Vencanna Ventures Inc.
(formerly Top Strike Resources Corp.)
Management's Discussion & Analysis
Three and Nine Months Ended January 31, 2025 and 2024

The following Management's Discussion & Analysis ("MD&A") as provided by the management of Vencanna Ventures Inc. ("Vencanna" or the "Company") should be read in conjunction with the Company's unaudited condensed interim financial statements and accompanying notes for the three months ended January 31, 2025 and 2024 and audited financial statements and accompanying notes for the years ended April 30, 2024 and 2023. All financial measures are expressed in United States dollars unless otherwise indicated. Vencanna's MD&A and financial statements were prepared under International Financial Reporting Standards ("IFRS"). The reader should be aware that historical results are not necessarily indicative of future performance. The effective date of this MD&A is March 31, 2025.

Management 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, is complete and reliable. The Company's board of directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management on a quarterly basis to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. See "Forward Looking Statements" on page 8 of this report.

The reader is encouraged to review the Company's statutory filings on www.sedarplus.com.

DESCRIPTION OF BUSINESS

The Company trades under the symbol "VENI" on the Canadian Securities Exchange (the "CSE").

The Company's principal place of business is located in Calgary, Alberta. The address of the Company's registered officer is 4200 Bankers Hall West, 888-3rd Street SW, Calgary, AB T2P 5C5.

Prior to September 24, 2018, Vencanna Ventures Inc. (previously Top Strike Resources Corp. dba Vencanna Ventures) had no activity and had not earned significant revenues and was listed on the TSX Venture Exchange. The Company had previously focused on international and domestic oil and gas projects, but has expanded its scope to consider other industries as well.

On September 24, 2018, the Company announced the completion of a recapitalization financing, the appointment of a new management team and board of directors and commencement of trading on the Canadian Securities Exchange. The transactions have transitioned the Company from an oil and gas issuer to a merchant capital firm, rebranded as "Vencanna Ventures", providing capital to early-stage global cannabis initiatives including state compliant opportunities in the United States.

On February 23, 2024, the Company announced the change of its corporate name from Top Strike Resources Corp. to Vencanna Ventures Inc.

On April 30, 2024, the Company acquired all the outstanding membership units of The Cannavative Group, LLC ("Cannavative") through an all-share exchange. Cannavative was incorporated July 16, 2014, under the Articles of Organization for a Limited Liability Company in Reno, Nevada. The company commenced revenue generating activity during the year ended December 31, 2016 and continuance of operations is dependent upon maintaining the necessary licensing under Nevada state law. As of February 1, 2025 its head office and registered office address is 7754 Security Circle, Reno NV, 89523 ("Security Circle Facility") (prior thereto it was 14331 Lear Boulevard, Reno NV, 89506 (the "Lear Facility")). Cannavative, collectively with its wholly owned subsidiaries, Cannavative Farms LLC and Cannavative Extracts LLC, is a licensed manufacturer and distributor of recreational cannabis flower and extracted products that operates exclusively in the State of Nevada where the legal commercial production and vending of marijuana is permitted by Nevada state law under Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA").

Nevada

Cannavative offers over 150 SKUs, spanning a wide range of high-quality concentrate product offerings and pre-rolls. These highly recognized products including **Resin8**, one of Nevada's top selling vape, **The Motivator,** the OG of the infused pre-roll, **Tidal**, a high-quality live resin sugar concentrate, and its **Rick Simpson Oil** (RSO), for the discernible customer. Further, the company continually updates it product development and seasonal promotions, in addition to entering into selective co-lab arrangements.

Prior to Feb 1, 2025, Cannavative operated its cultivation and extraction business out of the 40,000 square-foot Lear Facility. Given the extremely completive pricing in the flower market, Cannavative's primary focus has been its manufactured products making the size of the Lear Facility redundant for the company's needs. On Feb 1, 2025, Cannavative moved into the 7,500 square-foot Security Circle Facility. Cannavative was able to exit the Lear Lease on January 31, 2025 without any further financial obligation.

During the current fiscal year, the focus has been on operating efficiencies, cost reductions, and corporate rightsizing including the new Security Circle Facility. This has resulted in a 50% reduction in Cannavative's current SG&A expenses (sales, general and administrative). Additionally, the company onboarded JAB LLC (JAB) to spearhead its statewide sales efforts. JAB has significant expertise and deep-rooted relationships in the state, especially Nevada's premier market, Las Vegas.

While tourism has rebounded to pre-Covid level, Nevada continues to experience price compression and state wide sales declines. Cannavative's focus on quality, diverse product offerings, operating efficiencies, and strategic pricing initiatives, is what's needed to compete in Nevada.

New Jersey

The Company partnered with certain community groups with a focus on the New Jersey cannabis market: TGC New Jersey LLC. ("TGC"), CGT New Jersey LLC ("CGT"), and October Gold LLC ("October Gold," collectively referred to as the "NJ Entities"). Vencanna is advancing CGT's Bellmawr retail project (a proposed 4,150 s.f. retail site) and TGC's Cinnaminson project (a proposed 15,500 sf vertical operation, consisting of cultivation, manufacturing and retail).

The outdoor construction at Bellmawr is mostly complete, and the Company is soliciting trade proposals to complete the interior build out. The Bellmawr site is less than 10 miles from Philadelphia just off Hwy 42 southbound, with over 85,000 cars passing the dispensary every day. With easy access on and off Hwy 42, this site a highly coveted and prominently located. Cinnaminson allows for retail sales, subject to the retail space being limited to 10% of the facility and the license being co-located with cultivation and / or manufacturing. TGC has received all the requisite municipal approvals and quotes from the local trade providers. The Company will build out Cinnaminson in phases, retail and manufacturing first, followed by cultivation. Given the Company's financial position, the Company will not initiate construction until the

Bellmawr construction has been complete and is operating. Capital is still very tight for the industry; however, the Company will be exploring financing options for its NJ opportunities, which if successful, may accelerate the development plans for NJ. We look forward to bringing our brands, relationships, and product developments from Nevada into the New Jersey market.

Consolidating Entities

This MD&A includes the accounts of the Company, its wholly owned subsidiaries, and companies which the Company has control. Control exists when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, potential voting rights that are currently exercisable are taken into account. Non-controlling interests in the equity of consolidated subsidiaries are shown separately in the consolidated statement of operations and in the consolidated statement of changes in shareholders' equity. All intercompany balances and transactions are eliminated upon consolidation.

Prior to April 30, 2024, the Company recorded the NJ Entities as "related parties", and the investments in the NJ Entities as "investments". Given the Company's effective control of the NJ Entities, as of April 30, 2024 the Company has consolidated the NJ Entities on its financial statements.

The information below lists the Company's subsidiaries that are consolidated in the Condensed Interim Consolidated Financial Statements and the ownership interest held as of January 31, 2025.

Entities	% Ownership
The Cannavative Group, LLC	100%
Cannavative Farms, LLC	100%
Cannavative Extracts, LLC	100%
TGC New Jersey, LLC	0%
CGT New Jersey, LLC	0%
October Gold New Jersey, LLC	0%
Vencanna KY, LLC	100%
Vencanna DE, LLC	100%

TGC New Jersey, LLC has obtained its annual Class 1 cultivation license and its annual Class 2 manufacturing license. The company has submitted its annual Class 5 retail license application which is currently under review by the NJ CRC. The site is located in Cinnaminson NJ.

CGT New Jersey, LLC, or a majority owned subsidiary of the Company, is in the process of preparing an annual Class 5 retail license application with regards to the Bellmawr site. The Bellmawr site has all the requisite municipal approvals and support letter.

October Gold New Jersey, LLC successfully obtained its conditional retail license from the NJ CRC licencing agency. However, the company was unable to secure a location, and the conditional license has expired. If the company is able to secure a site in the future, it will re-apply for an annual retail license.

The Company reviews cannabis U.S. state compliant markets for potential expansion, which included entering the recent licencing lottery in Kentucky and Delaware. The applications were accepted for the lottery; however, they were not successful. Unless additional expansion options present itself in Kentucky and / or Delaware, Vencanna KY LLC and Vencanna DE LLC will be shuttered.

Period Update

On November 5, 2024, Jason Crum, the Company's Chief Revenue Officer, departed the Company.

On October 25, 2024, the Alberta Securities Commission issued a cease trade order ("CTO") against the Company, for the Company's failure to file its audited annual financial statements for the year ended April 30, 2024 and its interim financial report for the period ended July 31, 2024, along with the related management's discussions and requisite filings (collectively, the "Required Filings"). On November 25, 2024 the Company filed its Required Filings, and the CTO will lift November 29, 2024, allowing the resumption of trading of the Company's common shares on the Canadian Stock Exchange.

Subsequent to period end, on February 11, 2025 the Company gave notice of change of auditor from MNP LLP to Davidson & Company LLP.

SUMMARY OF QUARTERLY RESULTS

The following financial data is selected information for the Company for the eight most recently completed financial quarters:

Quarter ended (000's)	Jan 31, 2025 ($)	Oct 31, 2024 ($)	Jul 31, 2024 ($)	Apr 30, 2024 ($)	Jan 31, 2024 ($)	Oct 31, 2023 ($)	Jul 31, 2023 ($)	Apr 30, 2023 ($)
Revenues	965	1,160	1,254	-	-	-	-	-
Cost of sales	(559)	(862)	(1,168)	-	-	-	-	-
Gross profit	406	298	86	-	-	-	-	-
Expenses	(806)	(1,065)	(1,053)	(415)	(347)	(311)	(210)	(344)
Other income and (expenses)	(1,410)	10	12	273	82	175	57	(81)
Net income (loss)	(1,810)	(757)	(956)	(142)	(266)	(135)	(153)	(425)
Comprehensive income (loss)	(1,724)	(970)	(793)	(423)	(112)	(178)	11	(366)
Total assets	6,629	9,933	10,856	11,559	7,676	7,769	6,540	6,643
Total liabilities	3,622	5,302	5,155	5,065	3,670	3,564	2,031	2,077

RESULTS OF OPERATIONS

The Company recorded a comprehensive loss of $1,723,647, $0.01 per common share for the three months ended January 31, 2025, as compared to a comprehensive loss of $519,527, $0.00 per share for the three months ended January 31, 2024.

Prior to April 30, 2024, the Company's primary revenue source consisted of interest income, which was captured in "Other income and (expenses)". Revenues for the period ended January 31, 2025, were $964,709 and the Cost of Sales was $558,908 during the period generating a profit margin for the quarter of 42%.

Expenses for the period ended January 31, 2025, were $806,360 (2024 - $326,741), the majority of the increase being related to the acquisition cost, and inclusion, of Cannavative. Amortization expense increased $241,348 compared to (2024 - $26,393), which is primarily attributed to the operating leases and amortization expenses of Cannavative. Salaries, benefits and bonuses increased to $222,843 from (2024 - $127,718), primarily attributed to the inclusion of Cannavative. Interest expenses including interest from leases increased to $118,738 (2024 – 99,004) and is directly related to active lease commitments. Professional fees were $84,630 (2023 - $44,528), the increase primarily attributed to accounting fees for the financial reporting of the consolidated entities. The Company also incurred $55,396 (2024 - $10,266) during the period related to added Cannavative expenditures for property, utilities, marketing and selling expenditures. Corporate communication fees increased to $15,265 (2024 - $2,355). Office and other administrative costs increased during the period due to the addition of Cannavative operations $63,424 (2024 - $8,144).

Other income and (expenses) decreased to $1,410,352 (2024 - $14,047). Interest income decreased to $3,895 (2024 – $119,671) related to reduced interest on the Cannavative note. Loss on disposal of property and equipment, and lease termination totalled was $1,414,262 (2024 - $Nil) related to the disposal of Cannavative leasehold improvements and related furniture and equipment upon termination of the lease. Unrealized foreign exchange loss was $15 compared to an unrealized loss of $104,073. Due to the settlement of the convertible debenture, there were no derivative instruments in the period $Nil (2024 - $29,645).

The Net loss for the period was $1,810,901 (2024 - $340,788). After foreign exchange adjustments the Company had a Comprehensive profit (loss of $1,723,647 (2024 - $519,527).

LIQUIDITY, FINANCINGS AND CAPITAL RESOURCES

As at January 31, 2025, the Company had Current Assets of $2,106,620 and a cash balance of $847,217 to settle current liabilities of $1,736,842. As at January 31, 2025, the Company's cash and investments decreased by $1,707,361 from April 30, 2024.

The Company anticipates that any property and equipment expenditures based on future needs, will be funded from free cash flow, cash on hand, issuance of debt, and / or the issuance of equity securities.

SHARE CAPITAL

Authorized:

The Company has an unlimited number of common shares with no par value ("Common Shares"). AcquisitionCo has five hundred and fifty million shares of common stock, having a par value of $0.00010 per share of which a total of 100,000 shares are designated as Class A Non-exchangeable voting shares and a total of 549,900,000 shares designated as Class B Non-voting exchangeable shares ("Exchangeable Shares"). The Exchangeable Shares are exchangeable on a one-for-one basis into an equal number of common shares of the Company.

Issued:

The Company has 278,644,952 issued and outstanding shares which includes 222,644,952 common shares and 55,974,604 exchangeable shares.

Warrants:

The Company has 33,011,355 warrants outstanding. During the period, 10,437,824 warrants expired.

- 20,680,781 exercisable at CDN$0.075, expiring April 30, 2025
- 12,330,554 exercisable at CDN$0.13, expiring Oct 31, 2025

Options:

The Company has does not have any options outstanding.

The following table summarizes information about the share data as at January 31, 2025, and the date of this MD&A, March 31, 2025:

	January 31, 2025	**March 31, 2025**
Number of common shares outstanding	222,644,952	222,644,952
Number of exchangeable shares	55,94,604	55,94,604
Number of warrants outstanding	33,011,355	33,011,355
Number of options outstanding	-	-

NORMAL COURSE ISSUER BID

On February 23, 2024 the Company announced the re-commencement of its normal course issuer bid (the "**NCIB**") and on February 23, 2025, the NCIB expired. During the period, the Company did not purchase any of its common shares ("Shares") under the NCIB.

Effective April 1, 2025 the Company re-commencement its NCIB. Under the NCIB, the Company may purchase up to 5% of the Company's Shares. The NCIB will terminate on the earlier of April 1, 2026 and the date on which the maximum number of Shares that can be acquired pursuant to the NCIB have been purchased. The Company reserves the right to revoke the NCIB earlier if it determines that it is appropriate to do so. The actual number of Shares that may be purchased under the NCIB and the timing of any such purchases will be determined by the Company.

Vencanna is executing the NCIB because it believes that, from time to time, the market price of its Shares does not reflect the underlying value of the Company and its prospects, and that depending on the trading price of its Shares and other relevant factors, purchasing its own Shares represents an attractive investment opportunity and is in the best interests of the Company and its shareholders. All Shares will be purchased under the NCIB on the open market and through the facilities of the CSE and payment for the Shares will be made in accordance with CSE policies. The timing and extent of repurchases will depend upon several factors, including market and business conditions, valuation of Shares, regulatory requirements and other corporate considerations. The price paid for Shares will be the prevailing market price at the time of purchase and all Shares acquired by the Company will be cancelled. The Company has 222,644,952 Shares issued and outstanding as of the date herein. Purchases may be suspended at any time, and no purchases will be made other than by means of open market transactions during the term of the NCIB. The Company has engaged Independent Trading Group (ITG) Inc. to act as the broker through which the NCIB will be conducted.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The Company considers its directors and executives to be key management personnel.

During the nine-month period ended January 31, 2025, the Company paid to the CEO $99,666 (2024 – $101,106), and paid to the CFO and Chairman $70,044 (2023 – $71,052), included in salaries. As at January 31, 2025 and April 30, 2024 amounts outstanding to directors and executives was $Nil.

Transactions with other related parties: The lease held by Cannavative was a lease with a related party. The lease expired on November 30, 2024; however, the Company had the option to extend the lease to April 30, 2027. The Company also had the option to exit the lease at any time subject to providing a notice. On January 31, 2025, the Company exited this lease, with no further financial obligation or penalty.

SUBSEQUENT EVENTS

On February 1, 2025, the Company entered into a new 5-year lease in Nevada, with the Company's option to renew for a further 5 years. The Company may exit the lease at any time upon giving 90 days notice

ACCOUNTING POLICIES

The accounting policies used are consistent with those as described in Note 3 of the Company's financial statements for the year ended April 30, 2024.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The timely preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities and income and expenses. Accordingly, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical judgments in applying accounting policies

The following are the critical judgments, apart from those involving estimations (see below), that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in these financial statements.

Fair value of financial instruments

For Level 3 investments and complex instruments where quoted prices are not readily available the Company values its investments using recognized valuation models. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgment and estimation in the determination of fair value. In determining fair value for these types of instruments: the history and nature of the business; operating results and financial conditions; the general economic, industry and market conditions; capital market and transaction market conditions; contractual rights relating to the investment; comparable trading and transaction multiples, where applicable; and other pertinent considerations are taken into consideration. Adjustments to the carrying value of the investments may also be determined when there is pervasive and objective evidence of a decline in the value of the investment, as indicated by an assessment of the financial condition of the investment based on operational results, forecasts and other developments since acquisition.

Although the Company believes that its estimates of fair value for Level 3 investments are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value.

Share-based payments

The Company measures the cost of its share-based payments to directors, officers, employees and consultants by reference to the fair value of the equity instruments at the date at which they are granted. The assumptions used in determining fair value include share price, expected lives of the options, risk-free rates of return, share price volatility and the estimated forfeiture rate. Changes to assumptions may have a material impact on the amounts presented.

FINANCIAL RISK MANAGEMENT

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to fulfill its contractual obligations. The Company's credit risk relates primarily to cash and receivables. The Company minimizes its credit risk related to cash by placing cash with major financial institutions. The Company regularly reviews the collectability of its receivables. The Company considers the credit risk related to both cash and receivables to be minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company's liquidity risk relates primarily to accounts payable and accrued liabilities, as well as lease liability. To mitigate this risk, the Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures. The Company endeavors to ensure that there is sufficient capital to meet short term business requirements. One of management's goals is to maintain an optimal level of liquidity through the active management of assets, liabilities and cash flows.

Currency Risk

The Company's operational activities are conducted in the U.S. and is exposed to foreign exchange risk due to fluctuations in the U.S. dollar relative to the Canadian dollar. The Company holds both U.S. dollars and Canadian dollars and has in the past has raised capital in both U.S. dollars and Canadian dollars. Foreign exchange risk arises from financial assets and liabilities that are denominated in U.S. dollars. The Company has not entered into any agreements or purchased any foreign currency hedging instruments to hedge possible currency risks at this time. Management believes the foreign exchange risk derived from currency conversions is not significant.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is currently not subject to any cash flow interest rate volatility.

RISKS AND UNCERTAINTIES

The Company's financial success could be dependent upon the Company's ability to raise additional capital, which could be through an equity issuance or debt securities. There is no assurance that the Company will be able to raise additional capital that may be required to meet the obligations of the Company and the Company has no source of financing other than those identified in the previous section. Additionally, given the illegality of cannabis under U.S. federal law (discussed below), the Company's ability to raise additional capital in the U.S. may be limited. However, these barriers to participation in U.S. capital markets also serve as the Company's competitive advantage against new entrants and / or existing participants requiring new capital to expand their businesses.

Marijuana is illegal under U.S. federal law and the enforcement of such laws poses significant risk to the Company.

As at the date hereof, there are 40 states, four of five USA territories, and the District of Columbia, that have legalized medical cannabis, and 24 of those states, including the District of Columbia, allow for recreational use. Other states are considering similar legislation.

However, the position of the federal government and its agencies is that cannabis has no medical benefit and, accordingly, a range of activities including cultivation and the personal use of cannabis are prohibited. Unless and until Congress amends the U.S. Controlled Substances Act of 1970 with respect to medical and recreational cannabis, there is a risk that federal authorities may enforce current federal law and the Company may be deemed to be producing, cultivating or dispensing cannabis in violation of federal law or facilitating the selling or distribution of drug paraphernalia in violation of federal law. Active enforcement of the current federal regulatory position on cannabis may thus indirectly and adversely affect the Company's future cash flows, earnings, results of operations and financial condition. As of the date hereof, the Company has not obtained legal advice, either in the form of a legal opinion or otherwise, regarding compliance with applicable state regulatory frameworks and potential exposure and implications arising from U.S. federal law.

U.S. Federal Overview

On October 6, 2022, President Biden pardoned all Federal offences of simple possession of cannabis. In addition, the President instructed the Attorney General along with the US Department of Health and Human Services (HHS) to initiate an administrative process to review the scheduling of cannabis, which is currently classified as a Schedule I of the Controlled Substance Act. On August 29, 2023 the HHS sent a letter to the U.S. Drug Enforcement Agency (DEA) recommending moving cannabis from a Schedule I to a Schedule III controlled substance. A Schedule III classification would eliminate the application of IRC 280E, which applies to only Schedule I & II substances. The elimination of 280E would significantly reduce the tax burden and increase cash flows for U.S. state compliant cannabis businesses. On April 30, 2024 the DEA agreed with the HHS's recommendation to move cannabis from a Schedule 1 to Schedule III of the Controlled Substance Act. During the 60-day public comment period, which closed July 22, 2024, over 43,000 comments were submitted from an array of stakeholders according to the Cannabis Business Times. A report from industry analytics firm Headset showed that only 8 percent of the comments said cannabis should remain in Schedule I, while 69% supported complete de-scheduling. Following the preliminary hearing on Dec. 2, 2024, the administrative judge (Judge Mulrooney) set the hearing to begin on Jan 21, 2025 and to conclude by Mar 6, 2025. However, subsequent to the preliminary hearing, Judge Mulrooney delayed the hearing due to suspected tampering and bias by the DEA, staying the process for at least three months. Updates on the appeal process are to be submitted every 90 days until the appeal is settled. Even though a significant majority of the comments support rescheduling, that research continues to support cannabis' medical benefits along with a lower risk of abuse, and that the sitting president supported Florida's unsuccessful adult use ballot effort, timing of actual cannabis reform, including the Secure and Fair Enforcement (SAFE) Banking Act, is still fraught with regulatory hurdles, politics, and complex implementation logistics.

The Company derives the majority of its income from the cannabis industry in certain states in the United States which is illegal under the federal laws of the United States. However, the Company is not aware of any non-compliance by the Company, or its investees, or The Cannavative Group, or the NJ Entities, that would be contrary, or illegal, under applicable state laws. While management believes that the Company is on track to accomplish its stated business objectives, continued reform and global legalization of cannabis will create both greater opportunities, and potentially a more competitive environment for cannabis-based companies and its service providers thereby potentially affecting market conditions and hence affecting our foregoing milestones. See the AIF for more information, including a discussion of U.S. federal cannabis laws, guidance given by federal authorities or prosecutors regarding the risk of enforcement action and risks associated with providing financing to U.S. state compliant cannabis businesses.

FORWARD-LOOKING STATEMENTS

This MD&A may contain "forward-looking statements" which reflect the Company's current expectations regarding the future results of operations, performance and achievements of the Company, including but not limited to statements with respect to the Company's plans or future financial or operating performance, conclusions of economic assessments of projects, requirements for additional capital, sources and timing of additional financing, realization of unused tax benefits and future outcome of legal and tax matters.

The Company has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as "anticipate," "believe," "estimate," "expect", "budget", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". The statements reflect the current beliefs of the management of the Company, and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Issuer to differ materially from those expressed in, or implied by, these statements. These uncertainties are factors that include, but are not limited to risks related to: regulatory and third party approvals being obtained in the manner or timing anticipated by the Company; enforcement of U.S. federal law governing cannabis; changes in how the developing U.S. legal regime will impact the cannabis industry; changes in the global cannabis market, potential negative impacts from the global COVID-19 outbreak; increases in competition from industry participants; the ability to implement the corporate strategy of the Company; the Company's investment strategy; the success and timely payment of current and future investments; the state of United States and Canadian capital markets; the ability to obtain financing; changes in general market conditions; and other factors more fully described from time to time in the reports and filings made by the Company with securities regulatory authorities.

The Company's management reviews periodically information reflected in forward-looking statements. The Company has and continues to disclose in its Management Discussion & Analysis and other publicly filed documents, changes to material factors or assumptions underlying the forward-looking statements and to the validity of the statements themselves, in the period the changes occur. Historical results of operations and trends that may be inferred from the above discussions and analysis may not necessarily indicate future results from operations.

Additional information relating to the Company can be found on SEDAR+ at www.sedarplus.ca.