CABBAY HOLDINGS CORP.

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

For the three Months Ended March 31, 2019

Overview

This MD&A has been prepared as of May 30, 2019 and the following information should be read in conjunction with the Issuer's un-audited financial statements for the three months ended March 31, 2019 and the audited consolidated financial statement and accompanying notes for the year ended December 31, 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

Cabbay Holdings Corp. (the "**Issuer"** or **"Company"** or **"Cabbay**") was incorporated as a wholly owned subsidiary of Tower One Wireless Corp. ("**Tower One**") in order to facilitate a plan of arrangement with Tower One, a public company whose common shares trade on the CSE. As part of the Plan of Arrangement which closed on October 3, 2016, Tower One transferred its interest in the ForwoRx Agreement and $1,000 to the Issuer. As a result of the Plan of Arrangement, the Issuer became a reporting issuer in British Columbia. In connection with the Plan of Arrangement, $435,360 of indebtedness was assigned to and assumed by the Issuer. The Issuer recorded a financing fee of $435,359 as a result of the transaction. Also, in connection with the Arrangement during the fiscal year ended December 31, 2017 $5,929 of indebtedness was assigned to and assumed by the Issuer and fiscal year ended December 31, 2018 $4,179 of indebtedness was assigned to and assumed by the Issuer.

On closing of the Plan of Arrangement, the Issuer was a holding company with major holding being an asset purchase agreement with ForwoRx Therapeutics Inc. (the **"ForwoRx Agreement"**) regarding the purchase of therapies to treat fibrosis, erectile dysfunction 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 purchase of a sublingual formulation of sildenafil citrate for use as a treatment for erectile dysfunction and pulmonary arterial hypertension. Neither of these programs is currently being funded.

The ForwoRx Agreement was originally entered into between Tower One (formerly Pacific Therapeutics Ltd.) and ForwoRx (formerly Forge Therapeutics Inc.) on July 23, 2015 pursuant to which Tower One agreed to sell certain of its technology assets (the "**Assets**") to ForwoRx. In consideration, ForwoRx agreed to issue to Tower One 15,000,000 of ForwoRx shares (the "**ForwoRx Shares**"). Pursuant to the terms of the ForwoRx Agreement, subject to certain conditions, between the closing of the asset sale, which occurred on July 23, 2015, and the issuance of the ForwoRx Shares, ForwoRx is to pay to Tower One an annual maintenance fee of $50,000 until the ForwoRx Shares have been issued. Currently ForwoRx is in arrears $150,000 of these maintenance fees. If the ForwoRx Shares are not issued before July 23, 2018, Tower One may at any time prior to July 23, 2020 [the fifth anniversary of the Closing Date], provide notice to ForwoRx of its election to trigger the issuance of the ForwoRx Shares (in whole and not in part), in which case ForwoRx will issue the ForwoRx Shares to the Vendor within 10 business days of receipt of such notice. If ForwoRx has not issued the ForwoRx Shares to Tower One on or before July 23, 2020 [the fifth anniversary of the Closing Date], and Tower One has not earlier provided notice of its election to receive the ForwoRx Shares, ForwoRx is required to promptly transfer and assign the Assets back to Tower One, free and clear of all encumbrances other than permitted encumbrances. As at the date of this MD&A, the Issuer has not received any ForwoRx Shares.

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 transitioning into a vertically integrated corporation cultivating cannabis, manufacturing concentrates and manufacturing cannabis infused edibles and other products for medical and recreational use.

On March 26, 2018, the Issuer incorporated a British Columbia corporation Alta-Sun Samson Holdings Corp. (Alta-Sun). Alta-Sun plans to pursue the licensing, construction and operation of a cannabis growing facility on Enoch FN lands. Alta-Sun is to be the developer and future operator of the Enoch Facility.

Overall Performance

The Issuer is focused on Cannabis production in Alberta, Canada in partnership with First Nations leaders and communities and potential development of cannabis infused products. These partnerships will develop cannabis facilities 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 Enoch Cree First Nation.

The issuer plans to build a 5 acre outdoor cannabis cultivation facility on land it has leased on the Enoch First Nation lands.

Corporate Highlights

During the three-month period ended, March 31, 2019 the Issuer accomplished the following:

- On March 15, 2019 the Issuer signed a series of lines of credit to provide a total of $1,200,000 of working capital. The Issuer committed to issued 500,000 common shares to the lenders to pay administration fees of $125,000.
- On March 31st 2019 the Company signed an amended lease for the 5 acres at Enoch to increase the term of the lease to 10 years.
- On March 31, 2019 the Issuers board approved the issuance of 200,000 Shares to Andy Morin as a bonus for contracting to be the Issuers Master Grower.

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 ended March 31, 2019, March 31, 2018 and March 31, 2017 are presented:

Selected Statement of Operations Data

Period ended	**Three Months Ended March 31, 2019**	**Three Months Ended March 31, 2018**	**Three Months Ended March 31, 2017**
Total revenues	$Nil	$Nil	$Nil
Net Income / (Loss)	$(183,233)	$(83,193)	$(2,118)
Basic Income/(loss) per share	$(0.02)	$(0.01)	$Nil
Diluted loss per share (Unaudited)	$(0.02)	$(0.01)	$Nil
Weighted average shares	11,083,340	7,854,624	1,439,360

Selected Balance Sheet Data

As At	**March 31, 2019**	**December 31, 2018**	**March 31, 2018**
Cash & Equivalents	$6,999	$40,250	$119,806
Current Assets	$54,244	$94,183	$146,432
Total Assets	$367,833	$364,074	$147,574
Current liabilities	$212,424	$167,932	$76,335
Non-Current liabilities	$Nil	$Nil	$154,059
Total liabilities	$212,424	$$167,932	$230,394
Working Capital / (deficit)	$(158,180)	$(73,749)	$70,097

Comparison of the Quarters ending March 31, 2019, March 31, 2018 and March 31, 2017

Revenues

The Issuer is a holding company. Its major holding is 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 2018, 2017 and 2016 has not been paid and the company will not recognize it as revenue until such time that management is confident of its payment. As at March 31, 2019 $150,000 is due from ForwoRx.

During the period ended March 31, 2018 the Issuer continued its entry into the cannabis cultivation industry. As there is a long period from license application to Health Canada thru construction to a crop being ready for sale and the receipt of a license to sell cannabis, the Issuer does not anticipate revenues from this operation for the foreseeable future.

Research & Development Expense

As at March 31, 2019 the company has capitalized $303,015 (December 31, 2018 - $259,050) of development expenses related to the acquisition of the Enoch facility and license application to grow cannabis at the Enoch facility.

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 3 month period ended March 31, 2019 was $183,233 (March 31, 2018 - $83,193, March 31, 2017 - $12,868). The increase in general and administrative costs between the period ended March 31, 2019 compared to the period ended March 31, 2018 was due to the finance fee of $125,000. The finance fee was due to lenders, who have supplied the company with lines of credit totaling $1,200,000.

On March 15, 2019 the Company entered into agreements to access lines of credit of up to $1.2 million with a maturity date of March 31, 2022. Any amount borrowed on the lines of credit is subject to interest at 12% annually. Interest is payable quarterly beginning 365 days from the date the Company receives a standard cultivation license from Health Canada to grow Cannabis. Interest may be paid in cash or shares at the Lender's discretion. Any amount in default will be subject to interest at 18% annually. Advances are available to the Company until March 31, 2022, once conditions precedent have been met.

An administrative fee of 500,000 common shares valued at $125,000 was paid to the lenders. Of this amount $31,250 was paid to a director of the Company. At March 31, 2019 the balance is included in subscriptions received as the shares have not been issued.

As of March 31, 2019 the Company has borrowed $NIL on the lines of credit.

Accounting and audit expense decreased as the annual audit was not completed by the end of the quarter.. Consulting fees decreased due to decreased activity in acquiring land in Alberta. Interest charges decreased from $4,700 to $2,175 due to a decrease in long-term debt. Legal fees decreased by $1,057 to $Nil additional legal fees are anticipated thru the year. Management fees increased slightly from $22,850 to $24,000 due to an increase compensation paid the Issuer's President and CFO. Office and administration fees decreased in 2018 due to the general decreased activity of the Issuer in locating a suitable site and consulting fees for the standard cultivation license compared to the first quarter of 2018. Travel expenses decreased due to the decreased land search activity in Alberta.

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.

The balance of intangible assets increased to $303,015 at March 31, 2019 from $259,050 December 31, 2018 due to payments to consultants related to the preparation of the Cannabis Act standard cultivation license application. On June 4, 2018 the Company entered into a binding agreement with Cannabis Compliance Inc. ("CCI"). CCI will provide the Company with consulting services related to an Access to Cannabis for Medical Purposes ("ACMPR") / Cannabis Act license application and construction of a cannabis cultivation facility. The costs incurred to complete the license application have been capitalized as an intangible asset. The Company also classified certain consulting charges associated with obtaining the standard cultivation license.

Costs incurred to obtain the standard cultivation license are listed below:

		March 31, 2019		**December 31, 2018**
Application costs	$	128,125	$	128,125
Other capitalized charges		174,890		130,925
Total	**$**	**303,015**	**$**	**259,050**

Interest Expense/(Income)

The interest expense in the 3 month period ended March 31, 2019 was $2,175 (March 31, 2018 - $4,700, March 31, 2017 - $Nil). This decrease was due to the decrease in long term debt.

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 March 31, 2019 stock based compensation was $Nil (March 31, 2018 - $Nil, March 31, 2017 - $335).

Selected Quarterly Information

	Three Months Ended March 31, 2019	Three Months Ended December 31, 2018	Three Months Ended September 30, 2018	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
	$	**$**		**$**	**$**	**$**	**$**	**$**
Total Revenues	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Net Income (Loss)	**(183,233)**	**(138,160)**	**(106,306)**	**(164,588)**	**(83,193)**	**(85,462)**	**(105,869)**	**(24,034)**
Income (Loss) per Share basic and diluted	**(0.02)**	**(0.01)**	**(0.01)**	**(0.02)**	**(0.01)**	**(0.01)**	**(0.02)**	**(0.01)**
Cash	**6,999**	**40,250**	**234,471**	**383,172**	**119,806**	**49,752**	**111,994**	**43,413**
Total Assets	**367,833**	**364,074**	**456,384**	**503,290**	**147,574**	**54,414**	**115,662**	**53,538**
Non-Current Liabilities	**Nil**	**Nil**	**Nil**	**56,000**	**154,059**	**151,203**	**132,642**	**Nil**

Liquidity and Capital Resources

At March 31, 2019, the Issuer had cash and cash equivalents of $6,999 (March 31, 2018 - $119,806, March 31, 2017 - $3,885) and a working capital deficit of $158,180 (March 31, 2018 - $70,097, March 31, 2017 – deficit of $311,145). Working capital decreased by $228,277 mostly due to expenditures on the standard cultivation license and Land acquisition expenses. Working capital is defined as current assets less current liabilities.

The Issuer's Cash flows from financing activities for the three months ended March 31, 2018 consisted of share subscriptions received of $5,000 and an increase of amounts owed to related parties of $21,613. During the period ended March 31, 2018 the Company received share subscriptions of $163,000 which added substantially to the Issuers working capital.

Cash utilized in operating activities during the three months ended March 31, 2019 was 16,967 (March 31, 2018 - $94,014, March 31, 2017 - $13,906). The majority of the decrease was due to a decrease in the cash operating activities for the period from $82,926 for the period ended March 31, 2018 to $57,966 for the period ended March 31, 2019.

At March 31, 2019 share capital was $1,184,675 (March 31, 2018 - $442,04, March 31, 2017 - $127,027) comprised of 11,083,340 (March 31, 2018 - 7,854,624, March 31, 2017 - 1,463,904) issued and outstanding Common Shares.

Warrant and Option Reserves at March 31, 2019 was $154,116 (March 31, 2018 - $54,918, March 31, 2017 - $340). The increase was due to the issuance of an additional 320,000 options and 1,614,358 warrants during the year ended December 31, 2018 and a change to the Black Scholes estimate inputs. No options or warrants were issued during the three month period ended March 31, 2019.

As a result of the net loss for the three months ended March 31, 2019 of $183,233 (March 31, 2018 - $83,193, March 31, 2017 - $2,118) the deficit at March 31, 2019 increased to $1,326,882 from $1,143,649 for the year ended December 31, 2018.

At present, the Issuer's operations do not generate cash inflows and its financial success after March 31, 2019 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 for drug candidates can take many years and is subject to factors that are beyond the Issuer's control. The research and development of the drug candidates are currently not being funded.

The Issuer cannot project any revenues from the cannabis operations for the foreseeable future.

In order to finance the Issuer's future administrative, development 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 licensing application and development of the Enoch facility. 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

Balance due to Douglas Unwin the CEO and director:

As of March 31, 2019, the Company has $11,653 (December 31, 2018: $7,971) owing to Doug Unwin the CEO and director of the Company for services rendered. The balance has no set terms of repayment and does not bear interest.

On March 15, 2019 Doug Unwin the CEO and director signed an agreement to convert $12,500 of debt for services as included in his employment agreement into 50,000 shares at a price of $0.25 per share. The amount has been classified as subscriptions received.

Other balances due to related parties:

As of March 31, 2019, the Company has $31,250 (December 31, 2018: $NIL) in subscriptions received from Robert Charlton the issuers CFO and Director. $31,250 is the administration fee owed to Robert Charlton for providing a line of credit to the Issuer.

The Company has $10,982 (December 31, 2018: $4,482) owing to a Company controlled by Robert Charlton. The amounts do not bear interest and have no set terms of repayment.

As of March 31, 2019, the Company has a balance of $22,796 (December 31, 2018: $6,999 included in accounts payable and accrued liabilities) owing to a Company controlled by Mark van der Horst a director.

As of March 31, 2019, the Company has $100 (December 31, 2018: $100) owing to a former director of the Company. The amount does not bear interest and has no set terms of repayment.

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 three month period ended March 31, 2019, and March 31, 2018. This summary should be read in conjunction with the Issuer's unaudited financial statements for the periods ended March 31, 2018, and March 31, 2019:

Material Costs	Quarter ended March 31, 2019	Quarter ended March 31, 2018
Consulting fees	$18,000	$27,750
Legal fees	Nil	1,057
Management fees	24,000	22,850
Share-based compensation	Nil	Nil
Total Expenses	183,233	83,193
Financing Fee(1)	125,000	Nil
Net loss and comprehensive loss for the year	$(183,233)	$(83,193)

(1) Financing fee was for administration of the lines of credit totaling $1,200,000, the fee was settled by issuance of 500,000 shares at a value of $0.25 per share.

Subsequent Events

- On April 26, 2019 the Issuers board approved the issuance of 40,000 shares at $0.25 per share for total proceeds of $10,000. 20,000 of these shares were issued to Doug Unwin the Issuers CEO for proceeds of $5,000.
- On April 26, 2019 the Issuers board approved the issuance of 50,000 shares at a deemed value of $0.25 per share for the settlement of $12,500 owed to Doug Unwin the Issuers CEO as per his employment contract. On the same date the Issuers board approved the issuance of 63,000 shares at a deemed value of $0.25 per share for the settlement of $15,750 owed to a director, Mark van der Horst for services rendered.
- On April 26, 2019 the Issuers board approved the issuance of 500,000 shares at a deemed value of $0.25 per share as administrative fees for $1,200,000 lines of credit, of this amount was 125,000 shares will be issued to Robert Charlton the Issuers CFO.
- At March 31, 2019, $143,500 of the above proceeds was included in the company's financial statements as subscriptions received.
- On May 29, 2019 the Company issued 252,000 common shares at a price or $0.25 per share for total proceeds of $63,000.

Proposed Transactions

As at the date of this Management Discussion and Analysis there are no transactions currently contemplated by the Issuer.

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 March 31, 2019, the Issuer had an unlimited number of authorized common shares with 11,803,304 common shares issued and outstanding.
As at March 31, 2019 the issuer had 1,005,000 options outstanding. The options have an exercise price ranging from $0.10 to $0.25
As at March 31, 2019 the Issuer had 1,976,691 warrants outstanding. Each warrant has an exercise price Ranging from 4).35 to $3.00

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,	240,000	240,000

2022 with an exercise price of $0.10		
Options expiring September 21, 2022 with an exercise price of $0.10	220,000	220,000
Options expiring October 18, 2013 with an exercise price of $0.25	320,000	320,000