**	**111,994**	**43,413**	**3,885**	**88**	**7**
Total Assets	**503,290**	**147,574**	**54,414**	**115,662**	**53,538**	**4,286**	**89**	**7**
Current Liabilities	**75,020**	**76,335**	**65,838**	**63,923**	**238,898**	**315,430**	**441,187**	**111**

Liquidity and Capital Resources

At June 30, 2018, the Issuer had cash and cash equivalents of $383,172 and working capital of $427,395. Working capital improved by $440,228 when compared to the year ended December 31, 2017. This improvement was mostly due to the issuance of 3,228,716 common shares for proceeds of $681,411and the settlement of $100,269 in liabilities. Working capital is defined as current assets less current liabilities.

The Issuer's Cash flows from financing activities for the six months ended June 30, 2018 consisted of the issuance of 3,228,716 common shares for proceeds of $681,411 and the settlement of $100,269 in liabilities.

Cash utilized in operating activities during the six months ended June 30, 2018 was $320,196 (June 30, 2017: $26,541). The increase in cash utilized in operations was mainly due to an increase in the net loss for the six month period ending June 30, 2018 of $247,782 from a net loss of $26,152 for the six month period ended June 30, 2017. During the six month period ended June 30, 2018 the issuer assumed debt of $4,179 (2017 - $5,929) in relation the plan of arrangement with Tower One. During the six month period ended June 30, 2018, the Issuer had a loss on the conversion of long term debt of $17,268 (2017 - $Nil). This loss is attributed to the unamortized discounts on long-term debt balances that were converted to common shares. Long-term debts totaling $95,000 were converted to 380,000 common shares. The $4,063 loss on repayment of long-term debt relates to the unamortized discount on a long-term debt balance due to a related party that was paid off early.

At June 30, 2018 share capital was $1,184,675 comprised of 11,083,340 issued and outstanding Common Share (December 31, 2017: $442,041 comprised of 7,854,624 shares).

Warrant and Option Reserves at June 30, 2018, was $93,963, an increase of $39,045 as compared to the year ended December 31, 2017. Pursuant to the private placement on April 12, 2017, the Company issued 1,614,358 share purchase warrants. Each whole warrant entitles the holder to purchase one common share at a price of $0.35 per share for a period of two years from the date of issue. The warrants were assigned a value of $39,045 using the residual value method.

As a result of the net loss for the six months ended June 30, 2018 of $164,588 the deficit at June 30, 2018 increased to $907,368 from $659,586 for the year ended December 31, 2017.

Total equity improved from a deficit of $162,627 at December 31, 2017 to $372,270 at June 30, 2018.

At present, the Issuer's operations do not generate cash inflows and its financial success after June 30, 2018 is dependent on Issuers ability to generate revenues from its proposed cannabis greenhouse operations and the asset purchase agreement with ForwoRx Therapeutics Inc. Neither of these operations may ever generate any revenues for the Issuer.

In order to finance the Issuer's future development plans, 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 the Issuer's ACMPR application, issuance of permits and licenses from governments, approval from first nations band councils, construction of facilities, the Issuers ability to grow and sell cannabis profitably and research activities at ForwoRx Therapeutics Inc. 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

- On February 23, 2018 the Mr. Douglas Unwin the Issuer's CEO and a director assigned $50,000 of the long-term debt to arm's-length parties.
- On April 12, 2018 $25,000 of long-term debt owed to Douglas Unwin the Issuer's CEO and a director was converted to units at a conversion rate of $0.25 per unit pursuant to a private placement. The Company recorded a loss $4,673 on the conversion related to the unamortized discount.
- During the quarter ended June 30, 2018 the remaining long-term debt balance owed to Mr. Douglas Unwin the Issuer's CEO and a director was paid off. The Company recorded a loss $4,063 on repayment relating to the unamortized discount.

- As of June 30, 2018, the Company has $nil (December 31, 2017: $16,262) of long-term debt owing to a Payson Unwin son 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 was due on September 30, 2019 and did 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. On April 12, 2018 the entire balance was converted to 80,000 units at a conversion rate of $0.25 per unit pursuant to a private placement. The Company recorded a loss $3,250 on the conversion relating to the unamortized discount on the long-term debt.
- As of June 30, 2018, the Company has $3,607 (December 31, 2016: $nil) in due to Robert Charlton the Issuers CFO and a director and $7,000 (December 31, 2016: $4,000) in accrued liabilities due to a company controlled by Robert Charlton the Issuers CFO and a director. The amounts do not bear interest and have no set terms of repayment. And are for services rendered.
- As of June 30, 2018, the Company has $100 (December 31, 2017: $100) owing to a Nick Horsley a former director of the Company. The amount does not bear interest and has no set terms of repayment. The $100 dollars was deposited to the Issuers bank account upon opening of the account.
- The Issuer also issued 144,860 common shares at a deemed price of $0.10 per share to settle $14,486 of debt. $4,486 of the debt was converted by Douglas Unwin and $10,000 was converted by Derick Sinclair both directors of the Issuer. All of the debt had been transferred to the Issuer from Tower One.
- 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. The debt was converted by Douglas Unwin, Derick Sinclair and Robert Charlton all directors of the Company. Of the $50,000 of debt converted to shares $37,500 was debt that had been transferred to the Issuer from Tower One, $12,500 was for accounts payable for accounting services owed to a firm controlled by Robert Charlton.
- 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. The $5,928 was converted by Douglas Unwin and Derick Sinclair, both directors of the Issuer. All of the debt had been transferred to the Issuer from Tower One.

Subsequent Events

Subsequent to July 31, 2018 the Company welcomed Harold H. Forzley CPA, CA to it's board of directors. Mr. Harold Forzley, also known as Hardy, is a Chartered Accountant and holds a Bachelor of Arts degree in Commerce from Simon Fraser University and has been involved in the building of numerous companies in the mining sector for 20 years. Mr. Forzley is on the Board of Directors at Pacific Cascade Minerals, Inc. Mr. Forzley was previously employed as an Independent Director by Canada Strategic Metals, Inc., Chief Financial Officer, by TransAct Energy Corp., Chief Financial Officer & Director by Grande Portage Resources Ltd., an Independent Director by Canada Gold Corp.

Proposed Transactions

As at the date of this Management Discussion and Analysis there are no transactions currently contemplated by the Issuer, other than the proposed greenhouse facility on the Samson First Nations land. See "*Business Overview and Strategy*"

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 June 30, 2018, the Issuer had an unlimited number of authorized common shares with 11,083,340 common shares issued and outstanding.

As at June 30, 2018 the issuer had 685,000 options outstanding. Each option has an exercise price of $0.10.

As at June 30, 2018 the Issuer had 1,976,691 warrants outstanding. Pursuant to the private placement on April 12, 2017, the Company issued 1,614,358 share purchase warrants. Each whole warrant entitles the holder to purchase one common share at a price of $0.35 per share for a period of two years from the date of issue. The warrants were assigned a value of $39,045 using the residual value method.

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
Warrants 1 whole warrant exercisable at $0.35 up until April 12, 2020	1,614,358	1,614,358
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 $0.10	25,000	25,000
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