

FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: **Global Cannabis Applications Corp. (the “Issuer”)**

Trading Symbol: **APP**

This Quarterly Listing Statement must be posted on or before the day on which the Issuer’s unaudited interim financial statements are to be filed under the *Securities Act*, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer’s first, second and third fiscal quarters. This statement is not intended to replace the Issuer’s obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

- (a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term “Issuer” includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

Unaudited condensed consolidated interim financial statements for the nine-month period ended March 31, 2019, as filed with the securities regulatory authorities are attached to this Form 5 as Appendix "A".

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

- (a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
- (b) A description of the transaction(s), including those for which no amount has been recorded.
- (c) The recorded amount of the transactions classified by financial statement category.
- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
- (e) Contractual obligations with Related Persons, separate from other contractual obligations.
- (f) Contingencies involving Related Persons, separate from other contingencies.

All related party transactions have been disclosed in the Issuer's financial statements for the interim period ended March 31, 2019. Please refer to Note 7 to the unaudited condensed consolidated interim financial statements for the nine-month period ended March 31, 2019, attached hereto as Appendix "A". For information supplementary to that contained in the notes to the unaudited condensed consolidated interim financial statements with respect to related party transactions, please refer to the Management's Discussion and Analysis ("MD&A") for the nine-month period ended March 31, 2019, as filed with the securities regulatory authorities and attached to this Form 5 as Appendix "B".

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

All securities issued and options granted, if any, by the Issuer have been disclosed in the Issuer's financial statement notes for the interim period ended March 31, 2019.

(a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
January 11, 2019	Common Shares	Exercise of Options	200,000	\$0.10	\$20,000.00	Cash	Related (director/officer)	Nil
January 11, 2019	Common Shares	Exercise of Warrants	30,000	\$0.13	\$39,000.00	Cash	Related (director/officer)	Nil

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
January 1, 2019	175,000	Related Person (officer)	N/A	\$0.10	January 1, 2024	\$0.095
January 8, 2019	400,000	Related Person (director/officer)	N/A	\$0.13	January 8, 2024	\$0.13
January 17, 2019	700,000	Unrelated Person	Consultant	\$0.105	January 17, 2024	\$0.105
January 29, 2019	50,000	Unrelated Person	Consultant	\$0.105	January 29, 2024	\$0.09
February 13, 2019	50,000	Unrelated Person	Consultant	\$0.10	February 13, 2024	\$0.095
February 19, 2019	35,000	Unrelated Person	Consultant	\$0.10	February 19, 2024	\$0.095
February 27, 2019	50,000	Unrelated Person	Consultant	\$0.10	February 27, 2024	\$0.095

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

- (a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

Description	Number Authorized	Par Value
Common Shares	Unlimited	NPV

- (b) number and recorded value for shares issued and outstanding,

Description	Number Issued and Outstanding	Value
Common Shares	95,665,269	\$14,792,485

- (c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

Description	Number Outstanding	Exercise Price	Expiry Date
Stock Options	250,000	\$0.50	Sep 18, 2019
Stock Options	145,000	\$0.26	Aug 4, 2020
Stock Options	900,000	\$0.26	May 10, 2021
Stock Options	200,000	\$0.15	Oct 24, 2021
Stock Options	400,000	\$0.10	Mar 7, 2027
Stock Options	100,000	\$0.10	Mar 24, 2027
Stock Options	600,000	\$0.135	Sep 11, 2022
Stock Options	275,000	\$0.315	Nov 22, 2022
Stock Options	500,000	\$0.395	Nov 24, 2022
Stock Options	300,000	\$0.72	Jan 2, 2023
Stock Options	50,000	\$0.64	Jan 31, 2023
Stock Options	425,000	\$0.37	Feb 27, 2023
Stock Options	125,000	\$0.325	Mar 19, 2023
Stock Options	55,000	\$0.265	Apr 3, 2023
Stock Options	125,000	\$0.365	May 14, 2023
Stock Options	600,000	\$0.34	May 22, 2023
Stock Options	50,000	\$0.165	August 11, 2023
Stock Options	100,000	\$0.29	September 6, 2023
Stock Options	500,000	\$0.225	September 28, 2023
Stock Options	35,000	\$0.23	October 3, 2023
Stock Options	40,000	\$0.19	October 22, 2023
Stock Options	15,000	\$0.18	October 23, 2023
Stock Options	185,000	\$0.17	October 26, 2023
Stock Options	100,000	\$0.185	November 2, 2023
Stock Options	150,000	\$0.175	November 20, 2023
Stock Options	60,000	\$0.14	November 30, 2023
Stock Options	500,000	\$0.12	December 13, 2023
Stock Options	75,000	\$0.10	December 31, 2023
Stock Options	175,000	\$0.10	January 1, 2024

Stock Options	400,000	\$0.13	January 8, 2024
Stock Options	700,000	\$0.105	January 17, 2024
Stock Options	50,000	\$0.105	January 29, 2024
Stock Options	50,000	\$0.10	February 13, 2024
Stock Options	35,000	\$0.10	February 19, 2024
Stock Options	50,000	\$0.10	February 27, 2024
TOTAL	8,320,000		

Warrants	1,833,332	\$0.10	April 24, 2019
Warrants	2,835,000	\$0.10	August 11, 2022
Warrants	2,350,000	\$0.10	October 10, 2019
Warrant	300,000	\$0.13	November 15, 2019
Warrant	1,435,926	\$0.17	November 28, 2019
Warrants	900,000	\$0.30	June 2, 2021
Warrant	15,275,950	\$0.55	March 22, 2020
Warrant	8,670,891	\$0.33	July 18, 2020
Warrant	4,188,882	\$0.33	October 30, 2020
Warrant	1,175,390	\$0.33	November 27, 2020
TOTAL:	38,965,371		

- (d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

Description	Number	Number Released During the Period
Escrowed and Restricted Shares	Nil	Nil

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Name	Position
Bradley Moore	Chief Executive Officer, Director
Alexander Helmelt	Chief Financial Officer, Director
Jeffrey Hayzlett	Director
Hanan Gelbendorf	Chief Marketing Officer
Alon Tzipory	Chief Operating Officer

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

Management's Discussion and Analysis ("MD&A") for the nine-month period ended March 31, 2019, attached to this Form 5 as Appendix "B".

Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated: May 30, 2019

Bradley Moore
Name of Director or Senior Officer

/s/ Bradley Moore
Signature

Chief Executive Officer, Director
Official Capacity

Issuer Details	For Quarter Ended	Date of Report
Name of Issuer Global Cannabis Applications Corp.	March 31, 2019	YY/MM/DD 19/05/30
Issuer Address PO Box 43, Suite 830, 1100 Melville Street		
City/Province/Postal Code Vancouver, British Columbia, V6E 4A6	Issuer Fax No. Not Applicable	Issuer Telephone No. 1-855-269-9554
Contact Name Bradley Moore	Contact Position CEO, Director	Contact Telephone No. 1-855-269-9554
Contact Email Address info@cannappscorp.com	Web Site Address www.cannappscorp.com	

APPENDIX "A"



Global Cannabis Applications Corp.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine months ended March 31, 2019

(Stated in Canadian Dollars)
(unaudited)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the consolidated interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed consolidated interim financial statements of Global Cannabis Applications Corp. (the “Company”) have been prepared by and are the responsibility of the Company’s management.

The Company’s independent auditor has not performed a review of these unaudited condensed consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity’s auditor.

GLOBAL CANNABIS APPLICATIONS CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Stated in Canadian Dollars)
(unaudited)

	March 31, 2019	June 30, 2018
ASSETS		
Current assets		
Cash	\$ 22,608	\$ 629,873
GST receivable	1,678	71,239
Loan receivable (Note 6)	3,491,948	2,616,438
Prepaid expenses	37,492	120,367
	3,553,726	3,437,917
Deposit	11,500	11,500
Intangible assets (Note 4)	505,106	569,362
Equipment (Note 5)	504	756
	\$ 4,070,837	\$ 4,019,535
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable (Note 7)	\$ 469,241	\$ 246,455
Loan payable (Note 6)	378,932	465,249
	848,173	711,704
SHAREHOLDERS' EQUITY		
Share capital (Note 8)	14,792,485	12,118,928
Subscriptions Received (Note 8)	202,509	93,249
Share-based payment reserve (Note 8)	2,460,561	1,949,361
Deficit	(14,232,890)	(10,853,707)
	3,222,664	3,307,831
	\$ 4,070,837	\$ 4,019,535

Going concern (Note 1)
Subsequent events (Note 11)

Approved on behalf of the Board:

"Bradley Moore"

Bradley Moore

"Alexander Helm"

Alexander Helm

The accompanying notes are an integral part of these consolidated financial statements

GLOBAL CANNABIS APPLICATIONS CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Stated in Canadian Dollars)
(unaudited)

	Three months ended		Nine months ended	
	March 31		March 31	
	2019	2018	2019	2018
Expenses:				
Accounting and audit fees	\$ 8,000	\$ 12,899	\$ 53,187	\$ 28,253
Amortization of intangible assets (Note 4)	40,669	58,411	122,006	175,233
Bank and interest charges (Note 6)	7,436	9,085	26,129	25,295
Consulting fees (Notes 6, 7 and 8)	217,104	408,440	1,497,122	1,071,831
Depreciation of equipment (Note 5)	-	-	252	252
Impairment of intangible asset (Notes 4)	-	-	-	-
Legal fees	2,172	29,396	42,941	49,760
Marketing	7,903	537,262	736,407	926,343
Office and miscellaneous	17,124	44,639	47,871	51,155
Research and development costs (Notes 4 and 7)	101,630	9,474	630,413	92,292
Share-based payments (Notes 7 and 8)	119,700	395,800	491,900	791,150
Transfer agent, listing, and filing fees	5,425	10,850	59,358	38,966
Travel	3,559	50,144	108,195	86,433
	(530,723)	(1,566,400)	(3,815,781)	(3,336,963)
Other items:				
Interest income (Note 6)	148,153	-	436,597	-
Gain on debt settlements	-	-	-	-
Net and comprehensive loss	\$(382,569)	\$ (1,566,400)	\$ (3,379,184)	\$ (3,336,963)
Basic and diluted loss per share	\$ (0.004)	\$ (0.03)	\$ (0.04)	\$ (0.08)
Weighted average number of common shares outstanding	95,639,713	61,582,574	91,396,490	43,607,857

The accompanying notes are an integral part of these consolidated financial statements

GLOBAL CANNABIS APPLICATIONS CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Stated in Canadian Dollars)
(unaudited)

	Nine months ended March 31, 2019	Nine months ended March 31, 2018
Operating Activities		
Net loss	\$ (3,379,184)	\$ (3,336,963)
Items not affecting cash:		
Depreciation and amortization	122,258	175,484
Impairment of intangible assets	-	-
Interest income	(436,597)	-
Accrued interest	21,683	23,189
Finance cost	-	-
Consulting fee	61,087	-
Share-based compensation	491,900	791,150
Shares issued for services	214,400	189,904
Gain on debt settlements	-	-
Changes in non-cash working capital items related to operations:		
GST receivable	69,561	(39,341)
Prepaid expenses and deposits	82,875	(11,500)
Accounts payable	222,786	(61,414)
Cash used in operating activities	(2,529,231)	(2,269,491)
Financing Activities		
Loans repaid	-	-
Shares subscriptions received	109,260	7,479
Shares issued for cash, net of issue costs	2,312,706	6,676,946
Cash provided by financing activities	2,421,966	6,684,425
Investing Activities		
Application development costs	(500,000)	(32,490)
Cash used in Investing activities	(500,000)	(32,490)
Increase (decrease) in cash	(607,265)	4,382,444
Cash, beginning	629,873	111,597
Cash, ending	\$ 22,608	\$ 4,494,041

Non-cash transactions – Note 11

The accompanying notes are an integral part of these consolidated financial statements

GLOBAL CANNABIS APPLICATIONS CORP.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Stated in Canadian Dollars)
(unaudited)

	Share capital						
	Number of Shares	Amount	Obligation to issue shares	Subscriptions Received	Share-based payment reserve	Deficit	Total
Balance, June 30, 2017	43,339,009	4,583,863	182,250	-	1,073,009	(5,380,597)	458,525
Shares issued for cash net of costs (Note 8)	32,562,485	7,068,615	-	-	-	-	7,068,615
Shares issued for debt	575,467	189,904	-	-	-	-	189,904
Subscriptions received	-	-	-	-	-	-	-
Share issue costs	-	(391,669)	-	-	-	-	(391,669)
Subscriptions received	-	-	-	7,479	-	-	7,479
Share based payments (Note 8)	-	-	-	-	791,150	-	791,150
Net and comprehensive loss	-	-	-	-	-	(3,336,963)	(3,336,963)
Balance, March 31, 2018	76,476,961	\$11,450,713	\$ 182,250	7,479	\$ 1,864,159	\$ (8,717,560)	\$ 4,787,041
Balance, June 30, 2018	79,376,961	11,936,678	182,250	93,249	1,949,361	(10,853,707)	3,307,831
Shares issued for cash net of costs (Note 8)	11,108,383	2,014,156	-	(92,925)	-	-	1,921,231
Share issue costs	413,813	86,901	-	-	19,300	-	106,201
Shares issued for debt	1,791,112	322,400	-	-	-	-	322,400
Shares issued for exercise of warrants and options	1,475,000	192,350	-	-	-	-	192,350
Shares issued for OPINIT	1,500,000	240,000	(182,250)	-	-	-	57,750
Subscriptions received	-	-	-	202,185	-	-	202,185
Share based payments (Note 8)	-	-	-	-	491,900	-	491,900
Net and comprehensive loss	-	-	-	-	-	(3,379,184)	(3,379,184)
Balance, March 31, 2019	95,665,269	\$14,792,485	\$ -	\$ 202,509	\$ 2,460,561	\$ (14,232,890)	\$ 3,222,664

The accompanying notes are an integral part of these consolidated financial statements

GLOBAL CANNABIS APPLICATIONS CORP.

Notes to the Condensed Consolidated Financial Statements

Nine months ended March 31, 2019

(Stated in Canadian Dollars) (unaudited)

1. Nature and Continuance of Operations

Global Cannabis Applications Corp. (the “Company” or “Global Cannabis”) was incorporated on July 14, 2014, under the *Business Corporations Act* (British Columbia). The Company’s shares trade on the Canadian Securities Exchange (“CSE”) under the trading symbol “APP”. The head office of the Company is Suite 830, 1100 Melville Street, Vancouver, BC V6E 4A6. The registered and records office of the Company is Suite 1500, 1055 West Georgia Street, Vancouver, BC V6E 4N7. The Company develops applications for smartphones and tablets.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at March 31, 2019, the Company has not generated any revenues from operations and has an accumulated deficit of \$14,232,891. The continued operations of the Company are dependent on its ability to generate future cash flows from operations or obtain additional financing. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. Management intends to finance operating costs over the next twelve months with private placements of common shares and loans from directors. While management has been successful in obtaining sufficient funding for its operating and capital requirements from the inception of the Company to date, there is no assurance that additional funding will be available to the Company, when required, or on terms which are acceptable to management.

2. Statement of Compliance

These financial statements were authorized for issue on May 30, 2019, by the directors of the Company.

Statement of Compliance

These unaudited condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including International Accounting Standard (“IAS”), Interim Financial Reporting (“IAS 34”). The accounting policies adopted in these condensed consolidated interim financial statements are consistent with the accounting policies adopted in the Company’s consolidated financial statements for the years ended June 30, 2018, and 2017, and as such, these unaudited condensed consolidated interim financial statements should be read in conjunction with the Company’s consolidated financial statements for the years ended June 30, 2018, and 2017.

The preparation of unaudited condensed consolidated interim financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates and the exercise of management’s judgment in applying the Company’s accounting policies. Areas involving a high degree of judgment or complexity and areas where assumptions and estimates are significant to the Company’s unaudited consolidated interim financial statements are discussed in Note 3.

The Company’s unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis except for the revaluation of certain financial assets and financial liabilities to fair value. The comparative figures presented in these unaudited consolidated interim financial statements are in accordance with IFRS. Certain comparative figures may have been reclassified to conform to the current period’s presentation.

GLOBAL CANNABIS APPLICATIONS CORP.

Notes to the Condensed Consolidated Financial Statements

Nine months ended March 31, 2019

(Stated in Canadian Dollars) (unaudited)

3. Significant Accounting Policies and Basis of Preparation

Basis of Measurement

These financial statements have been prepared on an accrual basis except for certain financial instruments, and are based on historical costs. These financial statements are presented in Canadian dollars which is also the Company's functional currency.

Consolidation

These consolidated financial statements include the accounts of the Company and its controlled entities. Details of controlled entities are as follows:

	Country of incorporation	Percentage owned*	
		March 31, 2019	June 30, 2018
Antisocial Holdings Ltd.	Canada	100%	100%
FORO Technologies Inc.	Canada	100%	100%
GCAC Europe UAB	Lithuania	100%	100%
GCAC Australia Pty Ltd.	Australia	61%	61%
OPINIT LLC	USA	100%	100%

*Percentage of voting power is in proportion to ownership.

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

Significant accounting policies

The significant accounting policies that have been used in the preparation of these condensed consolidated interim financial statements are summarized in the Company's annual audited consolidated financial statements for the year ended June 30, 2018.

GLOBAL CANNABIS APPLICATIONS CORP.

Notes to the Condensed Consolidated Financial Statements

Nine months ended March 31, 2019

(Stated in Canadian Dollars) (unaudited)

4. Intangible Assets

	OPINIT	Serum	Foro and Truth	Total
Cost:				
Balance June 30, 2017	813,375	60,000	354,842	1,228,217
Additions	-	-	-	-
Balance June 30, 2018	\$ 813,375	\$ 60,000	\$ 354,842	\$ 1,228,217
Additions	57,750	-	-	57,750
Balance March 31, 2019	\$ 871,125	\$ 60,000	\$ 354,842	\$ 1,285,967
Accumulated amortization:				
Balance, June 30, 2017	81,338	60,000	177,420	318,758
Impairment	-	-	106,454	106,454
Amortization	162,675	-	70,968	233,643
Balance June 30, 2018	\$ 244,013	\$ 60,000	\$ 354,842	\$ 658,855
Amortization	122,006	-	-	122,006
Balance March 31, 2019	\$ 366,019	\$ 60,000	\$ 354,842	\$ 780,860
Carrying amount:				
Balance June 30, 2017	\$ 732,037	\$ -	\$ 177,422	\$ 909,459
Balance June 30, 2018	\$ 569,362	\$ -	\$ -	\$ 569,362
Balance March 31, 2019	\$ 505,106	\$ -	\$ -	\$ 505,106

On September 21, 2016, the Company completed the acquisition of OPINIT LLC (“OPINIT”), acquiring a mobile application whereby the Company issued 7,500,000 shares for 100% of the issued and outstanding shares of OPINIT (Note 8). Of the 7,500,000 shares, 3,500,000 with a fair value of \$472,500 were released immediately and the remaining 4,000,000 shares (the “Milestone Shares”) are subject to release restrictions whereby they shall be released upon achievement of certain milestones. A total of 2,000,000 of the Milestone Shares shall be released upon the completion of the development and release of the BETA version of the university instance desktop portal including integration feeds from OPINIT mobile application and the Foro mobile application. The remaining 2,000,000 Milestone Shares will be released pro-rata to the Opinit Shareholders in connection with the combined user counts of both the OPINIT mobile application and the Foro Mobile Application. The Milestone Shares were valued on the date of the acquisition based on the probability that they would be realized in the future and an additional \$317,250 was recorded. On December 28, 2016, the total combined user count was over 300,000, accordingly, the Company released 1,000,000 Milestone Shares with a fair value of \$135,000. In addition to the shares released for the milestone, 50,000 shares with a fair value of \$2,000 were issued for advisory fees related to reaching the milestone. The Company issued 175,000 shares, which have been recorded with a fair value of \$23,625, to an arm’s-length finder. On November 30, 2018, the Company came to an agreement with the original Opinit Shareholders whereby it issued 1,500,000 shares with a fair value of \$240,000 pro-rata to the Opinit Shareholders to cancel any remaining milestone requirements.

In 2014, the Company acquired the Serum, Foro and Truth mobile applications and commenced development of the Citizen Green mobile application in 2016. During the years ended June 30, 2018, and 2017, the Serum and Foro and Truth applications were fully impaired. During the year ended June 30, 2018, the Company recorded impairment of \$106,454 (2017: \$30,000).

During the year ended June 30, 2018, costs incurred of \$208,851 (2017: \$90,563) have been expensed as research and development as these costs do not meet capitalization criteria. During the nine months ended March 31, 2019, costs incurred of \$630,413 (2019: \$92,292) have been expensed as research and development as these costs do not meet capitalization criteria.

GLOBAL CANNABIS APPLICATIONS CORP.

Notes to the Condensed Consolidated Financial Statements

Nine months ended March 31, 2019

(Stated in Canadian Dollars) (unaudited)

5. Equipment

Cost:	
Balance, June 30, 2018 and 2017	\$ 7,067
Additions	-
Balance, March 31, 2019	\$ 7,067
Accumulated depreciation:	
Balance, June 30, 2017	5,807
Depreciation	504
Balance, June 30, 2018	6,111
Depreciation	252
Balance March 31, 2019	\$ 6,311
Carrying amount:	
As at June 30, 2017	\$ 1,260
As at June 30, 2018	\$ 756
As at March 31, 2019	\$ 504

6. Short Term Loans*Payable*

During the year ended June 30, 2017, all the short term loans and outstanding interest were renegotiated and consolidated into a single unsecured, due on demand loan. The loan bears an interest of 7% per annum. The Company paid the lender \$75,000 as an arrangement fee in connection with the re-negotiation which was recorded as reduction of the debt. During the year ended June 30, 2018, \$37,500 of the re-negotiation fee was expensed as interest (2017: \$37,500). On October 30, 2018, the Company issued 600,000 at a fair value of \$108,000 as payment towards the outstanding amount.

The changes in loans during the years are as follows:

	Principal	Interest	Deferred financing	Total
Cost:				
Balance, June 30, 2016	\$ 427,420	\$ 35,520	\$ -	\$ 462,940
Principal and interest consolidation	51,296	(35,520)	-	15,776
Repayments in cash	(25,000)	-	-	(25,000)
Repayments in shares	(35,000)	-	-	(35,000)
Interest	-	15,343	-	15,343
Re-negotiation fee	-	-	(75,000)	(75,000)
Amortization	-	-	37,500	37,500
Balance June 30, 2017	418,716	15,343	(37,500)	396,559
Interest	-	31,190	-	31,190
Amortization	-	-	37,500	37,500
Balance June 30, 2018	418,716	46,533	-	465,249
Repayments in shares	(108,000)	-	-	(108,000)
Interest	-	21,683	-	21,683
Balance March 31, 2019	\$ 310,716	\$ 68,216	\$ -	\$ 378,932

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Receivable

During the year ended June 30, 2018, the Company entered into a loan agreement whereby it is committed to loan a arm's-length party ("borrower") \$4,000,000. The loan is to be used to support the marketing and listing of the Company's token. During the year ended June 30, 2018, the Company advanced \$3,000,000 to the borrower. The Company is obligated to advance an additional \$1,000,000 to the borrower. The term of the loan is one year, bears no interest prior to the maturity date and 12% per annum after the maturity date of April 6, 2019. The loan bears no interest as the borrower is expected to provide services to the Company in connection with the proposed token offering. The loan is secured by 13,636,363 shares of the Company owned by the significant shareholder. The Company determined the fair value of the loan receivable to be \$2,500,000 using a discount rate of 20% over the one year term of the loan. The Company expensed the discount of \$500,000 as a consulting fee and recognized interest income of \$116,438 being the amortization of the discount during the year ended June 30, 2018, and recognized interest income of \$376,712 being the amortization of the discount during the period ended March 31, 2019. During the period ended March 31, 2019, the Company advanced the borrower an additional \$500,000. The Company determined the fair value of this portion of the loan receivable to be \$438,913 using a discount rate of 20% over the remaining term of the loan. The Company expensed the discount of \$61,087 as a consulting fee and recognized interest income of \$59,885 being the amortization of the discount.

7. Related Party Transactions

Key management compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. The Company considers its Chief Executive Officer, Chief Financial Officer, and directors of the Company to be key management. The Company has incurred charges during the period from directors and senior management, or companies controlled by them, for management fees and consulting fees in the amount of \$538,829 (2018: \$311,203).

During the period ended March 31, 2019, share based compensation for key management during the period totaled \$189,606 (2018: \$154,441).

At March 31, 2019, a balance of \$118,519 (2018: \$Nil) was owing to related parties. This amount is unsecured, non-interest bearing and due on demand.

8. Share Capital

a) Authorized

Unlimited common shares, without par value.

b) Issued

During the period ended March 31, 2019

On November 30, 2018, the Company issued 1,500,000 shares with a fair value of \$240,000 pro-rata to the original Opinit Shareholders to cancel any remaining milestone requirements.

On November 27, 2018, the Company closed the final tranche of a non-brokered private placement for gross proceeds of \$81,000 whereby it issued 450,000 units at a price of \$0.18 per unit. Each financing unit consists of one common share and one common share purchase warrant, each warrant entitling the holder to purchase one additional common share of the company for a period of two years from closing at an exercise price of \$0.33 per common share. Finders' fees in the form of cash commissions totalling \$5,670 and 31,500 non-transferable finders' warrants, representing 7 per cent of the gross proceeds from certain subscribers and 7 per cent of the number of financing units distributed, respectively, have been paid and issued to certain arm's-length finders. Each finder's warrant entitles the holder to purchase one additional common share of the company for a period of two years from closing

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at an exercise price of \$0.33 per common share. The Company determined that the fair value of the warrants was \$2,500 according to the Black-Scholes Option Pricing Model using the following assumptions: expected life – 2 years, average risk-free interest rate 2.23%, expected dividend yield – 0%, and average expected stock price volatility – 100%.

On October 30, 2018, the Company closed the first tranche of a non-brokered private placement for gross proceeds of \$524,901 whereby it issued 2,916,116 units at a price of \$0.18 per unit. Each financing unit consists of one common share and one common share purchase warrant, each warrant entitling the holder to purchase one additional common share of the company for a period of two years from closing at an exercise price of \$0.33 cents per common share. Finders' fees in the form of cash commissions totalling \$31,598 and 175,544 non-transferable finders' warrants, representing 7 per cent of the gross proceeds from certain subscribers and 7 per cent of the number of financing units distributed, respectively, have been paid and issued to certain arm's-length finders. Each finder's warrant entitles the holder to purchase one additional common share of the company for a period of two years from closing at an exercise price of \$0.33 per common share. The Company determined that the fair value of the warrants was \$16,800 according to the Black-Scholes Option Pricing Model using the following assumptions: expected life – 2 years, average risk-free interest rate 2.31%, expected dividend yield – 0%, and average expected stock price volatility – 100%.

On October 30, 2018, the Company settled an aggregate of \$197,500 in debt through the issuance of 1,097,222 units, each issued at a deemed value of \$0.18 cents, to various creditors, one of whom is a director and officer of the company. Each creditor unit consists of one common share and one common share purchase warrant, whereby each warrant entitles the holder to purchase one additional common share of the company for a period of two years from closing at an exercise price of \$0.33 per common share.

On July 18, 2018, the Company closed a non-brokered private placement for 7,742,267 units at a price of \$0.21 per unit for gross proceeds of \$1,625,876. Each unit was comprised of one common share of the Company and one common share purchase warrant exercisable to purchase one additional common share of the Company at a price of \$0.33 cents for a period of 24 months expiring July 18, 2020. In connection with the private placement, the Company paid finders' fees of \$74,152 and issued 514,811 finders' warrants. In addition, the Company issued an aggregate of 413,813 finders' units to certain finders. Each finder's warrant has the same terms as the warrants, and each finder's unit has the same terms as the units.

The Company issued 1,475,000 common shares for total proceeds of \$192,350 pursuant to the exercise of warrants and options.

During the year ended June 30, 2018

The Company issued 1,180,000 common shares for total proceeds of \$223,050 pursuant to the exercise of options and 5,134,640 common shares for total proceeds of \$783,693 pursuant to the exercise of warrants. On issuance, a total \$150,700 was re-allocated from share based payment reserve.

On March 22, 2018, the Company closed a non-brokered private placement issuing a total of 14,931,963 units at a price of \$0.33 per unit for gross proceeds of \$4,927,547. Each unit was comprised of one common share and one common share purchase warrant entitling the holder to purchase one additional common share of the Company for a period of two years from closing at an exercise price of \$0.55 per share. The Company paid a total of \$291,369 in cash, issued a total of 303,030 finder's units fair valued at \$100,000, and issued a total of 40,957 finders warrants fair valued at \$41,735. The fair value of the warrants was determined by the Black-Scholes Option Pricing Model using the following assumptions: expected life – 2 years, average risk-free interest rate 1.85%, expected dividend yield – 0%, and average expected stock price volatility – 100%.

On November 28, 2017, the Company closed a non-brokered private placement issuing a total of 3,501,852 units at a price of \$0.135 per unit for gross proceeds of \$472,750. Each unit was comprised of one common share and one-half of one common share purchase warrant. Each full warrant entitles the holder to purchase one additional common share of the Company for a period of two years from closing at an exercise price of \$0.17 per share.

On November 15, 2017, the Company closed a private placement of 2,300,000 units at a price of \$0.10 per unit for gross proceeds of \$230,000. Each unit was comprised of one common share and one common share purchase

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warrant. Each share purchase warrant entitles the holder to purchase one additional common share of the Company for a period of two years at an exercise price of \$0.13 per common share. A cash finders fee of \$300 was paid in connection with this transaction.

On October 10, 2017, the Company closed a non-brokered private placement issuing of 4,010,000 units at a price of \$0.10 per unit in exchange for gross proceeds of \$401,000. Each unit was comprised of one common share and one common share purchase warrant. Each share purchase warrant entitles the holder to purchase one common share for a period of two years at an exercise price of \$0.13 per warrant share.

On August 9, 2017, the Company completed a private placement of 4,101,000 units at a price of \$0.075 per unit for gross proceeds of \$307,575. Each unit was comprised of one common share and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one common share of the Company at a price of \$0.10 at any time prior to August 9, 2022.

The Company issued 575,467 common shares to settle \$189,904 of debt. The common shares are fair valued at \$189,904 and no gain or loss on settlement was recorded.

The Company received proceeds of \$93,249 for the private placement completed subsequent to the year end. (Note 12)

During the year ended June 30, 2017

On April 24, 2017, the Company completed a private placement of 3,666,665 units at a price of \$0.075 per unit for gross proceeds of \$275,000. Each unit was comprised of one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to acquire one common share of the Company at a price of \$0.10 at any time prior to April 24, 2019.

On March 10, 2017, the Company issued 300,000 shares to settle \$30,000 of debt. Each share was fair valued at \$0.06 per share and a gain on settlement of \$12,000 was realized.

On March 2, 2017, the Company issued 1,500,000 shares to settle \$75,000 of debt. Each share was fair valued at 0.06 per share and a loss on settlement of \$15,000 was realized.

On February 27, 2017, the Company completed a private placement of 3,500,000 shares at a price of \$0.05 per share for gross proceeds of \$175,000. Finder's fees totaling \$3,000 in cash, 250,000 finders shares with a fair value of \$12,500 and 250,000 broker warrants with fair value of \$5,817 were issued in connection with this private placement. Each broker's warrant is exercisable into one common share at a price of \$0.10 until February 27, 2018.

On February 15, 2017, the Company issued 500,000 shares to settle \$50,000 of debt. Each share was fair valued at \$0.05 per share and a gain on settlement of \$25,000 was realized.

On December 28, 2016, the Company issued 1,000,000 shares in connection with OPINIT milestone completion. The Company issued 50,000 shares to an advisor for service valued at \$2,000 in connection with reaching a milestone (Note 4).

On November 29, 2016, the Company completed a private placement of 623,727 units at a price of \$0.11 per unit for gross proceeds of \$68,610. Each unit was comprised of one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to acquire one common share of the Company at a price of \$0.30 at any time prior to November 28, 2018. Finder's fees totaling \$801 in cash were paid and 7,280 broker warrants with fair value of \$162 were issued in connection with this private placement. Each broker's warrant is exercisable into one common share at a price of \$0.30 at any time prior to November 28, 2018.

On November 29, 2016, the Company issued 909,090 share to settle \$100,000 of debt to related parties. Each share was fair valued at \$0.09 per share and a gain on settlement of \$18,182 was realized.

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On October 24, 2016, the Company completed a private placement of 1,045,454 units at a price of \$0.11 per unit for gross proceeds of \$115,000. Each unit was comprised of one common share and one half common share purchase warrant. Each whole common share purchase warrant entitles the holder to acquire one common share of the Company at a price of \$0.30 at any time prior to October 25, 2018.

On October 24, 2016, the Company issued 1,664,772 shares to settle \$183,125 of debt. Each share was fair valued at \$0.11 per share.

On September 21, 2016, the Company completed the acquisition of OPINIT pursuant to which the Company exchanged an aggregate of 3,500,000 common shares in the capital of the Company for 100 per cent of the issued and outstanding shares of OPINIT. Concurrent with the acquisition, the Company issued 175,000 shares to an arm's-length finder (Note 4).

On July 18, 2016, the Company completed a private placement of 475,000 units at a price of \$0.20 per unit for gross proceeds of \$95,000. Each unit was comprised of one common share and one half common share purchase warrant. Each whole common share purchase warrant entitles the holder to acquire one common share of the Company at a price of \$0.30 at any time prior to July 18, 2018.

On July 18, 2016, the Company issued 580,000 shares to settle \$116,000 of debt. Each share was fair valued at \$0.22 and a loss on settlement of \$11,600 was realized.

On July 5, 2016, the Company issued 43,182 shares to settle \$9,638 of debt. Each share was fair valued at \$0.215 and a gain on settlement of \$353 was realized.

On July 11, 2016, the Company returned 50,000 shares to treasury as performance conditions by a consultant were not met.

On July 18, 2016, the Company returned 960,000 shares to treasury as performance conditions under the Foro Technologies Inc acquisition were not met.

c) Warrants

The change in warrants during the years ended June 30, 2018, 2017, and the period ended March 31, 2019, is as follows:

	Number of warrants	Weighted average exercise price
Balance, June 30, 2016	2,912,128	\$ 0.30
Issued	3,162,703	0.15
Expired	(657,239)	0.30
Balance, June 30, 2017	5,417,592	0.22
Issued	27,437,876	0.36
Exercised	(5,134,640)	0.15
Expired	(902,169)	0.30
Balance, June 30, 2018	26,818,659	0.38
Issued	14,035,163	0.33
Exercised	1,275,000	0.14
Expired	613,451	0.30
Balance, March 31, 2019	38,965,371	\$ 0.42

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The following table summarizes the warrants outstanding and exercisable at March 31, 2019:

Number of Warrants	Exercise Price	Expiry Date
900,000	\$0.30	June 2, 2021
1,833,332	\$0.30	April 24, 2019
2,835,000	\$0.10	August 11, 2022
2,350,000	\$0.13	October 10, 2019
300,000	\$0.13	November 15, 2019
1,435,926	\$0.17	November 28, 2019
15,275,950	\$0.55	March 22, 2020
8,670,891	\$0.33	July 18, 2020
4,188,882	\$0.33	October 30, 2020
1,175,390	\$0.33	November 27, 2020
38,965,371	\$0.42	

At March 31, 2019, the weighted average remaining contractual life of all warrants outstanding was 1.18 years.

d) Share-based compensation

The Company has a stock option plan whereby share purchase options are granted in accordance with the policies of regulatory authorities at an exercise price equal to the market price of the Company's shares on the date of the grant, subject to a minimum exercise price of \$0.10, and, unless otherwise stated, vest on the grant date and with a term not to exceed five years. Under the plan, the board of directors may grant up to 10% of the issued number of shares outstanding as at the date of the share purchase option grant.

On February 27, 2019, the Company granted 50,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.10 for five years. These options vested immediately.

On February 19, 2019, the Company granted 35,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.10 for five years. These options vested immediately.

On February 13, 2019, the Company granted 50,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.10 for five years. These options vested immediately.

On January 29, 2019, the Company granted 50,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.105 for five years. These options vested immediately.

On January 17, 2019, the Company granted 700,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.105 for five years. These options vested immediately.

On January 8, 2019, the Company granted 400,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.13 for five years. These options vested immediately.

On January 1, 2019, the Company granted 175,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.10 for five years. These options vested immediately.

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On December 31, 2018, the Company granted 75,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.10 until December 31, 2023. These options vested immediately.

On December 13, 2018, the Company granted 500,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.12 until December 13, 2023. These options vested immediately.

On November 30, 2018, the Company granted 60,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.14 until November 30, 2023. These options vested immediately.

On November 20, 2018, the Company granted 150,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.175 until November 20, 2023. These options vested immediately.

On November 2, 2018, the Company granted 100,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.185 until November 2, 2023. These options vested immediately.

On October 26, 2018, the Company granted 185,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.17 until October 26, 2023. These options vested immediately.

On October 23, 2018, the Company granted 15,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.18 until October 23, 2023. These options vested immediately.

On October 22, 2018, the Company granted 40,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.19 until October 22, 2023. These options vested immediately.

On October 3, 2018, the Company granted 285,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.23 until October 3, 2023. These options vested immediately.

On September 28, 2018, the Company granted 500,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.225 until September 28, 2023. These options vested immediately.

On September 6, 2018, the Company granted 100,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.29 until September 6, 2023. These options vested immediately.

On August 11, 2018, the Company granted 50,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.165 until August 16, 2023. These options vested immediately.

On May 22, 2018, the Company granted 600,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.34 until May 22, 2023. These options vested immediately.

On May 14, 2018, the Company granted 125,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.365 until May 14, 2023. These options vested immediately.

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On April 3, 2018, the Company granted 55,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.265 until April 3, 2023. These options vested immediately.

On March 19, 2018, the Company granted 125,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.325 until March 19, 2023. These options vested immediately.

On February 27, 2018, the Company granted 425,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.37 until February 27, 2023. These options vested immediately.

On January 31, 2018, the Company granted 50,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.64 until January 31, 2023. These options vested immediately.

On January 2, 2018, the Company granted 300,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.72 until January 2, 2023. These options vested immediately.

On November 24, 2017, the Company granted 500,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.395 until November 24, 2022. These options vested immediately.

On November 22, 2017, the Company granted 375,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.315 until November 22, 2022. These options vested immediately.

On November 20, 2017, the Company granted 500,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.16 until November 20, 2022. These options vested immediately.

On October 12, 2017, the Company granted 100,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.14 until October 12, 2022. These options vested immediately.

On September 29, 2017, the Company granted 250,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.15 until September 29, 2022. These options vested immediately.

On September 11, 2017, the Company granted 650,000 share purchase options to directors, officers or consultants of the Company entitling the holders thereof the right to acquire one common share for each option at a price of \$0.135 until September 11, 2022. These options vested immediately.

A continuity of the changes in the Company's share purchase options is as follows:

	Options	Weighted Average Exercise Price
Balance, June 30, 2016	1,800,000	\$ 0.29
Granted	1,760,000	0.12
Balance, June 30, 2017	3,560,000	0.21
Granted	4,055,000	0.31
Expired/forfeited	(585,000)	0.15
Exercised	(1,180,000)	0.19
Balance June 30, 2018	5,850,000	0.29

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Granted	3,520,000	0.18
Expired/forfeited	(850,000)	0.163
Exercised	(200,000)	0.10
Balance March 31, 2019	8,320,000	\$ 0.24

A summary of the Company's outstanding and exercisable stock options at March 31, 2019, is as follows:

Exercise price	Remaining contractual life (years)	Number of options outstanding	Expiry Dates
\$0.50	0.47	250,000	September 18, 2019
\$0.26	1.35	145,000	August 4, 2020
\$0.26	2.11	900,000	May 10, 2021
\$0.15	2.57	200,000	October 24, 2021
\$0.10	7.97	400,000	March 7, 2027
\$0.10	7.99	100,000	March 24, 2027
\$0.135	3.45	600,000	September 11, 2022
\$0.315	3.65	275,000	November 22, 2022
\$0.395	3.65	500,000	November 24, 2022
\$0.72	3.76	300,000	January 2, 2023
\$0.64	3.84	50,000	January 31, 2023
\$0.37	3.92	425,000	February 27, 2023
\$0.325	3.97	125,000	March 19, 2023
\$0.265	4.01	55,000	April 3, 2023
\$0.365	4.12	125,000	May 14, 2023
\$0.34	4.15	600,000	May 22, 2023
\$0.165	4.37	50,000	August 11, 2023
\$0.29	4.44	100,000	September 6, 2023
\$0.225	4.50	500,000	September 28, 2023
\$0.23	4.51	35,000	October 3, 2023
\$0.19	4.56	40,000	October 22, 2023
\$0.18	4.57	15,000	October 23, 2023
\$0.17	4.58	185,000	October 26, 2023
\$0.185	4.59	100,000	November 2, 2023
\$0.175	4.64	150,000	November 20, 2023
\$0.14	4.67	60,000	November 30, 2023
\$0.12	4.71	500,000	December 13, 2023
\$0.10	4.76	75,000	December 31, 2023
\$0.10	4.76	175,000	January 1, 2024
\$0.13	4.78	400,000	January 8, 2024
\$0.105	4.80	700,000	January 17, 2024
\$0.10	4.84	50,000	January 29, 2024
\$0.10	4.88	50,000	February 13, 2024
\$0.10	4.89	35,000	February 19, 2024
\$0.10	4.92	50,000	February 27, 2024
\$0.244	4.04 years	8,320,000	

During the period ended March 31, 2019, stock based compensation of \$491,900 was recognized on the grant of stock options. The weighted average grant date fair value of the options was \$0.13. The Company uses the Black-Scholes Option Pricing Model using the following weighted assumptions during this period: expected life – 5 years, average risk-free interest rate 2.89% - 1.79%, expected dividend yield – 0%, and average expected stock price volatility – 100%.

During the year ended June 30, 2018, stock based compensation of \$985,317 was recognized on the grant of stock options. The weighted average grant date fair value of the options was \$0.24. The Company uses the Black-Scholes

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Option Pricing Model using the following weighted assumptions during this period: expected life – 5 years, average risk-free interest rate 1.63% - 2.31%, expected dividend yield – 0%, and average expected stock price volatility – 100%.

During the year ended June 30, 2017, stock based compensation of \$105,353 was recognized on the grant of stock options. The weighted average grant date fair value of the options granted was \$0.07. The Company uses the Black-Scholes option pricing model to estimate the fair value of the options granted using the following weighted average assumptions: expected life: 8.4 years, Dividend yield: Nil, Annualized volatility: 100%, Risk-free interest rate: 1.38%.

e) Share based payment reserve

Reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital.

f) Loss per share

The calculation of basic and diluted loss per share for the period ended March 31, 2019, was based on the loss attributable to common shareholders of \$3,379,184 (2018 - \$3,336,963) and the weighted average number of common shares outstanding of 91,396,490 (2018 – 43,607,857).

9. Financial Risk and Capital Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors 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. The Company's primary exposure to credit risk is on its loan receivable. This risk is managed by obtaining a loan security of 13,636,363 shares of the Company owned by the borrower.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Management does not believe the Company is exposed to significant interest rate risk cash is non interest bearing and liabilities bear interest at a fixed rate as at March 31, 2019.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to significant foreign exchange risk.

GLOBAL CANNABIS APPLICATIONS CORP.

Notes to the Condensed Consolidated Financial Statements

Nine months ended March 31, 2019

(Stated in Canadian Dollars) (unaudited)

Fair value

The carrying value of cash, accounts payable and short term loans approximate their fair value due to the relatively short-term nature of these instruments.

Capital Risk Management

The Company defines its capital as shareholders' equity. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to continue the development of mobile applications. As the Company is in the preliminary stages of operations, its principal source of funds is from the issuance of common shares.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets or adjust the amount of cash.

The Company is not subject to externally imposed capital requirements. There were no changes in management's approach to managing capital.

10. Subsequent Events

Subsequent to the period ended March 31, 2019, the Company:

- (a) Closed a non-brokered private placement of 3,662,566 units at a price of \$0.075 per unit for gross proceeds of \$274,692.45 on April 5, 2019. Each unit consists of one common share and one common share purchase warrant, whereby each warrant entitles the holder to purchase one additional common share of the Company at a purchase price of \$0.135 per common share until April 5, 2021. Finders' fees in the form of cash commissions totalling \$1,575.00 and non-transferable finders' warrants totalling 21,000, representing 7% of the gross proceeds from certain subscribers and 7% of the number of units distributed, respectively, were paid and issued to a certain arm's-length finder. Each finder's warrant entitles the holder to purchase one additional common share of the Company at a purchase price of \$0.135 per common share until April 5, 2021. In connection with this private placement, the Company settled an aggregate of \$89,375.00 in debt through the issuance of 1,191,666 common shares, each issued at a deemed value of \$0.075, to various creditors unrelated to the Company.
- (b) Granted 20,000 incentive stock options bearing an exercise price of \$0.10 for a five year period to a consultant of the Company on April 24, 2019.
- (c) Granted 1,025,000 incentive stock options bearing an exercise price of \$0.10 for a five year period to a directors and officers of the Company on May 13, 2019.
- (d) Issued 100,000 common shares on May 6, 2019, pursuant to the exercise of incentive stock options.
- (e) Granted 75,000 incentive stock options bearing an exercise price of \$0.10 for a five year period to a consultant of the Company on May 28, 2019.
- (f) On May 13, 2019, the Company announced it has signed a software licence agreement for its Citizen Green Prescriptii patient-care solution with Sequoya Cannabis Ltd., a Canadian medical cannabis distribution and cannabidiol extraction firm with operations in Poland.

APPENDIX “B”



GLOBAL CANNABIS APPLICATIONS CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

For the six months ended March 31, 2019

1.1 Date of Report: May 30, 2019

The following Management Discussion and Analysis (“MD&A”) of Global Cannabis Applications Corp. (the “Company” or “Global Cannabis”) has been prepared by management, in accordance with the requirements of National Instrument 51-102, and should be read in conjunction with the unaudited condensed consolidated interim financial statements and notes thereto for the period ended March 31, 2019.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including that within the consolidated financial statements and MD&A, is complete and reliable. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, unless specifically noted.

Forward-Looking Statements

This MD&A contains forward-looking statements and forward-looking information (collectively, “forward-looking statements”) within the meaning of applicable Canadian and US securities legislation. These statements relate to future events or the future activities or performance of the Company. All statements, other than statements of historical fact are forward-looking statements. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. These forward-looking statements include, but are not limited to, statements concerning:

- the Company’s strategies and objectives, both generally and in respect of its existing business and planned business operations;
- the Company’s plans to acquire users for its products;
- the Company’s future cash requirements;
- general business and economic conditions;
- the Company’s ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations; and,
- the timing, pricing, completion, and regulatory approvals of proposed financings if applicable.

Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Inherent in forward-looking statements are risks and uncertainties beyond the Company’s ability to predict or control, including, but not limited to, risks related to the Company’s ability to raise the necessary capital or to be fully able to implement its business strategies, and other risks identified herein under “Risk Factors”.

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward looking statements contained in this MD&A. Such statements are based on a number of assumptions, which may prove incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- conditions in the financial markets generally, and with respect to the prospects for small capitalization commercial/technology companies specifically;
- the Company’s ability to roll out its business plan which includes new product launches and associated planning in production, sales, distribution and marketing; and,
- the Company’s ability to secure and retain employees and contractors to carry out its business plans.

These forward-looking statements are made as of the date hereof and the Company does not intend and does not assume any obligation, to update these forward-looking statements, except as required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on

forward-looking statements.

1.2 Overall Performance

Nature of Business and Overall Performance

The Company was incorporated on July 14, 2014, under the *Business Corporation Act* (British Columbia) under the name of Kluster Technologies Inc. On August 1, 2014, the Company changed its name to Antisocial Holdings Ltd. and later changed its name to Fundamental Applications Corp. (“Fundamental”) on September 2, 2014. On April 10, 2017, the Company changed its name to Global Cannabis Applications Corp.

On September 18, 2014, the Company commenced trading on the Canadian Securities Exchange (“CSE”) under the trading symbol “FUN”. On April 18, 2017, in connection with the Company’s change of name, the Company commenced trading on the CSE under the trading symbol “APP”.

The head office of the Company is Suite 830, 1100 Melville Street, Vancouver, BC V6E 4A6. The registered and records office of the Company is Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7. Global Cannabis is a global leader in designing, developing, marketing and acquiring innovative data technologies for the cannabis industry. Its Citizen Green platform is the world's first end-to-end -- from patient to regulator -- medical cannabis data solution. It uses six core technologies -- mobile applications, artificial intelligence, regtech (regulatory technology), smart databases, blockchain and digital reward tokens -- to qualify candidates for clinical studies. The Citizen Green platform is now complete and now in its commercialization stage. Sales and marketing efforts have commenced in relation to expanding users of the platform.

Significant Acquisitions and Dispositions

On April 8, 2015, the Company completed the acquisition of Foro Technologies Inc. (“Foro”), further details can be found in previous MDAs.

On September 21, 2016, the Company completed the acquisition of OPINIT LLC (“OPINIT”), acquiring a mobile application whereby the Company issued 7,500,000 shares for 100% of the issued and outstanding shares of OPINIT (Note 8). Of the 7,500,000 shares, 3,500,000 with a fair value of \$472,500 were released immediately and the remaining 4,000,000 shares (the “Milestone Shares”) are subject to release restrictions whereby they shall be released upon achievement of certain milestones. A total of 2,000,000 of the Milestone Shares shall be released upon the completion of the development and release of the BETA version of the university instance desktop portal including integration feeds from OPINIT mobile application and the Foro mobile application. The remaining 2,000,000 Milestone Shares will be released pro-rata to the Opinit Shareholders in connection with the combined user counts of both the OPINIT mobile application and the Foro Mobile Application. The Milestone Shares were valued on the date of the acquisition based on the probability that they would be realized in the future and an additional \$317,250 was recorded. On December 28, 2016, the total combined user count was over 300,000, accordingly, the Company released 1,000,000 Milestone Shares with a fair value of \$135,000. In addition to the shares released for the milestone, 50,000 shares with a fair value of \$2,000 were issued for advisory fees related to reaching the milestone. The Company issued 175,000 shares, which have been recorded with a fair value of \$23,625 to an arm’s-length finder. In the event the Company enters into any form of amalgamation, merger, arrangement or similar transaction which results in the acquisition of 20% or more of the voting securities of the Company, the entirety of the Milestone Shares will be issued and released to the OPINIT shareholders. On November 30, 2018, the Company came to an agreement with the original Opinit Shareholders whereby it issued 1,500,000 shares with a fair value of \$240,000 pro-rata to the Opinit Shareholders to cancel any remaining milestone requirements.

The Company uses portions of the Foro and OPINIT codebase within the Citizen Green platform.

1.3 Selected Annual Information

N/A (Annual requirement)

1.4 Results of Operations

Results of Operations for the nine months ended March 31, 2019, compared to 2018

The Company incurred a net and comprehensive loss of \$3,379,184 for the nine months ended March 31, 2019, (the “Current Period”) compared to a net and comprehensive loss of \$3,336,963 for the nine months ended March 31, 2018 (the “Comparative Period”). During the Current Period, the Company has significantly increased its efforts to market and complete development of its mobile application suite continuing the process of developing the Citizen Green Token (“CGT”) while integrating artificial intelligence (AI) and blockchain technology within the Company’s technology suite.

The difference in net and comprehensive loss incurred during the Current Period, compared to that incurred during the Comparative Period was largely a result of the following:

- Accounting and audit fees increased \$24,934 to \$53,187 in the Current Period from \$28,253 in the Comparative Period due to increased costs associated with a more intensive audit due to the Company’s international subsidiaries and accounting costs expended within those subsidiaries.
- Consulting Fees increased by \$425,291 to \$1,497,122 (Comparative Period: \$1,071,831) as significantly more consultants were used in the Current Period in connection with the investigation and integration of blockchain technologies and AI into the Company’s technology suite and the creation of the CGT. During the Current Period, the Company has been focussed on the cannabis marketplace with a significant emphasis on the use of AI and blockchain technologies within the Company’s mobile application Citizen Green and the corresponding platform. Consultants in these fields are scarce and demand higher remuneration.
- Marketing decreased by \$189,936 to \$736,407 (Comparative Period: \$926,343). Marketing expenditures were increased with the shift to the cannabis marketplace, the introduction of the CannaLife mobile application, the announcement of the investigation and integration of blockchain technologies within the cannabis industry, the creation of the CGT, and the launch of the Citizen Green platform. In the three months ending March 31, 2019, marketing expenditures were reduced significantly which caused an overall decrease for the Current Period.
- Research and development costs increased by \$538,121 to \$630,413 (Comparative Period: \$92,292) due to costs associated with AI and blockchain development within the Citizen Green platform.
- Share based payments decreased from \$791,150 to \$491,900 as a result of fewer stock options being granted during the Current Period.
- Interest income of \$436,597 was realized in the Current Period compared to \$Nil in the Comparative Period. See note 6 of the accompanying financial statements for more details.

During the nine months ended March 31, 2019, the Company continued to focus on the development of its Citizen Green platform (a dedicated app providing users options on where to purchase cannabis safely and legally, and to provide a forum to interconnect the cannabis community) and to commence the integration of blockchain technologies into the Company’s technology to help secure the associated data. The platform has now been completed and has reached the commercialization stage and is currently being marketed to potential clients with commission-based salespeople.

Results of Operations for the three months ended March 31, 2019, compared to 2018

The Company incurred a net and comprehensive loss of \$382,569 for the three months ended March 31, 2019, (the “Current Period”) compared to a net and comprehensive loss of \$1,566,400 for the three months ended March 31, 2018 (the “Comparative Period”). As the product is now at a commercialization stage, fewer expenses related to marketing, consulting, and research and development have been incurred during the Current Period. Significant changes are as follows:

Cost	Three months ended March 31, 2019	Three months ended March 31, 2018	Difference (2019 vs 2018)
Consulting fees	\$217,104	\$408,440	(\$191,336)

Marketing costs	\$7,903	\$537,262	(\$529,359)
Research and development	\$101,700	\$9,474	\$92,156
Share-based payments	\$119,700	\$395,800	(\$276,100)

1.5 Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters.

Three months ended	Total revenues	Net loss	Loss Per Share (basic and diluted)
March 31, 2019	Nil	(382,569)	\$0.004
December 31, 2018	Nil	(1,256,311)	0.01
September 30, 2018	Nil	(1,740,304)	0.02
June 30, 2018	Nil	(2,136,147)	0.03
March 31, 2018	Nil	(1,566,400)	0.03
December 31, 2017	Nil	(1,338,334)	0.02
September 30, 2017	Nil	(432,229)	0.01
June 30, 2017	Nil	(294,192)	0.02

Marketing costs accounted for much of the variances within 2017. The Company continued to build the Citizen Green platform (CannaLife launched November 30, 2017, Prescriptii launched January 18, 2018) and implemented blockchain and token technologies (CGT) within the platform. The platform is designed for medical cannabis retailers to build loyalty with patients while growing their underlying retail business. During the quarter ended September 30, 2018, and December 31, 2018, the Company increased its efforts to complete the Citizen Green platform and related apps and began marketing the product prior to its commercial release. During the three months ended March 31, 2019, the Company significantly decreased expenditures related to consulting, marketing, research and development as the platform has entered the commercialization stage.

1.6 Liquidity

As at March 31, 2019, the Company had working capital of \$2,705,554 (\$22,608 in cash, \$37,492 in prepaid expenses, -\$1,678 in GST receivable, \$3,491,948 in loan receivable, \$378,932 in loan payable, and \$469,241 in accounts payable) compared to working capital of \$2,726,213 (\$629,873 in cash, \$120,367 in prepaid expenses, \$71,239 in GST receivable, \$2,616,438 in loan receivable, \$246,455 in accounts payable, and \$465,249 in loan payable) at June 30, 2018.

The Company has not pledged any of its assets as security for loans, or otherwise is not subject to any debt covenants. Based on current information, the Company anticipates that its working capital is insufficient to meet its expected ongoing obligations for the coming year.

The Company has financed its operations to date primarily through the issuance of common shares and the exercise of stock options or warrants. The Company continues to seek capital through various means including the issuance of equity and/or debt. During this period the Company has not received loans from a third party to fund operating expenses.

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

1.7 Capital Resources

At March 31, 2019, the capital of the Company consists of cash in the bank, loan receivable, and GST/HST recoverable totaling \$3,516,234. The Company will have to generate additional cash from either debt or equity raised through the Canadian public markets to meet its commitments.

1.8 Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed.

1.9 Transactions with Related Parties

Related party transactions are comprised of services rendered by directors and/or officers of the Company or a company with a director in common. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

Key management compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. During the period ended March 31, 2019, the Company entered into the following transactions with key management personnel:

	Nine months ended	
	March 31, 2019	March 31, 2018
Fees paid or accrued for services provided by the CEO (B. Moore)	\$ 189,976	\$ 233,788
Fees paid or accrued for services provided by the CFO (A. Helmelt)	82,000	77,500
Fees paid or accrued for CTO services (Eyal Margalit)	140,438	-
Fees paid or accrued for services as the CMO (Hanan Gelbendorf)	126,415	-
Stock-based compensation to the Company's CEO (B. Moore)	113,737	73,750
Stock-based compensation to the Company's CFO (A. Helmelt)	29,837	73,750
Stock-based compensation a Company's director (J. Hayzlett)	22,827	6,941
Stock-based compensation to the Company's CMO (Hanan Gelbendorf)	23,205	-

The transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

At March 31, 2019, a balance of \$118,519 (2017: \$Nil) was owing to related parties. This amount is unsecured, non-interest bearing and due on demand.

1.10 Third Quarter

The third quarter's focus was the final development and completion of the Citizen Green platform and has begun discussions with potential clients.

Third Quarter Highlights

- On February 19, 2019, the Company announced that its marketing and sales campaign targeting medical cannabis dispensaries in cannabis-friendly jurisdictions across North America is gaining momentum with Los Angeles-based Downtown Meds signing a binding letter of intent to use the smart-technology-driven Citizen Green Community in its three retail locations and to become a licensed reseller of the Global Cannabis Applications solution.

1.11 Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company.

1.12 Critical Accounting Estimates

Significant Estimates and Assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying

assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments and estimating the fair value for share-based payment transactions. The assumptions and models used for estimating fair value for share-based payment transactions.

Significant Judgements

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements is the classification of financial instruments and the going concern assumption.

1.13 Changes in Accounting Policies

Changes in accounting policies have been disclosed within the condensed consolidated interim financial statements for the period ending March 31, 2019.

1.14 Financial Instruments and Risk Management

As at March 31, 2019, the Company's financial instruments consist of cash, loan receivable, accounts payable and accrued liabilities.

Fair value

The carrying value of cash, accounts payable and accrued liabilities approximate their fair value due to the relatively short-term nature of these instruments.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and amounts receivable. The risk arises from the non-performance of counterparties of contractual financial obligations. The Company's primary exposure to credit risk is on its loan receivable. This risk is managed by obtaining a loan security of 13,636,363 shares of the Company owned by the borrower. As at the date of this report, the loan receivable has not been repaid and the Company is negotiating terms with the borrower.

Liquidity risk

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

The Company intends to meet its current obligations in the following year with funds to be raised through private placements.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Management does not believe the Company is exposed to significant interest rate risk as liabilities and cash are either fixed rate (7.0%) or non-interest bearing as at March 31, 2019.

1.15 Other MD&A Requirements

This MD&A should be read in conjunction with the unaudited financial statements for the period ended March 31, 2019. This MD&A is intended to assist the reader's understanding of the Company and its operations, business, strategies, performance and future outlook from the perspective of management. The documents mentioned above, as well as news releases and other important information may be viewed through the SEDAR website at www.sedar.com.

This MD&A may contain management estimates of anticipated future trends, activities, or results; these are not a guarantee of future performance, since actual results may vary based on factors and variables outside of management's control. Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible to ensure that information 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 to review the financial statement results, including the MD&A, and to discuss other financial, operating and internal control matters. The Audit Committee is free to meet with the independent auditors throughout the year.

Summary of Outstanding Share Data

The following table outlines outstanding share data as of the date of this report:

	Number Issued and Outstanding
Common shares	100,619,501
Stock Options	8,685,000
Warrants	40,815,605
Fully Diluted	150,120,106

Directors and Officers

As of the date of this report, the Company's directors and officers are Bradley Moore (Director and Chief Executive Officer), Jeffrey Hayzlett (Director), Alexander Helmel (Director and Chief Financial Officer), Hanan Gelbendorf (Chief Marketing Officer), and Alon Tzipory (Chief Operating Officer).

1.16 Subsequent Events

Events subsequent to March 31, 2019:

- Closed a non-brokered private placement of 3,662,566 units at a price of \$0.075 per unit for gross proceeds of \$274,692.45 on April 5, 2019. Each unit consists of one common share and one common share purchase warrant, whereby each warrant entitles the holder to purchase one additional common share of the Company at a purchase price of \$0.135 per common share until April 5, 2021. Finders' fees in the form of cash commissions totaling \$1,575.00 and non-transferable finders' warrants totaling 21,000, representing 7% of the gross proceeds from certain subscribers and 7% of the number of units distributed, respectively, were paid and issued to a certain arm's-length finder. Each finder's warrant entitles the holder to purchase one additional common share of the Company at a purchase price of \$0.135 per common share until April 5, 2021. In connection with this private placement, the Company settled an aggregate of \$89,375.00 in debt through the issuance of 1,191,666 common shares, each issued at a deemed value of \$0.075, to various creditors unrelated to the Company.

- Granted 20,000 incentive stock options bearing an exercise price of \$0.10 for a five-year period to a consultant of the Company on April 24, 2019.
- Granted 1,025,000 incentive stock options bearing an exercise price of \$0.10 for a five-year period to a directors and officers of the Company on May 13, 2019.
- Issued 100,000 common shares on May 6, 2019, pursuant to the exercise of incentive stock options.
- Granted 75,000 incentive stock options bearing an exercise price of \$0.10 for a five-year period to a consultant of the Company on May 28, 2019.
- On May 13, 2019, the Company announced it has signed a software license agreement for its Citizen Green Prescriptii patient-care solution with Sequoya Cannabis Ltd., a Canadian medical cannabis distribution and cannabidiol extraction firm with operations in Poland.