

**EUROLIFE BRANDS INC.**  
**(formerly Cannvas MedTech Inc.)**

**Management's Discussion and Analysis**

**For the Six Months Ended June 30, 2019**

**(Unaudited – prepared by Management)**

**(Expressed in Canadian Dollars)**



**EUROLIFE BRANDS INC.**  
**(formerly Cannabis MedTech Inc.)**

**MANAGEMENT DISCUSSION AND ANALYSIS**

**SIX MONTHS ENDED JUNE 30, 2019**

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**INTRODUCTION**

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This Management's Discussion and Analysis ("MD&A") of the operating results and financial condition of Eurolife Brands Inc. (formerly Cannabis MedTech Inc.) (the "**Company**") for the six months ended June 30, 2019 should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2018. All amounts are stated in Canadian dollars unless otherwise indicated. These financial statements together with this MD&A are intended to provide investors with a reasonable basis for assessing the financial performance of the Company.

Management of the Company is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures, and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, are complete and reliable. The Company's board of directors (the "**Board**") follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Company's Audit Committee meets with management quarterly to review the financial statements and the MD&A and to discuss other financial, operating and internal control matters. The read is encouraged to review the Company's statutory filing on [www.sedar.com](http://www.sedar.com).

**CAUTION REGARDING FORWARD-LOOKING STATEMENTS**

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This MD&A contains certain statements that constitute forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", and similar expressions, or statements that events, conditions or results "will", "may", "could", or "should" occur or be achieved. The forward-looking statements may include statements regarding exploration results and budgets, mineral resource estimates, work programs, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties, and other factors. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company's expectations include uncertainties involved in disputes and litigation, fluctuations in commodity prices and currency exchange rates; uncertainty of estimates in capital and operating costs, recovery rates, production estimates and economic return; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; uncertainty regarding the legalization of Marijuana for Medical Purposes Regulations license from Health Canada; uncertainty regarding changes in laws, regulations and guidelines issued by Health Canada; and uncertainty as to timely availability of licenses, permits and other government approvals and other risks and uncertainties disclosed in other information released by the Company from time to time and filed with the appropriate regulatory agencies.

It is the Company's policy that all forward-looking statements are based on the Company's beliefs and assumptions, which are based on information available at the time these assumptions are made. The forward-looking statements contained herein are as at June 30, 2019 and are subject to change after this dated and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws. Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is a significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties, and other factors such as those described above. The Company has no policy for updating forward-looking information beyond the procedures required under applicable securities laws.

Additional information related to the Company is available for view on SEDAR at [www.sedar.com](http://www.sedar.com) or by requesting further information from the Company's head office in Vancouver.



## DESCRIPTION OF BUSINESS

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The Company was incorporated on November 24, 2014 pursuant to the Canada Business Corporations Act on June 23, 2017. On September 11, 2017, the name of the Company was changed from Vapetronix Holdings Inc. to Weed Points Loyalty Inc., on December 13, 2017, the name of the Company was changed to Cannvas Medtech Inc. and on August 12, 2019 the name of the Company was changed to Eurolife Brands Inc.. On January 18, 2018, the Company completed a statutory arrangement under a plan of arrangement (the “**Arrangement**”) with AgraFlora Organics International Inc. (“**Agra**”). The registered and records office of the Company is located at 804-750 West Pender Street, Vancouver, British Columbia, Canada, V6C 2T7.

As a result of completing the Arrangement, the Company became a reporting issuer in the provinces of British Columbia, Alberta and Ontario. Completion of the Arrangement, as set forth in the arrangement agreement and plan of arrangement dated September 7, 2017, as amended on October 11, 2017 (the “**Arrangement Agreement**”), between Agra and then Vapetronix Holdings Inc. (formerly, Weed Points Loyalty Inc., then Cannvas Medtech Inc. and now Eurolife Brands Inc.), was approved by the shareholders of Agra on November 24, 2017 and by a Final Order granted by the Supreme Court of British Columbia on November 30, 2017 in accordance with Part 9 of the Business Corporations Act (British Columbia).

The Company is a business technology company within the health sciences sector and is currently developing a patient-centric data-enabled learning platform for the cannabis space. The Company’s platform service aims to empower its partners to scale and succeed as global industry leaders.

**Business Mission:** To encapsulate a highly personalized data communications platform in a global scalable solution, enabling clients to deploy turnkey sales and marketing tactics across brands and markets with maximal speed and cost-effectiveness.

**Audience Mission:** To empower patients by placing their needs in the driver’s seat of their health care treatment, education and end-to-end journey of a healthy and responsible lifestyle through their use of cannabis.

The Company’s core platform is pioneering to be the largest online repository of medical cannabis related information globally by leveraging enterprise technology to create an AI-enabled learning platform that will allow medical practitioners, licensed producers, patients and consumers to interact and define the future face of cannabis education. To become that disruptor, the Company harnesses the power of data to design and build cannabis customer-centric initiatives in the medical technology (“**medtech**”) sector that puts the end user in the driver’s seat.

The Company endeavors to serve as the first loyalty program that targets the emerging cannabis markets penetrating both the B2B and B2C marketplaces. By leveraging the use of technology and expertise of its management team to create a service offering that will allow producers, patients and consumers to interact and define the future face of cannabis commerce globally.

As part of its proprietary service offering, the Company’s executive team has been cultivating experts in the field of health sciences, pharmacovigilance, consumer analysis and purchase behaviour, omni-channel consumer-centric marketing, distribution and inventory supply chain management, technical platform architecture, and other subject matter experts that bring decades of experience in their craft to ensure the Company is positioned as a top contender in the loyalty space with its service offerings. Each field expert has been asked to join the team because of their unique lens on how to curate the orchestration of their craft to elevate the status quo of current day industry. Each field expert works in tandem with one another to amplify their integrated effects upon one another to clearly articulate the consumer centric value offering in the Company’s platform. The Company is a service with the needs and wants of patients first and a company that brings the business enablement of such a service to the fingertips of the industry.

On July 4, 2018, the Company announced that it has engaged Michael Bluestein of CC Corporate Counsel Professional Corporation to support and enhance the Issuer’s strategic partnership efforts, corporate governance directives and general legal requirements.

On July 5, 2018, the Company announced that it has received significant support and assistance through a partnership with Tech West Canada, a leading western Canadian organization that provide international opportunities for Canadian startups. Funded by Western Economic Diversification and in collaboration with the provincial governments of Alberta, British Columbia, Manitoba and the Saskatchewan, the mission of Tech West Canada is to make a global impact by providing tactical and practical support to Canadian tech companies, like the Issuer, to key international events, such as Web Summit, CES and Mobile World Congress.



Over the past 14 months, the Company was part of important delegations from Canada that were showcased by Tech West at three international trade events: Web Summit in Lisbon, Portugal, CES in Los Angeles, California, Mobile World Congress in Barcelona, Spain. On an annual basis Tech West promotes a team of innovative tech companies making a global impact at conferences around the world under a unified Canada brand.

On July 6 and 9, 2018, the Company announced that its first cannabis-centric service offering to the public will be Cannvas.me. An innovative approach at placing cannabis education at the forefront of this service offering, Cannvas.me is a scalable and comprehensive solution for the global cannabis community offering interactive tools and physician backed content to all audiences who wish to learn about healthcare through cannabis. Representing the voice of its audience's needs, the Company intends to work with the global academic, government, and policy making communities to help inform educators on the future face of consumers needs and wants within the cannabis space. The platform was officially launched on October 1, 2018.

The free to use platform utilizes machine learning algorithms and artificial intelligence (AI) to contextualize and adapt to users of the platform, ensuring that the content they are served will be geographically and personally relevant to them. Furthermore, the contextual AI-supported service ensures that each customer's journey is built upon their last interaction, giving individuals a uniquely progressive experience. The site will feature innovative tools such as educational learning modules in its Cannvas University, an interactive Cannvas Strain Matcher service that educates audiences with specific ailments, and Cannvas Culinary, for those wishing to learn about the culinary approach to treatments

On July 10, 2018, the Company announced the introduction of three additional standalone business divisions which will operate separately within the Issuers group of companies and provide support to the recently introduced innovative Cannvas.me platform, an unbiased educational resource for the cannabis sector.

#### **Cannvas Creative Inc.**

Cannvas Creative is a results-driven, full-service design and marketing agency that delivers on three core business drivers: strategy, design, and technology. Every project begins with a blank canvas, and Cannvas Creative delivers expertise and creativity to create masterpieces that speak to our clients' uniqueness and flair for beautifully designed solutions.

Made up of like-minded individuals that love to collaborate, innovate and venture outside the lines, Cannvas Creative is a trusted partner for brands with the need for strategy driven, results-oriented design and marketing solutions. For more information visit: [www.cannvascreative.com](http://www.cannvascreative.com).

#### **Cannvas Data Inc.**

Pioneering to be the census data of the Cannabis industry, Cannvas Data couples machine learning algorithms with scientific and medical research data to provide meaningful insights to the global cannabis community. Operating as part of the Cannvas.me platform, Cannvas Data analyzes a multitude of data points.

Our platform is LP/REC agnostic which means we are not biased by the personal drivers of any one company or institution, and it is continuously evolving adapting to the Issuer's users and recognizing learning from trends. For more information visit: [www.cannvasdata.com](http://www.cannvasdata.com).

#### **Cannvas Connect Inc.**

An enterprise secure data bridge, ensuring the utmost security and privacy for the flow of sensitive data. As the world is starting to understand the many benefits of medical cannabis, more and more people are joining the conversation. Cannvas Connect facilitates the connection and conversation in a safe and secure environment with people from the four corners of the world.

On July 16, 2018, the Company announced that it has entered into a letter of intent (the "LOI") with Natures Hemp Corp. ("Natures Hemp"), a biotechnology and consumer products company focused on unlocking the true value of the hemp for both B2B and B2C markets. The parties will negotiate, in good faith, a data analytics agreement, for which the Company will provide industry insight and analytical modelling capabilities to Natures Hemp business models and Key Performance Indicators (KPIs).

Under the terms of the LOI, the Company will develop specific parameters within its existing Cannvas Data framework to collect data and analytics from Natures Hemp and their strategic partnerships, and Natures Hemp gains access to a broad data set as they press forward in the hemp sector and become a stand-alone public company. The LOI will allow Natures



Hemp to bring the right products to market, at the right time, to the right individuals that will maximize Natures Hemp customer conversion funnel.

The LOI comes after a wide-ranging agriculture and food policy legislation known as the Farm Bill, passed in the U.S. Senate by a vote of 86 - 11 on June 28, 2018. The Bill contains provisions to legalize the cultivation, processing and sale of industrial hemp. In April, Senate Majority Leader Mitch McConnell (R-KY) introduced standalone legislation to legalize hemp and make hemp plants eligible for crop insurance, the Hemp Farming Act, which were included in the larger Farm Bill. If and when receiving final approval, the non-psychoactive form of cannabis would finally become legal to grow in the United States after a long absence.

On August 8, 2018, the Company announced the completion of its Machine Learning integration milestone within the CANNVAS.ME platform. The platform officially launched October 1, 2018.

As customers engage with the online Cannvas.me platform and interactions continue to increase, our Machine Learning technology is also learning from each interaction. Utilizing this proprietary form of artificial intelligence, the education platform is able to learn from user's interactions and engagement behaviour in a continuous fashion. The intelligent use of this data allows for a highly relevant and immersive user experience that is based on each individual's unique set of behavioural data. This allows Cannvas.me to serve personalized content and educational materials from its Cannvas Academy that are tailored to the individuals' cannabis journey of education.

On August 20, 2018, the Company announced that it has entered into a letter of intent (the "LOI") with CanvasRx, a wholly owned subsidiary of Aurora Cannabis Inc. operating 29 clinics across Canada, to negotiate, in good faith, a patient aggregation agreement after an exploratory period of up to six months during which the Issuer and CanvasRx agree to mutually create data models through the Cannvas.me platform suited for CanvasRx's B2B and B2C businesses.

With strong partnerships, a network of clinics, and access to, and information on hundreds of strains of medical cannabis from the top Licensed Producers in Canada, CanvasRx has developed a powerhouse of education and information for the cannabis industry. People use CanvasRx to learn about medical cannabis, find knowledgeable doctors, select strains and track their outcomes with Patient Reporting tools developed by physicians.

During the exploratory period, the Company will develop specific parameters within its existing Cannvas Data framework to collect data and analytics from CanvasRx and their strategic partnerships, and provide CanvasRx with access to the Cannvas.me dataset. CanvasRx will benefit from using Cannvas.me proprietary databases and algorithms to gain insights to their existing and future membership base. The two companies will work together to enhance user experiences across each respective online platform and explore ways to improve the overall education of visitors in a nonbiased and independent method, including positioning the Cannvas.me educational platform within the CanvasRx chain of medical cannabis clinics.

On September 27, 2018, the Company announced the formation of Cannvas Cannabis Acquisitions Corp., a wholly-owned subsidiary with a focus on investment and acquisition in the expanding global cannabis sector.

Cannvas Cannabis Acquisitions seeks to complement Cannvas' current product offering through continuous development, strategic investments and acquisitions in the cannabis sector. Related companies may include, but are not limited to:

- Technology
- Marketing and design
- Packaging
- Food and nutraceuticals
- Regulation and enforcement
- New product development
- Cultivation related equipment
- Gear and paraphernalia
- Retail stores & dispensaries
- Testing labs

Cannabis research sources calculate legal pot sales in North America climbed approximately 33% in 2017 to almost \$10 billion, and project annual sales will grow to \$25 billion by 2021. In a 2017 study, Deloitte estimates the size of the ancillary cannabis market to be approximately 2.5 times the size of the actual cannabis cultivation market.



On October 9, 2018, the Company announced that it has launched Cannabis.Me, its first cannabis-centric service offering to the public, at <http://Cannvas.Me>. Cannabis.Me is an unbiased educational resource for medicinal and adult-use cannabis users. It is a comprehensive solution for the global cannabis community offering innovative tools and physician-backed content to all audiences wishing to learn about health care through cannabis.

On October 10, 2018, the Company entered into a letter of intent with Loop Media Group, to negotiate, in good faith, an agreement whereby the two companies will share data and insights to improve customer experiences on each respective platform and Cannabis will become the exclusive provider of cannabis information and education to Loop Media's Hi-Jane mobile marketing platform and on December 20, 2018, the Company announced that it has signed a definitive agreement with Loop Media Group.

On October 16, 2018, the Company announced that it intends, operating under its newly-formed Cannabis Cannabis Acquisitions brand, to create a network of high-tech learning and fulfillment centres across Canada, improving accessibility to free and unbiased education about the potential benefits of medical and adult-use cannabis while providing curious consumers with on-site retail options from leading cannabis brands. Operating under the brand Cannabis Marché, each location will feature on-site medical and educational staff, digital learning resources and a fulfillment program.

On November 6, 2018, the Company announced that it entered into an agreement with MOOD™, a premium-focused cannabis storage brand, to join Cannabis Marché, a network of high-tech learning and fulfillment centres across Canada. The revenue sharing agreement calls for the MOOD™ product line to be integrated into the Cannabis Kiosk platform and featured in Cannabis Marché locations on digital marketing screens with fulfillment opportunities.

On November 13, 2018, the Company announced that it has entered into a letter of intent with Medical Marijuana Patient Relief Inc. ("**MMPatient Relief**"), a private late-stage Access to Cannabis for Medical Purposes Regulations ("**ACMPR**") license applicant, to negotiate, in good faith, a joint marketing agreement whereby the two companies will work together to market and promote cannabis education, Cannabis will become the exclusive provider of cannabis information and education to the MM Patient Relief website and the MM Patient Relief product line will be integrated into the Cannabis Kiosk platform and featured in Cannabis Marché locations on digital marketing screens with fulfillment opportunities.

MM Patient Relief Inc. will be using proprietary technology to increase the crop yield and quality of cannabis produced in a newly renovated stand-alone 10,000 sq.ft. building in Tecumseh, Ontario. It is planning to market to sophisticated customers seeking superior strains and alternatives to long-term pharmaceutical pain relief. MM Patient Relief is a 100% private and locally-owned business.

MM Patient Relief products will be featured in Cannabis Kiosks, a network of digital cannabis education kiosks powered by the Cannabis.Me platform and installed in high-traffic medical and retail areas. Products will also be placed in Cannabis Marché locations, a brick-and-mortar education hub with digital learning resources, on-site medical and educational staff and a fulfillment program. Each Marché also offers hands-on education sessions on a variety of cannabis-related topics with no pressure to purchase or consume.

On November 22, 2018, the Company announced that it has formed a charitable partnership with Sistema Toronto, a social development program providing musical and intellectual opportunities to children in vulnerable communities, wherein registered Cannabis.Me users will have the option of converting reward points accumulated on the platform into monetary donations to the non-profit organization. As registered Cannabis.Me users navigate the platform, they can earn points for completing learning modules and leaving reviews on news articles and cannabis strains. Points can be exchanged for a catalog of lifestyle rewards including Cannabis merchandise and retail gift cards. Users will be able to exchange points for monetary donations to Sistema Toronto. While the conversion is still being determined, it is expected users will have the option to donate in increments of \$5 dollars. Cannabis will present Sistema with a cheque at the end of each year with the total donations collected from users.

Sistema Toronto is an intensive social program transforming the lives of children through ensemble-based music, with a vision of using the global language of music to help children grow to realize their full potential as engaged and responsible citizens. Sistema provides students with a safe place to go after school, instruction with professional musicians, a daily nutritious snack, and musical instruments all at no cost to participants' families.

On December 4, 2018, the Company announced that it is proceeding with a revenue share partnership with Namaste Technologies Inc. ("**Namaste**") (TSXV: N, FRA: M5BQ, OTCMKTS: NXTTF), a leading technology company operating the largest global cannabis e-commerce platform. Cannabis and Namaste are deploying technologies to drive customer integration and value-added services between company platforms.



Namaste is the world's largest and most comprehensive cannabis-focused e-commerce platform with a fully-integrated e-commerce network spanning across the globe offering everything from rolling papers to vaporizers. In Canada, Namaste has developed the country's first telemedicine app, available on iPhone and Android devices, allowing patients to connect to doctors or nurse practitioners and have access to a wide range of high-quality cannabis products and services.

On December 6, 2018, the Company announced that it will be partnering with Pancreatic Cancer Canada to provide free educational content to patients and caregivers across the country curious to learn whether cannabis can be a beneficial part of their treatment.

Pancreatic Cancer Canada and Cannvas worked together to launch the first round of content on Cannvas.Me to mark National Pancreatic Cancer Awareness Month in November. It remains online at [Cannvas.Me/PancreaticCancer](https://cannvas.me/pancreaticcancer) as part of the Cannvas Health Advocacy Team (CHAT) initiative, designed to delve deeper into health conditions and provide clarity on lesser-known medical ailments affecting large swaths of the population.

The two organizations also plan to collaborate and share resources to create original content contextualized to fit the needs of pancreatic cancer patients and their caregivers. Additional content will be created regularly by both organizations based on community feedback received by Pancreatic Cancer Canada.

Cannvas will enable the wellness and education of the Pancreatic Cancer Canada community through access to its free and unbiased cannabis education resource, Cannvas.Me. The platform features physician-backed content overseen by certified educators for all audiences wishing to learn about whether the benefits of medical or therapeutic cannabis fit their lifestyle.

Pancreatic cancer patients and caregivers will be able to access physician testimonials, patient stories, research papers and educational courses about the potential benefits of medical cannabis. Those interested in enriching their knowledge on the subject will be able to continue their cannabis education with Cannvas through a variety of targeted courses and articles.

On January 15, 2019, the Issuer announced that it has signed a definitive joint marketing agreement with Cannametrics to explore, in good faith, collaborative opportunities to share insights into data metrics across the Canadian cannabis landscape through their respective Cannvas.Me and Cannametrics.io platforms.

Much like the Cannvas.Me platform strives to inform users of the potential health benefits of cannabis and educate them on whether it fits with their lifestyle, Cannametrics is poised to be an industry disrupter by acknowledging people respond differently to cannabis products and providing personalized recommendations through its advanced machine-learning backend. Developed by Eric Jacobsen, MFC, and Dr. Gina Conte, Ph.D., to address the pressing concern of credibility in the marketplace, Cannametrics' goal is to arm cannabis consumers with a collaborative crowd-sourced tool to track the experiential effects of different cannabis strains and products and streamline their cannabis experience.

Cannametrics is a machine-learning platform helping users find cannabis products that fit their needs. The platform collects data on user experiences with cannabis products through a patent-pending touchscreen graphical interface known as The Experience Signature. The Experience Signature provides an easy to understand infographic that serves as a product profile, strengthening branding for licensed producers and retailers and providing confidence for the consumer as well as saving them time and money. These product profiles are currently being developed as subscription-based data products for the North American online and in-store retail industry.

Overlaying scientific and medical research data from Cannvas.Me users with a growing group of strategic partners has positioned Cannvas Data as a leading source of comprehensive and unbiased information on the behaviours of active and potential cannabis consumers across Canada. Cannvas.Me is a free and unbiased physician-backed digital educational resource for medicinal and adult-use cannabis users offering innovative tools for all audiences wishing to learn about health care through cannabis.

During the exploratory period, Cannvas and Cannametrics will work together to develop specific parameters within its existing Cannvas Data framework to collect data and analytics from Cannametrics and provide Cannametrics with access to the Cannvas.Me dataset. The two companies will also work together to enhance user experiences across each respective platform, including positioning Cannvas.Me as a leading cannabis education resource to Cannametrics.io users, and review their strategic partnership networks to identify further opportunities.

On January 17, 2019, the Issuer announced the signing of a definitive contract with Advica Health whereby Cannvas.Me will be the exclusive provider of cannabis education and information to the Advica Health community.



Advica Health offers members access to the best facilities at home or abroad and assists in obtaining advice, treatment options and solutions to current health care situations in the most efficient manner possible. Each case is approached on an individual and personalized basis to help navigate the healthcare system and collaboratively create an effective health plan with ongoing care management and support from nurse navigators. Advica is constantly bringing innovative healthcare solutions to its membership with a strong focus on preventative health and wellness, and helps members focus on healthy living to positively impact their overall productivity and quality of life.

Cannvas.Me will have the entirety of its platform accessible to Advica Health members, and will work closely with Advica's network of leading clinics, doctors and specialists, caregivers and home support to source information and collaborate on articles and learning modules to meet the needs of Advica members across Canada.

#### About Advica Health

Advica is dedicated to support Canadians who want to personalize their individual medical treatment. Advica acts as thoughtful advisors to assist patients to improve health and wellness. For additional information about Advica Health, visit [advicahealth.com](http://advicahealth.com).

On January 22, 2019, the Issuer announced that it has agreed to a deal with NexTech AR Solutions Corp. (CSE: NTAR) (OTC: NEXCF), whose mission is to bring augmented reality (AR) to the masses through its web-enabled AR e-commerce, AR e-learning and AR live streaming platforms to create the first AR ecosystem, to collaborate on enhancing the user experience of its digital cannabis education kiosks across Canada.

NexTech brings AR to a wide audience through its own AR ecosystem, featuring e-commerce solutions for websites, AR learning and education and AR live streaming for events. Its AR web-enabled e-commerce platform is currently integrated with Shopify, WordPress and Magento, and its e-learning platform "edCetra" has been used by Fortune 500 companies such as Imperial Oil, Bombardier and Staples, as well as the Library of Congress and others to educate and train employees.

Through its partnership with NexTech, Cannvas expects to refine the user experience of its Cannvas Kiosks, a network of learning kiosks in high-traffic retail areas across Canada to improve accessibility to free and physician-backed education about the potential benefits of medical and adult-use cannabis. Cannvas hopes to use AR to build on the current Kiosk platform, attracting a wider audience and extending the length of each consumer interaction while delivering a more memorable and lasting educational impression.

Content at each Cannvas Kiosk will be powered by the Cannvas.Me platform. Cannvas.Me is a scalable and comprehensive solution for the global medical cannabis community offering interactive tools and physician-backed content to audiences wishing to learn about health care through cannabis. Its mission is to place users in the driver's seat of their health care journey, arming them with unbiased information on whether medicinal or therapeutic use of cannabis can be beneficial to their lifestyle.

Plans are in the works to integrate Cannvas learning kiosks with select health clinics and platforms from coast to coast whereby users engaging with the Kiosk have an opportunity to follow up with a licensed medical practitioner, should they so choose, and these clinics or platforms will be among their options.

Cannvas and NexTech plan to collaborate on data collection and analysis to examine consumer behaviour patterns at Cannvas Kiosks and leverage that information to ensure optimal user experiences. Both companies will also explore their existing networks and strategic partnerships to assess whether there is potential to form a joint service offering through the Cannvas Kiosk platform or an otherwise undiscovered opportunity.

#### About NexTech AR Solutions Corp.

NexTech is bringing augmented reality (AR) to the masses by creating an AR ecosystem featuring eCommerce solutions for websites, AR learning and education as well as AR live streaming for events. The company has filed a patent around its AR web-enabled eCommerce platform which has been integrated with Shopify, WordPress and Magento. The AR can "go live" on any ecomm site with just a few lines of embed code creating a highly scalable platform. The global eCommerce industry is a \$2.8 trillion-dollar marketplace and growing. NexTech has acquired its e-learning platform "edCetra" which has been used by Fortune 500 companies such as Imperial Oil, Bombardier and Staples, as well as the Library of Congress and others to educate and train employees. NexTech has added augmented reality ("AR") training and education options into the platform and expects to launch in 2019. The company is also working on bringing forth its AR live streaming platform for shows and live events. All of the company's platforms run off of one CRM which allows for its AR ecosystem to rise up. NexTech launched its ARitize™ app in August 2018, which is capable of hosting many brands 3D objects and



augmented reality experiences. NexTech also owns a large and diverse revenue generating App Portfolio that is deployed on the iTunes and Google play store which it intends to ARitize™. For more information please visit [nextechar.com](http://nextechar.com).

On March 8, 2019, the Issuer announced that it has formed a partnership with Ellementa, Inc., the fastest-growing global women's network focused on health, wellness, and cannabis. The parties will leverage each organization's educational content and data collection to better serve women across North America interested in the potential health benefits of cannabis. With 35% of women consumers using cannabis for medical reasons, Cannvas.Me data shows health and wellness issues are primary reasons why women explore cannabis as an alternative treatment.

The partnership between Cannvas and Ellementa positions the companies to delve deeper into data collected on their respective audiences to better understand and serve North American women who are exploring cannabis as a health and wellness option. Women are among the fastest-growing customer segments in the cannabis industry, accounting for approximately 31% of the U.S. market. In Canada, according to Cannvas.Me, more women than men are trying cannabis for the first time, nearly half of whom report exploring cannabis as a medical or therapeutic treatment.

Cannvas and Ellementa will share co-branded content on their respective platforms to enrich the cannabis education offered to their audiences. Ellementa will also be a featured partner in Cannvas For Her, a dedicated section of Cannvas.Me exploring women's health and wellness as it relates to cannabis. Original content for Cannvas For Her will be sourced jointly from Cannvas.Me and Ellementa. The companies are also expected to announce additional projects in the coming months.

As a leading women's cannabis wellness network, Ellementa aims to connect women to better information about cannabis and to products that can enhance their exploration of cannabis for a healthier and happier life.

#### About Ellementa

Ellementa is a global women's cannabis wellness network that connects women with trusted cannabis experts and brands. Co-founded by three women from the tech industry, Aliza Sherman, Melissa Pierce and Ashley Kingsley, Ellementa facilitates in-person Gatherings in communities across North America and offers online resources specifically geared towards health and wellness. For additional information: [Ellementa.com/pressroom](http://Ellementa.com/pressroom).

On March 11, 2019, the Issuer announced the appointment of Dinesh Kandanchatha to its newly-formed AI, Technology and Data Advisory Board. Mr. Kandanchatha will act as lead and brings with him a wealth of knowledge and expertise in the technology sector as founder and former Chief Technology Officer of Patriot One Technologies (CVE:PAT) (OTCMKTS: PTOTF) (FRA:OPL), a concealed weapons detection system that promises a safer world.

Mr. Kandanchatha has over 20 years of experience in start-up and early-stage companies, having raised over \$100M dollars translating into over \$1B in shareholder value. He has overseen two IPOs, eight acquisitions and been part of many early stage companies. He is a founder and former President and CTO of Patriot One Technologies. Currently he is Chief Operating Officer of Macadamian Technologies one of the leading healthcare product consultancies in Canada. A seasoned investor and mentor, Mr. Kandanchatha holds both a bachelor's degree and MBA from the University of Ottawa, is a Top 40 under 40 winner, serves as a board member on multiple public and private organizations, and has been featured in the Canadian Business Journal's entrepreneur spotlight.

The newly-formed AI, Technology and Data Advisory Board will provide independent consultation and oversight for Cannvas Data, the Company's cannabis analytics platform providing AI-driven cannabis data and analytics to organizations looking to learn more about the audiences in the cannabis space. With the global legal cannabis market projected to reach a valuation of \$27 billion dollars by 2020 and \$146.5 billion by 2025, Cannvas Data is positioning itself as a leader in cannabis analytics delving deep into the consumer behaviours, purchasing patterns and industry trends shaping the global cannabis sector.

On April 10, 2019, the Issuer announced that it has established a working partnership with US Cannabis Pharmaceutical Research and Development ("US Cannabis"), a resource for organizations seeking to normalize, legalize and develop medicinal cannabis. The deal positions Cannvas as an exclusive, leading provider of cannabis education and analytics to US Cannabis and its vast network of clients.

A key partnership for both organizations, Cannvas and US Cannabis will work together to deliver cannabis education to potential and active cannabis consumers through the Cannvas.Me digital learning resource. Cannvas will reinforce US Cannabis' goal of normalizing and developing medicinal and therapeutic cannabis through US Cannabis' vast partner network across the United States. Both companies believe educating the public about the investment, business and job opportunities around cannabis legalization will complement strengthened education on the plant's potential health benefits, and the Cannvas.Me platform is well-positioned to meet that challenge.



US Cannabis provides services to help an array of clients - from startups to seasoned investors, established operations to Native American tribes and government agencies. Cannvas will support these efforts through the licensing of educational software, the use of cannabis data and analytics to better understand key industry trends and drivers for the businesses with whom US Cannabis works closely, placement of Cannvas educational kiosks in existing US-based dispensaries and clinics, and other elements designed to elevate the level of learning Americans experience around cannabis. With more than a dozen states expected to pass new cannabis laws by 2025, according to New Frontier Data, the projected growth of the American cannabis market will provide many more opportunities for US Cannabis and Cannvas to work together as this partnership evolves.

On April 17, 2019, the Issuer announced that it has entered into a definitive partnership with California-based real estate brokerage Good Karma, an innovative two-year-old agency specializing in the California commercial market, to provide detailed analysis and insights into the California market through its Cannvas Data platform while also undertaking a contemporary rebrand of the company.

According to a recent Allen Matkins/UCLA Anderson Forecast California Commercial Real Estate Survey, overall retail sales in the U.S. have increased at a 5.3 percent annual rate while retail markets struggle in California due to the onset of e-commerce that has grown at a 10.7 percent rate. However, industrial real estate is trending upward in the golden state, dominated by warehousing and distribution centres. Among its plans, Cannvas hopes to work with Good Karma to identify key industrial sites to act as strategically-placed distribution hubs for cannabis retailers across the state.

Cannvas expects this partnership to facilitate conversations with California cannabis producers and retailers looking to leverage a growing and diversifying customer base increasingly turning to cannabis to curb unhealthy habits or replace/complement traditional pain medication. Through the use of demographic and firmographic data, Cannvas can identify desirable consumer behaviour traits in specific regions across the state, helping to drive decisions on where to open up shop and reach new and potential customers.

Good Karma was founded in Silicon Valley in 2016 by Len Sterling. A native of California and certified medical professional, Mr. Sterling has a reputation for prudent management from decades of experience in recruitment, sales and management.

On April 18, 2019, the Issuer announced that it has entered into a partnership with Empower Clinics Inc. (“Empower”) to launch a comprehensive education, data collection and analysis program starting with the installation of a network of standalone on-site Cannvas Kiosks in the Empower network of medical clinics.

The partnership installs Cannvas as the exclusive provider of cannabis education to Empower Clinics and its 120,000 patients in the U.S. Cannvas plans to place its Cannvas Kiosks throughout Empower’s network of clinics to provide accessible and unbiased cannabis education to its patients, integrating geo-targeting capabilities to ensure relevant contextual information across the country. Cannvas will also be a key data and analytics partner for Empower, providing meaningful insights on customer behaviours and industry trends and integrating mutually beneficial existing data partnerships.

Every month Empower hosts informational sessions about alternative treatment options and the potential health benefits with doctors and staff available to answer questions. Cannvas expects to play an active role in the review and implementation of new educational curriculum based on original content from Cannvas.Me.

The Company also plans to begin further pilot initiatives with Cannvas to provide content and educational links to Cannvas.me and Cannvas.health directly from the new Empower website [www.empowerclinics.com](http://www.empowerclinics.com) and through the Empower tele-medicine portal.

#### About Empower:

Empower is a leading owner/operator of a network of physician-staffed clinics focused on helping patients improve and protect their health through innovative physician recommended treatment options. It is expected that Empower’s proprietary product line “Sollievo” will offer patients a variety of delivery methods of doctor recommended cannabidiol (CBD) based products in its clinics, online and at major retailers. With over 120,000 patients, an expanding clinic footprint, a focus on new technologies, including tele-medicine, and an expanded product development strategy, Empower is undertaking new growth initiatives to be positioned as a vertically integrated, diverse, market-leading service provider for complex patient requirements in 2019 and beyond.

On April 25, 2019, the Issuer announced that it has signed an agreement with Le Qlub, a premier Quebec-based exotic car rental company, to be its exclusive provider of cannabis education with the luxury automobile club as the first member of the Cannvas Drive Responsible Program. The agreement also supports revenue-sharing between the two organizations with Le Qlub offering exclusive discounts and promotions to Cannvas users.



Cannvas will provide printed educational material to be placed prominently in each vehicle in Le Qlub's fleet, including mirror hangers, window decals and glovebox flyers. Each piece will have information on safe cannabis consumption as it relates to driving, using material created for the Cannvas.Me digital cannabis education resource by the platform's independent Medical, Educational and Cannabis Sciences Advisory Boards.

The agreement also sets in place a lead-generating aspect wherein Le Qlub will offer exclusive discounts and promotions to Cannvas users, encouraging residents of and visitors to Quebec to complement their trip with the enjoyment of a reasonably-priced rental of a luxury automobile of their choice.

The agreement brings Le Qlub on board as the inaugural member of the Cannvas Drive Responsible Program, an initiative aimed at increasing awareness of the risks associated with driving under the influence of cannabis. According to a Statistics Canada report in the second quarter of 2018, "one in seven cannabis users reported driving at least once within two hours of using cannabis in the past three months, and one in 20 Canadians reported being a passenger in a vehicle driven by someone who had consumed cannabis in the previous two hours."

#### About Le Qlub

Le Qlub™ is a premier exotic car rental company for individuals in search of an exotic car rental in Montreal. Le Qlub™ provides a pristine luxury experience for new and experienced clientele. For more information please visit [LeQlub.ca](http://LeQlub.ca).

On April 30, 2019, the Issuer announced that it has signed a revenue sharing agreement with Medical Marihuana Patient Relief Inc. ("MM Patient Relief"), a private locally-owned producer based in Tecumseh, Ontario focused on creating high-quality, in-demand medical cannabis strains. Cannvas and MM Patient Relief are jointly deploying technologies to increase value-added services offered between company platforms while driving customer integration.

Cannvas expects to leverage its data analysis capabilities and work with MM Patient Relief to generate revenue through tracking the number of Cannvas.Me users who choose MM Patient Relief as their primary cannabis provider, and can track purchases made throughout the lifetime of a patient.

Established in 2014, Medical Marihuana Patient Relief Inc. is currently in the final stages of review and approval under Health Canada's MMPR/ACMPR (Access to Cannabis for Medical Purposes Regulations).

#### About Medical Marihuana Patient Relief

Established in 2014, Medical Marihuana Patient Relief Inc. (MM Patient Relief) is a private, locally-owned business based in Tecumseh, Ontario focused on creating high-quality, in-demand medical cannabis strains for pain, arthritis, and cancer. Using advanced cultivation methods that maximize production and have increased the number of yearly crop cycles from four to six, MM Patient Relief is in the final stage of Health Canada MMPR / ACMPR (Access to Cannabis for Medical Purposes Regulation) approval and finalizing construction of its state-of-the-art stand-alone facility. For more information: [www.mmpatientrelief.com](http://www.mmpatientrelief.com)

On May 2, 2019, the Issuer announced that it has engaged Catapult Growth Partners ("Catapult"), a leading North American-based consultancy firm focused on helping businesses accelerate profitable growth and increase equity value, to explore transactions within the global cannabis sector to maximize shareholder value.

Cannvas will work with Catapult to help accelerate profitable growth through a review of the Issuer's strategic development and support for practical execution. Using Catapult's vast network of international organizations, Cannvas will also tap into talent acquisition and management resources. The goal of the partnership is to ultimately position Cannvas to maximize value for its shareholders through transactions, including mergers and acquisitions, within the global cannabis and technology sectors.

The companies will implement a strategic review of all Cannvas properties to gain clearer insight into all available options to maximize the value of the Issuer. Presently there is no definite schedule to complete the evaluation process and there are no assurances or guarantees the evaluation will result in a transaction.

Since its founding in 2004, Catapult has developed an outstanding track record enabling firms to grow and position for a successful exit. A leading North American-based investment bank and consultancy focused on helping businesses accelerate profitable growth and increase equity value, Catapult specializes in a variety of sectors such as health tech, artificial intelligence and technology services.

On May 8, 2019, the Issuer announced that a slew of recent high-profile partnerships within and outside the global cannabis industry, coupled with the dynamic rollout of its Cannvas Kiosk program, has streamlined organizational priorities to strengthen its focus and resources on aggressively growing its existing revenue-generating streams.



Recently, Cannvas announced a series of revenue-generating partnerships including:

Joining the International Cannabis Alliance as its exclusive provider of cannabis education.

An agreement with Empower Clinics Inc. (CSE: CBDT) (Frankfurt 8EC) to launch a comprehensive education, data collection and analysis program starting with the installation of a network of on-site Cannvas Kiosks in Empower's medical clinic network.

A definitive partnership with California-based real estate brokerage Good Karma to provide detailed analysis and insights into the California market through its Cannvas Data platform while also undertaking a contemporary rebrand of the Issuer.

A definitive partnership with Seed Technology granting Cannvas exclusive Canadian rights to distribute co-branded kiosks and related technology to medical clinics and dispensaries across Canada.

A working partnership with US Cannabis Pharmaceutical Research and Development as an exclusive, leading provider of cannabis education and analytics to US Cannabis and its vast network of clients.

A deal with NexTech AR Solutions Corp. (CSE: NTAR) (OTC: NEXCF) to collaborate on enhancing the user experience of its digital cannabis education kiosks across Canada.

The Issuer is currently focused on five primary streams of revenue generation:

White-labelling its digital cannabis education platform Cannvas.Me to cannabis producers and retailers, health and insurance agencies, educational institutions, pharmacies and clinics, among other sectors.

Creating data reports and sharing analytics to convert casual consumers into steady customers for a roster of clients including physician's clinics and pharmacies, licensed producers and retailers, research centres and other data aggregators.

Placement of Cannvas Kiosks in high-traffic medical and commercial areas through a monthly subscription-based fee encompassing a number of other services outlined here.

Selling contextual advertising and media space on its Cannvas.Me platform, on track to have over 4 million unique users accessing its free and unbiased cannabis education in 2019, with over 50 million views of Cannvas articles and courses before year's end.

Providing creative services through Cannvas Creative, its full-service in-house creative agency with over 15 years' experience in digital, traditional and experiential marketing for clients in and outside the cannabis sector.

With the aggressive expansion of the Cannvas Kiosk program, the Issuer expects to allocate a significant amount of resources to ensuring its success and continued growth. Through the partnerships referenced above, and others, Cannvas expects a timely and lucrative rollout of its Kiosks across Canada and North America, with an eye on expansion into Europe and South America in the near future.

On May 14, 2019, the Issuer announced that continues to increase its digital assets, grow traffic to its digital cannabis education platform Cannvas.Me and drive new user sign-ups through the acquisition of nearly 1000 unique domains relating to health and cannabis education, cannabis data and analytics and pet healthcare through cannabis.

In the span of one calendar year, Cannvas has increased its digital assets by 240%, acquiring a total of 835 digital properties designed to increase user flow to Cannvas.Me and accumulate additional data to complement the information already actively analyzed by Cannvas. Multiple domains pointing back at Cannvas.Me also improves search engine optimization (SEO) and Cannvas is focused on ensuring its digital cannabis learning platform ranks high in global searches for cannabis education and related terms.

Since its launch in October 2018, Cannvas.Me has seen consistent month-to-month user growth of 30%, with a spectacular rise of 524% in March of this year. Attributed largely to its aggressive acquisition of strategic domains related to cannabis education, health care and data, Cannvas is now on track to have over 4 million unique users accessing its free and unbiased cannabis education in 2019, with over 50 million views of Cannvas articles and courses before year's end. This puts Cannvas on track to have over 90% of countries around the world engaging with its content before the end of 2019.

On May 15, 2019, the Issuer announced that it has undertaken expansion plans across the European market, implementing a similar revenue growth strategy to the one it successfully followed to enter the U.S. space.

Similar to recent U.S.-based partnerships with the likes of Empower Clinics (CSE: CBDT) (FRA: 8EC) (OTC: EPWCCF) and US Cannabis Pharmaceutical Research and Development, Cannvas plans to pursue strategic collaborations with



European entities active in the cannabis and health sciences space, including physician's offices, health clinics and pharmacies, insurance and government agencies, medical and educational institutions and more.

Cannvas plans to aggressively market its Cannvas Kiosk concept to EU nations as a cost-efficient and data-driven avenue of education delivery to citizens where they learn, work, eat and live. Focused first on establishing a kiosk network across health clinics, pharmacies and hospitals, the Cannvas team will also be reaching out to retailers, entertainment facilities, educational institutions and government agencies.

While Cannvas expects to derive revenue from its kiosk network, it also expects a receptive audience to its white label solutions for cannabis education, providing organizations with evidence-based cannabis learning modules powered by its Cannvas.Me platform. Sectors to be targeted for education solutions include medical, retail, cannabis production and distribution, government and higher learning. Cannvas also expects a robust demand for contextual media and ad placement across its platforms as an additional driver of revenue.

On May 21, 2019, the Issuer announced that it has signed a definitive contract positioning Cannvas.Me as the exclusive provider of cannabis education and information to members of Medical Marihuana Patient Relief Inc. ("MM Patient Relief"), a private, locally-owned business based in Tecumseh, Ontario focused on creating high-quality, in-demand medical cannabis strains.

Established in 2014, MM Patient Relief is currently in the final stages of review and approval under Health Canada's MMPR/ACMPR (Access to Cannabis for Medical Purposes Regulations). Once approved, it plans to use its proprietary technology to increase the crop yield and quality of cannabis produced in its newly-renovated stand-alone 10,000 sq.ft. building in Tecumseh, Ontario.

Once fully integrated with the MM Patient Relief portal, members will be able to Cannvas.Me content from anywhere in the world. Cannvas.Me will work closely with MM Patient Relief's partner network to source information and collaborate on articles to meet the needs of MM Patient Relief clients across Canada.

#### About Medical Marihuana Patient Relief

Established in 2014, Medical Marihuana Patient Relief Inc. (MMPatient Relief) is a private, locally-owned business based in Tecumseh, Ontario focused on creating high-quality, in-demand medical cannabis strains for pain, arthritis, and cancer. Using advanced cultivation methods that maximize production and have increased the number of yearly crop cycles from four to six, MM Patient Relief is in the final stage of Health Canada MMPR / ACMPR (Access to Cannabis for Medical Purposes Regulation) approval and finalizing construction of its state-of-the-art stand-alone facility. For more information: [www.mmpatientrelief.com](http://www.mmpatientrelief.com).

On May 28, 2019, the Issuer announced that it has signed an agreement to be the exclusive provider of unbiased cannabis education for Liberty Leaf Holdings Ltd. (CSE: LIB) (OTC: LIBFF) (FSE: HN3P) ("Liberty Leaf"), who among other assets, is operating a cannabis accessories e-commerce platform, [SignaturebyLibertyLeaf.com](http://SignaturebyLibertyLeaf.com). The agreement calls for Cannvas to provide original evidence-based educational content, progressive learning modules and value-added services to the Liberty Leaf platform through white labeling solutions powered by the Cannvas.Me educational platform.

Under the terms of the agreement, Cannvas will provide subscription-based white-label educational services based on its original educational content, created and curated by its independent Medical, Educational and Cannabis Sciences Advisory Boards. Consideration for the services reflected in the agreement comes in the form of a 12-month paid subscription with an annual sum to be reviewed following each year and with ample room for expansion of services and offerings.

Liberty Leaf is a Canadian-based public company whose objective is to be at the forefront of the cannabis industry, accelerating the expansion of revenue-generating businesses within the rapidly growing sector. Its business strategy places Liberty Leaf's vertically integrated legal cannabis grower/processor/distributor operations in the middle of an expected multibillion-dollar cannabis boom.

Once fully integrated with the Liberty Leaf platform, its audience will be able to access Cannvas.Me educational content from anywhere in the world, and Cannvas expects to work closely with Liberty Leaf's partner network to source information and collaborate on articles to meet the needs of the communities it serves across Canada.



## SUMMARY OF QUARTERLY FINANCIAL RESULTS

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The following is a summary of selected financial information compiled from the quarterly interim unaudited financial statements for the eight quarters ending June 30, 2019:

Quarter Ended	Loss for the Period (\$)	Loss per Share (\$) (Basic and Diluted)
June 30, 2019	(1,273,132)	(0.03)
March 31, 2019	(1,630,201)	(0.03)
December 31, 2018	(1,593,168)	(0.03)
September 30, 2018	(1,847,062)	(0.05)
June 30, 2018	(918,712)	(0.03)
March 31, 2018	(378,813)	(0.01)
December 31, 2017	(464,993)	(0.06)
September 30, 2017	(15,000)	(0.00)

## RESULTS OF OPERATIONS

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The Company's loss for the six months ended June 30, 2019 was \$2,903,333 compared to a loss of \$1,297,525 for the six months ended June 30, 2018. The significant changes in the current period were an increase in investor relation costs to \$101,615 compared to \$8,088 during the comparative period due to an increase in business activity. Share-based compensation also increased from \$358,984 during the comparative period to \$1,741,127 in the current period on the granting of stock option, travel and business development increased from \$230,329 during the comparative period to \$384,904 in the current period. Platform development costs have increased from \$164,653 during the comparative period to \$293,820 in the current period. Advertising and marketing decreased from \$273,012 during the comparative period to \$89,580 in the current period.

The Company's loss for the three months ended June 30, 2019 was \$1,275,182 compared to a loss of \$918,712 for the three months ended June 30, 2018. The significant changes in the current period were an increase in investor relations costs to \$71,763 compared to \$6,088 during the comparative period due to an increase in business activity. Share-based compensation also increased from \$354,457 during the comparative period to \$596,770 in the current period on the granting of stock option. Travel and business development increased from \$111,149 during the comparative period to \$313,466 in the current period. Advertising and marketing decreased from \$161,930 during the comparative period to \$22,629 in the current period. Consulting fees decreased from \$226,295 during the comparative period to \$93,974 in the current period.

## LIQUIDITY AND CAPITAL RESOURCES

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The Company's cash on hand decreased to bank indebtedness of \$141,771 at June 30, 2019 from \$217,515 cash on hand at December 31, 2018.

The Company had a working capital deficit of \$72,277 at June 30, 2019 compared to a working capital surplus of \$338,008 at December 31, 2018.

As at the date of this MD&A, the Company has sufficient working capital to meet its ongoing financial obligations for the coming year.

### Stock options

The Company has a stock option plan that allows it to grant options to its directors, officers, employees and consultants, provided that the aggregate number of options granted shall not at any time exceed 10% of the total number of issued and outstanding common shares of the Company.

On January 14, 2019, the Company granted 1,500,000 stock options to directors and officers of the company, exercisable at \$0.28 for a period of five years. These options vest immediately on the date of grant.



On February 4, 2019, the Company granted 1,450,000 stock options to a consultant of the Company, exercisable at \$0.30 for a period of five years. 18% of the options vest on date of grant, with 12% of the options vesting every quarter thereafter with the final quarter vesting the remaining 10%.

On February 6, 2019, the Company granted 62,500 stock options to consultants of the Company, exercisable at \$0.30 for a period of one year. 40% of the options vest on date of grant, with 20% of the options vesting every quarter thereafter.

On March 14, 2019, the Company granted 200,000 stock options to a consultant of the Company, exercisable at \$0.29 for a period of one year. These options vest immediately on the date of grant.

On March 27, 2019, the Company granted 1,000,000 stock options to directors and officers of the company, exercisable at \$0.275 for a period of five years. These options vest immediately on the date of grant.

As at June 30, 2019, there were 4,872,000 stock options outstanding for the purchase of common shares.

## **RELATED PARTY TRANSACTIONS**

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During the six months ended June 30, 2019, \$147,350 was incurred to directors and officers for consulting fees and \$52,750 for travel and business development. Additionally, \$1,443,008 was issued in share-based compensation to directors and officers of the Company.

Included in subscriptions receivable is \$18,406 (2018 - \$681,975) due from directors and officers of the Company. Included in accounts payable is \$252,993 (2018 - \$28,250) due to directors and officers of the Company. Included in prepaids is \$Nil (2018 - \$103,819) prepaid to a company controlled by a related party. Amounts due to and due from related parties are unsecured, non-interest bearing and due on demand.

## **FINANCIAL RISK MANAGEMENT**

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The Company is exposed to minimal financial instrument related risks. The Board of the Company approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

### ***Credit risk***

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist primarily of cash. The Company limits its exposure to credit risk by placing its cash with a high credit quality financial institution in Canada.

### ***Liquidity risk***

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments and with property exploration and development. The Company manages liquidity risk by maintaining adequate cash balances.

The Company's expected source of cash flow in the upcoming year will be through equity financing. Cash on hand at June 30, 2019 and expected cash flows for the next 12 months are sufficient to fund the Company's ongoing operational needs. The Company may need funding through equity or debt financing, entering into joint venture agreements or a combination thereof. Liquidity risk is assessed as high.

### ***Market risk***

Market risk is a risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

### ***Interest rate risk***

Interest rate risk consists of two components: to the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in prevailing market interest rates, the Company is exposed to interest rate cash



flow risk; and to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

Current financial assets and current financial liabilities are generally not exposed to interest rate risk because of their short-term nature and maturity. At June 30, 2019, the Company was not affected by interest rate risk.

### ***Foreign currency risk***

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in foreign currency. Foreign currency risk is assessed as low.

### ***Capital risk management***

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity and cash. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

## **SUBSEQUENT EVENTS**

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On July 9, 2019, the Company granted 200,000 stock options to consultants of the Company, exercisable at \$0.205 for a period of one year. The options vest immediately on the date of grant. All of the options remain outstanding.

On July 9, 2019, the Company issued 756,097 common shares with a fair value of \$155,000 as payment for services rendered by consultants of the Company.

On July 16, 2019, the Company completed the first tranche of a private placement raising \$1,001,500 in exchange for 5,007,500 common shares at a price of \$0.205 per share.

On July 24, 2019, the Company completed the second tranche of a private placement raising \$506,000 in exchange for 2,530,000 common shares at a price of \$0.205 per share.

On July 26, 2019, the Company completed the third tranche of a private placement raising \$595,000 in exchange for 2,975,000 common shares at a price of \$0.205 per share.

On July 30, 2019, the Company granted 850,000 stock options to directors and officers of the Company, exercisable at \$0.20 for a period of one year. The options vest immediately on the date of grant. All of the options remain outstanding.

On July 30, 2019, the Company granted 800,000 stock options to consultants of the Company, exercisable at \$0.20 for a period of one year. The options vest immediately on the date of grant. All of the options remain outstanding.

On July 31, 2019, the Company granted 115,000 stock options to consultants of the Company, exercisable at \$0.28 for a period of one year. The options vest immediately on the date of grant. All of the options remain outstanding.

On August 7, 2019, the Company issued 2,900,000 common shares with a fair value of \$667,000 to directors for reaching a target milestone as specified within their respective contract.

On August 7, 2019, the Company issued 22,000,000 common shares with a fair value of \$4,400,000 to investors pursuant to a share exchange agreement.

On August 12, 2019, the Company completed a name change to Eurolife Brands Inc from Cannvas MedTech Inc.

On August 13, 2019, the Company issued 261,000 common shares to a consultant of the Company upon exercise of stock options for proceeds of \$78,300.

On August 15, 2019, the Company completed a stock division on a 4:1 basis.



## **ADDITIONAL INFORMATION**

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### **Off-Balance Sheet Arrangements**

As at the date of this MD&A, the Company had no off-balance sheet arrangements.

### **Commitments**

On November 1, 2017, the Company entered into a three year office lease agreement. Future payments required under the operating lease are \$23,612 for 2019 and \$40,810 for 2020.

### **Legal proceedings**

As at the current date, management was not aware of any legal proceedings involving the Company.

### **Outstanding Share Data**

As at the date of this MD&A, the Company had 349,248,444 common shares outstanding.

As at the six months ended June 30, 2019, the Company had 50,882,514 common shares outstanding.

### **Stock Options**

As at the date of this MD&A, the Company had 22,124,000 stock options outstanding.

As at the six months ended June 30, 2019, the Company had 4,782,000 stock options outstanding.

### **Warrants**

On May 4, 2018, the Company issued 4,261,480 warrants, all of which remained outstanding as at June 30, 2019.

As at the date of this MD&A all warrants remain outstanding.

### **Contingent liabilities**

As at the current date, management was not aware of any outstanding contingent liabilities relating to the Company's activities.

Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the company, and other factors.

## **CAPITAL DISCLOSURE**

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The Company manages its capital structure and makes adjustments to it based on the funds available to the Company, in order to support the acquisition of a new business. The Board does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to acquire and sustain future development of a business. The Company has recently reactivated and acquired a business, which will require additional financial resources. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the current period. The Company is not subject to externally imposed capital requirements.

## **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION**

The Company's financial statements and the other financial information included in this management report are the responsibility of the Company's management, and have been examined and approved by the Board. The financial statements were prepared by management in accordance with IFRS and include certain amounts based on management's best estimates using careful judgment. The selection of accounting principles and methods is management's responsibility.



Management recognizes its responsibility for conducting the Company's affairs in a manner to comply with the requirements of applicable laws and established financial standards and principles, and for maintaining proper standards of conduct in its activities. The Board supervises the financial statements and other financial information through its audit committee.

This committee's role is to examine the financial statements and recommend that the Board approve them, to examine the internal control and information protection systems and all other matters relating to the Company's accounting and finances. In order to do so, the audit committee meets annually with the external auditors, with or without the Company's management, to review their respective audit plans and discuss the results of their examination. This committee is responsible for recommending the appointment of the external auditors or the renewal of their engagement.

## **DIRECTORS**

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Certain directors of the Company are also directors, officers and/or shareholders of other companies. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required to act in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any directors in a conflict will disclose their interests and abstain from voting in such matters. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at the time.

As at the date of this MD&A, the directors of the Company are Shawn Moniz, Steve Loutskou, Marco Contardi and Lindsay Hamelin.