STILLCANNA INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE PERIOD ENDED JANUARY 31, 2019

FORM 51-102F1

DATE AND SUBJECT OF REPORT

The following Management Discussion & Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of StillCanna Inc. (the "Company") for the six months ended January 31, 2019

The MD&A has been prepared with an effective date of April 1, 2019 and should be read in conjunction with the Company's January 31, 2019 condensed interim financial statements and audited consolidated financial statements for the year ended July 31, 2018 as filed on SEDAR.

SCOPE OF ANALYSIS

The following is a discussion and analysis of StillCanna Inc. The Company reports its financial results in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS").

FORWARD LOOKING STATEMENTS

Certain information included in this MD&A may constitute forward-looking statements. 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.

Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company's expectations include uncertainties involved in disputes and litigation, fluctuations in commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of deposits; uncertainty of estimates of capital and operating costs, recovery rates, production *estimates and economic return; the need for cooperation of government agencies and native groups in the exploration and development of properties and the issuance of required permits; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs or in construction projects and uncertainty in meeting anticipated program milestones; the assumption that the Company will become fully compliant with regulatory filing and continued listing requirements, in addition uncertainty as to timely availability of permits and other government approvals and other risks and uncertainties disclosed in other information released by the Company from time to time and filed with the appropriate regulatory agencies.*

It is the Company's policies that all forward-looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. The forward-looking statements contained herein are as of April 1, 2019 and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws. Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate.

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

Additional information related to the Company is available for view on SEDAR at www.sedar.com.

GENERAL BUSINESS AND DEVELOPMENT

StillCanna Inc. (formerly EVI Global Group Developments Corp.) was incorporated under the Business Corporations Act (British Columbia) on February 14, 2011 and was classified as a Capital Pool Company ("CPC") as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4.

On April 30, 2012, the Company completed its Initial Public Offering ("IPO") and its shares commenced trading on the Exchange ("TSX-V").

On August 6, 2014, the Company completed a "Qualifying Transaction" ("QT") as defined in Policy 2.4 of the TSX-V, and changed its name to Blackeagle Development Corp. The Company moved to Canadian Stock Exchange ("CSE") and changed its name to EVI Global Group Developments Corp. during the year ended July 31, 2016.

On March 14, 2019, the Company acquired all of the issued and outstanding shares of Borganic Consulting Inc. ("Borganic") in exchange for 15,000,000 common shares of the Company (the "Transaction"). On March 15, 2019, the Company changed its name from EVI Global Group

Developments Corp. to StillCanna Inc. and now trades under the symbol "STIL" on the Canadian Securities Exchange.

The Company's focus is on the commercial extraction of cannabidiol from industrial hemp. The Company has signed a 3-year joint venture agreement with DragonFly Biosciences, LLC ("Dragonfly"), a United Kingdom based corporation, to build an extraction facility in the European Union.

The head office, principal address and records office of the Company are located at 10th Floor, 595 Howe St., Vancouver, BC V6C 2T5.

Selected Annual Information – For the years ended July 31, 2016, 2017 and 2018.

Year Ended:	July 31, 2018	July 31, 2017	July 31, 2016
Expenses	$ 301,013	$ 23,153	$ 74,004
Net loss for the year	(596,933)	(287,426)	(69,731)
Basic and diluted loss per share	(0.03)	(0.03)	(0.01)
Balance Sheet Data:			
Cash and short-term investment	97,575	617	-
Total assets	101,868	263,306	264,720
Accounts payable and accrued liabilities	34,791	46,412	36,953
Shareholders' deficit	67,077	201,574	226,500
Cash Flow Data:			
Increase (decrease) in cash for the year	96,958	634	(121,841)

RESULTS OF OPERATIONS

The Company incurred a net loss of $596,933 for the year ended July 31, 2018. The total expenses of $301,013 for the year ended July 31, 2018 related primarily to share based payments totaling $186,200, consulting fees of $51,500 and professional fees of $32,717. The total other expenses of $33,420 related primarily to the write down of mineral property of $276,584 due to insufficient funds to continue working and loss on debt settlement of $18,000 in connection with the settlement of a loan payable.

During the year ended July 31, 2018, the Company closed a non-brokered private placement financing for gross proceeds of $265,000 consisting of the issuance of 5,300,000 units of the Company at a price of $0.05 per unit. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant is exercisable into one common share at a price of $0.10 per share for a period of five years.

During the year ended July 31, 2017, the Company issued 7,500,000 common shares at a fair value of $0.035 per common share for $262,500 pursuant to the purchase agreement in connection with the Company's mineral property interest (Northern Silica Property).

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the eight most recent quarters:

Quarter Ended		Revenue		Total expenses		Loss for the period		Basic and Diluted Loss per share
January 31, 2019	$	-	$	157,253	$	157,253	$	(0.00)
October 31, 2018	$	-	$	437,755	$	437,755	$	(0.02)
July 31, 2018	$	-	$	500,773	$	500,773	$	(0.01)
April 30, 2018	$	-	$	64,813	$	64,813	$	(0.00)
January 31, 2018	$	-	$	28,254	$	28,254	$	(0.00)
October 31, 2017	$	-	$	3,093	$	3,093	$	(0.00)
July 31, 2017	$	(5,311)	$	272,123	$	277,434	$	(0.03)
April 30, 2017	$	1,775	$	4,159	$	2,384	$	(0.00)

During the second quarter ended January 31, 2019, the Company had no revenue.

The Company incurred a net loss of $157,253 for the three months ended January 31, 2019. The total expenses of $157,253 related primarily to consulting fees of $63,000, professional fees of $63,513 and transfer agent and travel expenditures of $14,921. For the prior year comparable period ended January 31, 2018, the Company incurred a net loss of $28,254. The total expenses of $28,254 related primarily to financing charges of $18,000, listing fees of $1,950, professional fees of $2,880 and transfer agent and filing fees of $4,686. The increase in consulting payments and professional fees during the three months ended January 31, 2019 relates to extensive work done to help the Company achieve financing goals as well as secure the definitive agreement with Borganic Consulting Inc. and the contracts agreed to with key officers of the Company.

The Company incurred a net loss of $595,008 for the six months ended January 31, 2019. The total expenses of $595,008 resulted primarily from consulting fees, professional fees and share based compensations totaling $216,084, $94,474, and $218,500 respectively. The Company incurred a net loss for the comparable six-month period ended January 31, 2018 of $31,347. The increase in expenditures relates to additional legal and accounting charges connected to the financial raise and share based payments on options issued to certain consultants, directors and officers of the Company.

The Company incurred a net loss of $437,755 for the three months ended October 31, 2018 compared to a net loss of $3,093 for the comparable period ended October 31, 2017. The loss in the quarter ended October 31, 2018 relates primarily to share based payments which were issued to certain consultants, directors and officers of the Company and consulting payments of $153,084 compared to Nil in the comparable period of the prior year.

The Company incurred a net loss of $500,773 for the three months ended July 31, 2018 compared to a net loss of $272,123 for the comparable period ended July 31, 2017. The loss in the quarter ended July 31, 2018 relates primarily to share based payments which were issued to certain consultants, directors and officers of the Company. The loss for the comparable period in 2017 related primarily to write down of mineral property of $195,000 due to insufficient funds to continue working and write off of loan receivable of $69,273 as a result of unlikely collectability

The Company incurred a net loss of $64,813 for the three months ended April 30, 2018 compared to a net loss of $2,384 for the comparable period ended April 30, 2017. The increased loss of $62,429 was primarily due to consulting fees that increased by $22,500, transfer agent and filing fees that increased by $6,983, mineral property write-down of $18,768, along with other increases in general and administrative expenses.

CHANGE IN FINANCIAL CONDITION

On January 12, 2018, the Company issued a total of 5,450,000 common shares and 5,450,000 share purchase warrants on closing of its equity and debt financing at $0.05 per share unit (the "Offering"). Each share unit is comprised of one common share and one whole 5-year share purchase warrant exercisable at $0.10.

Total proceeds for the Offering was $272,500 with net proceeds of comprised of $249,400 in cash, and $7,500 through loan settlement. The Company paid $15,600 in broker fees for the Offering. The Company recorded share issuance costs of $636,000 for the Black-Scholes fair market value of warrants issued under the equity financing.

On October 10, 2018, the Company closed a non-brokered private placement financing of gross proceeds of $4,000,000 consisting of issuance of 16,000,000 units of the Company at a price of $0.25 per unit. Each unit consists of one common share and one-half of one share purchase warrant. Each whole share purchase warrant is exercisable into one common share at a price of $0.50 per share for a period of 1 year. The units issued in the offering are subject to a four-month hold period. In connection with the private placement, the Company paid cash finders' fees of $87,900 and 421,200 finder's warrants. Each warrant is exercisable into one common share at a price of $0.50 per share until October 10, 2019.

LIQUIDITY AND CAPITAL RESOURCES

As at January 31, 2019, the Company had working capital of $2,637,838 (January 31, 2018: deficiency of $169,574).

During the six months ended January 31, 2019, the Company advanced $1,007,565 to Borganic Consulting Inc in exchange for a note receivable. The note is non-interest bearing and repayable on demand.

The Company has signed a 3 year joint venture agreement with DragonFly Biosciences, LLC ("Dragonfly"), a United Kingdom based corporation, to build an extraction facility in the European Union. Currently, the Company has no operations that generate cash flows and its long-term financial success is dependent on the successful completion of the extraction facility in the European Union.

The Company is dependent on the sale of treasury shares to finance its business activities, property acquisition payments and general and administrative costs. The Company will have to raise additional funds in the future to continue its operations. There can be no assurance, however, that the Company will be successful in its efforts. If such funds are not available or other sources of financing cannot be obtained, then the Company will be forced to curtail its activities.

PROJECT SUMMARIES AND ACTIVITIES

On March 14, 2019, the Company completed the acquisition of Borganic through the issuance of 15,000,000 common shares of the Company at $0.25 per share. The Company issued finder's fees and consulting fees in the amount of 3,800,000 common shares of the Company in connection with the Transaction.

In March 2019, the Company executed a share purchase agreement with Olimax NT Sp .Z.O.O ("Olimax"), a licensed producer of cannabidiol in Poland to acquire 100% of the issued and outstanding shares of Olimax for consideration of 24,000,000 common and $2,000,000.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off balance sheet arrangements.

RELATED PARTY TRANSACTIONS

<u>During the three months ended January 31, 2019, the following related party transactions occurred:</u>

(a) The Company paid consulting fees $21,000 to JCL Partners Chartered Professional Accountants, a Company controlled by a director of the Company.
(b) The Company paid consulting fees $30,000 to Tilehead Enterprises Ltd., a Company controlled by a director of the Company.
(c) The Company has demand loans payable of $6,213 owing to Tilehead Enterprises Ltd., a Company controlled by the CEO and director and $8,125 owing to JCL Partners Chartered Professional Accountants, a Company controlled by the CFO of the Company.

<u>During the three months January 31, 2018, the following related party transactions occurred:</u>

(a) No management or consulting fees were expensed and accrued for any officers or directors.
(b) The Company had demand loans payable of $3,000 owing to Ron Miles, former CEO and director, $7,500 owing to Faisal Manji, former CFO of the Company and $2,500 owing to George Nicholson, former director of the Company.

<u>During the six months ended January 31, 2019, the following related party transactions occurred:</u>

(a) The Company paid consulting fees $46,134 to JCL Partners Chartered Professional Accountants, a Company controlled by a director of the Company.
(b) The Company paid consulting fees $57,000 to Tilehead Enterprises Ltd., a Company controlled by a director of the Company.
(c) The Company made share-based payments of 100,000 options worth $19,000 to a director of the Company.
(d) The Company has demand loans payable of $6,213 owing to Tilehead Enterprises Ltd., a Company controlled by the CEO and director and $8,125 owing to JCL Partners Chartered Professional Accountants, a Company controlled by the CFO of the Company.

<u>During the six months January 31, 2018, the following related party transactions occurred:</u>

(a) No management or consulting fees were expensed and accrued for any officers or directors.
(b) The Company had demand loans payable of $3,000 owing to Ron Miles, former CEO and director, $7,500 owing to Faisal Manji, former CFO of the Company and $2,500 owing to George Nicholson, former director of the Company.

All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

CONTINUING AND CONTRACTUAL OBLIGATIONS

In September 2018, the Company entered into a sublease agreement for their head office, with sublease term of 3 years. The base rent for the first year of the sublease is $28,800.

On October 12, 2018, the Company entered into a definitive share exchange agreement with Borganic under which the Company has agreed to acquire all the issued and outstanding shares of Borganic in exchange for an aggregate of 15,000,000 common shares of the Company.

On March 14, 2019, the Company received shareholder approval regarding its proposed change of business, change of name and symbol with the acquisition of Borganic Consulting Inc. in which the Company acquired all the issued and outstanding shares of Borganic, being 13,098 common shares, in exchange for 15,000,000 common shares of the Company. Following the closing of the transaction, the Company had 57,943,000 common shares of the Company issued and outstanding. In connection with the Transaction, the Company also issued 1,800,000 common shares to certain finders. It also issued 2,000,000 common shares to certain consultants in exchange for financial advisory services.

In March 2019, the Company executed a definitive share exchange agreement with Olimax NT SP. Z .O.O ("Olimax"), a fully-licensed, privately-owned, vertically-integrated cultivator and producer of cannabidiol ("CBD") in Poland, for total consideration consisting of 24 million common shares of StillCanna at a deemed per share price of $1.15 and a cash payment of $2 million.

In March 2019, the Company announced that it has entered into an agreement with Canaccord Genuity Corp. to raise, on a commercially reasonable efforts private placement basis up to 17,400,000 subscription receipts a price of $1.15 per Subscription Receipt for aggregate gross proceeds of up to $20,010,000 In addition, the Company has granted the Agent an option to increase the size of the Brokered Financing by up to 4,350,000 Subscription Receipts for additional gross proceeds of $5,002,500, exercisable in whole or in part at any time prior to the closing of the Brokered Financing, for aggregate gross proceeds of up to $25,012,500.

RISKS AND UNCERTAINTIES

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risk, including but not limited to, environmental, metal prices, political and economic.

The mineral exploration business is risky, and most exploration projects will not become mines. The Company may offer an opportunity to a mining company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issue of shares from the treasury to investors. These stock issues depend on numerous factors including a positive mineral exploration environment, positive stock market conditions, a company's track record and the experience of management.

The Company has no significant source of operating cash flow and no revenues from operations. The Company has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves.

There is no guarantee that the Company will be able to contribute or obtain all necessary resources and funds for the exploration and exploitation of its permits and may fail to meet its exploration commitments.

The properties that the Company has an option to earn interests in are in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, that are explored, are ultimately developed into producing mines.

Exploration of the Company's mineral properties may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters.

ACCOUNTING POLICIES, ESTIMATES AND JUDGMENTS

Refer to the Company's consolidated financial statements for the year ended July 31, 2018 for description of accounting policies and other disclosures.

OUTSTANDING SHARE DATA

As of January 31, 2019, the Company had 38,883,000 issued and outstanding common shares with 15,511,200 reserved for issuance. As of the date of this MD&A, the Company has 58,812,305 issued and outstanding shares with 14,381,895 reserved for issuance.

During the three months ended January 31, 2019, the Company issued 25,000 common shares for exercise of warrants for proceeds of $2,500.

On January 30, 2019, the Company received proceeds of $20,000 pursuant to the exercise of 200,000 warrants. Subsequent to the period ended January 31, 2019, these shares were issued.

During the three months ended October 31, 2018, closed a non-brokered private placement financing of gross proceeds of $4,000,000 consisting of issuance of 16,000,000 units of the Company at a price of $0.25 per unit. Each unit consists of one common share and one-half of one share purchase warrant. Each whole share purchase warrant is exercisable into one common share at a price of $0.50 per share for a period of 1 year. The units issued in the offering are subject to a four-month hold period. In connection with the private placement, the Company paid cash finders' fees of $87,900 and 421,200 finder's warrants. Each warrant is exercisable into one common share at a price of $0.50 per share until October 10, 2019.

During the three-month period ended October 31, 2018, the Company granted 1,150,000 options to acquire common shares, of which 100,000 stock options were issued to a director of the Company.

Options:

A summary of the Company's stock option activity is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, July 31, 2017	3,500	$0.20
Issued July 31, 2018	980,000	0.19
Balance, July 31, 2018	**1,015,000**	**$0.20**
Issued August 2, 2018	100,000	0.20
Issued October 12, 2018	1,050,000	0.63
As of Date of this MD&A	**2,165,000**	**$0.41**

On February 5, 2018, the Board approved the adoption by the Company of a new fixed number share option plan (the "Fixed Option Plan"), subject to shareholder and regulatory approval. The Fixed Option Plan is designed to provide certain directors, officers and other key employees of the Company with incentive share options at the discretion of the Board. Under the Fixed Option Plan, the number of Common Shares which will be reserved for issuance, including any options currently outstanding which were granted under the Company's 10% rolling Option Plan will not exceed 3,885,800 Common Shares. Options are to be granted at the discretion of the Board to Service Providers as defined in the Fixed Option Plan. Capitalized terms used but not defined have the meanings ascribed to them in the Fixed Option Plan.

On February 5, 2018, the Board approved the adoption by the Company of a restricted share unit plan (the "RSU Plan"), which RSU Plan is designed to provide certain directors, officers, consultants and other key employees (an "Eligible Person") of the Company and its related entities with the opportunity to acquire restricted share units ("RSUs") of the Company. The acquisition of RSUs allows an Eligible Person to participate in the long-term success of the Company thus promoting the alignment of an Eligible Person's interests with that of the Shareholders.

The RSU Plan allows the Company to grant RSUs awarding up to a maximum of 3,888,300 Shares, under and subject to the terms and conditions of the RSU Plan, which RSUs may be exercised by any holder of RSUs to receive an Award Payout of either: (a) one Common Share of the Company for each whole vested RSU; or (b) a cash amount equal to the Vesting Date Value as at the Trigger Date of such vested RSU. Fractional Shares will not be issued pursuant to the RSU Plan; instead an RSU Plan Recipient entitled to a fractional Share is entitled to receive payment from the Company of cash value equal to the Vesting Date Value of such fractional Share.

Warrants:

A summary of the Company's warrant activity for the three months ended January 31, 2019 and as of the date of this MD&A are as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, July 31, 2017	-	$ -
Issued January 12, 2018	5,450,000	0.10
Balance, July 31, 2018	**5,450,000**	**$0.10**
Exercised September 9, 2019	(300,000)	0.10
Issued October 10, 2018	8,421,200	0.50
Exercised	(949,305)	0.10
As of Date of this MD&A	**12,621,895**	**$0.34**

MINERAL PROPERTY INTERESTS

In May 2016, the Company acquired a 100% interest in the StillCanna project ("Silica" property), a silica sand occurrence located northeast of Harrison Lake, B.C. from John Carley and the Harrison Syndicate for the issuance of 4,500,000 shares (issued) of the Company. In addition, there will be up to a 5% production royalty payable and outstanding invoices totaling $15,000 (accrued) to be settled at a future date. As at July 31, 2017, it was determined that the Silica property impaired and the Company took a full write-down of the mineral property. On October 3, 2018, the Southern Silica Project was transferred to 1151588 B.C. Ltd. along with $1,000 cash in accordance with the Plan of Arrangement entered by the Company on February 9, 2018 and amended on March 7, 2018.

	Silica Property
	$
Balance, July 31, 2015	—
Shares issued and accrued liability per the agreement	195,000
Balance, July 31, 2016	195,000
Write-off of mineral properties	(195,000)
Balance, July 31, 2017	—
Expenses incurred	18,768
Impairment	(18,768)
Balance, July 31, 2018	**—**

In July 2017, the Company acquired a 100% interest in the Northern Silica project ("Northern Silica" property), a silica sand occurrence located east of Prince George, B.C. from the Northern Silica Syndicate for the issuance of 7,500,000 shares (issued) of the Company. In addition, there will be up to a 5% production royalty payable.

	Northern Silica Property
	$
Balance, July 31, 2016	—
Shares issued and accrued liability per the agreement	262,500
Balance, July 31, 2017	262,500
Impairment	(262,500)
Balance, July 31, 2018	**—**

On January 29, 2018, the Company entered into two option agreements for a 100% interest in mineral projects in Peru:

The first project, known as "Singa", calls for an initial payment of USD $10,000 (paid), USD $15,000 due March 1, 2018 and a further payment due September 1, 2019 of USD $75,000. Thereafter cash payments to a total of USD $500,000 are due as representing 10% of exploration expenditures with no time or minimum commitments. 600,000 shares are due March 1, 2018 subject to approvals. A royalty of 2% NSR is payable from production with one half can be bought at any time for USD $1,000,000. An additional amount of up to USD $1,000,000 is due upon completion of a feasibility study. On October 3, 2018, the Singa Mineral Project was transferred to Quri Resources Ltd. along with $1,000 cash in accordance with the Plan of Arrangement entered into by the Company on February 9, 2018 and amended on March 7, 2018.

A second project named "New Anta Mine", in Peru, has also been negotiated with option terms calling for cash payments totaling USD $360,000 in staged payments until April 30, 2021. The first payment due is USD $10,000 by February 28, 2018. A total of 750,000 shares in staged issuances, subject to approval, are payable over the period. The Company must undertake USD $1,500,000 of work expenditures by August 30, 2023. A 3 % NSR is payable. The "New Anta Mine" is located 22km northeast of the Antamina Mine and is a polymetallic skarn with values in Au, Ag, Pb, Zn, Cu and there are occurrences of cobalt also present. The geology is controlled by regional N60E faults and is primarily volcanic intrusive abutting carbonate rocks. A sampling program and a current 43-101 technical report is planned. On October 3, 2018, the New Anta Mine was transferred to Polarity Minerals Corp. along with $1,000 cash in accordance with the Plan of Arrangement entered by the Company on February 9, 2018 and amended on March 7, 2018.

On February 5, 2018, the Company announced assignment agreements for rights and interest in respective letters of intent for the Marca Mining Project (Peru) consisting of 100% interest and development rights in the Marca mineral/properties and mine project.

For the assignment of the Marca mineral/properties and mine project LOI – the Company shall pay the assignees, including their investor syndicate: $50,000 in cash including reimbursement of all fees and deposits up to US$15,000 paid to date pursuant to the LOI, five (5) million common shares in the Company having a fair market value of $0.325 per share or $1,625,000 based on prior trading day closing share price of for the Company on February 2, 2018, and restricted share units as mutually agreed between the Company and assignees subsequent to the Company's annual general meeting and obtaining shareholder approval of the restricted share unit plan.

For the acquisition of the Marca mineral/properties and mine project under the assigned LOI the Company shall pay the following consideration, royalties and financing for exploration and development:

(a) a total of US$70,000 in cash payments with US$5,000 due on or before July 30, 2018, US$15,000 due July 30, 2019, and US$50,000 due July 30, 2020;
(b) a total of 400,000 common shares (the "Shares") of the Company with 75,000 of the Shares to be issued upon signing a definitive agreement on or before July 30, 2018, 125,000 of the Shares to be issued on July 30, 2019, and 200,000 of the Shares to be issued on July 30, 2020;
(c) a total of US$1,000,000 project funding by the Company for geological work including but not limited to: digitizing all existing data, GPS locate all assays and thin section samples, GPS roads, drill sites, trenches and other notable features along with initiating 43-101 geological technical summary report on or before July 30, 2023;
(d) a US$1,000,000 bonus payable upon delivery of positive feasibility study results; and
(e) a net smelter royalty of three percent (3%) of production for all Marca properties.

On October 3, 2018, the Marca Mining Project (Peru) was transferred to Quri-Mayu Developments Ltd. (Formerly Quri-Mayu Ventures Ltd.) along with $1,000 cash in accordance with the Plan of Arrangement entered by the Company on February 9, 2018 and amended on March 7, 2018.

APPOINTMENTS AND RESIGNATION OF DIRECTORS AND EXECUTIVE OFFICERS

On August 2, 2018 the Company announced the appointment of Mr. Denis Semenov as a Director of the Company.

Mr. Denis Semenov is the CEO of Gutter-vac Home Services established in 2010. Gutter-vac has pioneered vacuum gutter extraction technology and manufactures its own line of vacuums and high reach vacuum equipment. Denis has created a unique brand and business strategy and is currently working on franchise development.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

During the three and six months ended January 31, 2019, there has been no significant change in the Company's internal control over financial reporting since last year.

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. They are also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's interim financial statements for the period ended January 31, 2109 (together the "Interim Filings").

The Chief Executive Officer and Chief Financial Officer of the Company have filed the Venture Issuer Basic Certificate with the Interim Filings on SEDAR at www.sedar.com.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A and the Company will be provide copies upon request.