Plant-Based Investment Corp.

(formerly Cannabis Growth Opportunity Corporation)

Management's Discussion and Analysis

For the Three Months Ended January 31, 2021

April 1, 2021

The following is Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Plant-Based Investment Corp. (formerly Cannabis Growth Opportunity Corporation) (the "Corporation" or "PBIC"). This MD&A should be read in conjunction with the Corporation's condensed interim financial statements for the three months ended January 31, 2021 (the "Financial Statements"). By their nature, the interim financial statements do not include all of the information required for annual financial statements. Accordingly, this MD&A should be read in conjunction with the Corporation's audited financial statements and notes thereto for the year ended October 31, 2020 and the related MD&A.

Except as otherwise noted, (see "Use of Non-GAAP Measures" elsewhere in the MD&A), all financial data in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar figures included therein and in the following MD&A are expressed in Canadian dollars unless otherwise indicated.

About PBIC

PBIC is an investment corporation, which incorporated under the laws of Canada on October 29, 2017. PBIC's common shares trade publicly on the Canadian Securities Exchange (the "Exchange"), under the symbol PBIC. The Corporation's principal business address is 240 Richmond St. W, Suite 4164, Toronto, Ontario, M5V 1V6.

The Corporation's investment objectives are to provide shareholders with long-term total returns through capital appreciation by investing in an actively managed portfolio of securities (the "Portfolio") comprised of: (i) public companies for which the Corporation does not receive rights to elect one or more directors or otherwise becomes actively involved in (the "Passive Public Portfolio"); (ii) public companies for which the Corporation receives rights to elect one or more directors or otherwise becomes involved in (the "Active Public Portfolio" and together with the Passive Public Portfolio, the "Public Portfolio"); and (iii) private companies operating in, or that derive a significant portion of their revenue or earnings from products, services and technologies related to the cannabis plant family, its various compounds and other combinatory ingredients and products (the "Private Portfolio").

The Portfolio composition will vary over time depending on the Corporation's and the Investment Manager's assessment of overall market conditions, opportunities and outlook including the allocation between the Public Portfolio and the Private Portfolio which will be determined by the Corporation.

CGOC Management Corp (the "Manager") is the manager and promoter of the Corporation. See *Appendix I* for the management agreement between the Manager and the Corporation. StoneCastle Investment Management Inc. will act as the Corporation's investment manager (the "Investment Manager") with respect to the Passive Public Portfolio.

The Corporation is subject to certain restrictions and practices contained in securities legislation. In addition, the Corporation is subject to the following investment restrictions which limit the securities that the Corporation may acquire for the Portfolio:

(i) purchase securities, other than securities of cannabis issuers, provided that the Corporation may purchase securities of issuers operating in subsectors ancillary to the cannabis industry in an amount up to 25% of the total assets of the Corporation;

(ii) invest in securities of issuers that are in breach of the *Cannabis Act* and/or the regulatory framework enacted by the applicable U.S. state;

(iii) have short exposure, other than for purposes of hedging, in excess of 20% of the total assets of the Corporation as determined on a daily marked-to-market basis;

(iv) conduct any activity that would result in the Corporation failing to qualify as a "public corporation" within the meaning of the *Income Tax Act* (Canada);

(v) invest in or hold (a) securities of or an interest in any non-resident entity, an interest in or a right or option to acquire such property, or an interest in a partnership which holds any such property if the Corporation (or the partnership) would be required to include any significant amounts in income pursuant to section 94.1 of the *Income Tax Act* (Canada), (b) an interest in a trust (or a partnership which holds such an interest) which would require the Corporation (or the partnership) to report income in connection with such interest pursuant to the rules in section 94.2 of the *Income Tax Act* (Canada), or (c) any interest in a non-resident trust (or a partnership which holds such an interest) other than an "exempt foreign trust" for the purposes of section 94 of the *Income Tax Act* (Canada);

(vi) invest in any security that is or would be a tax shelter investment within the meaning of the *Income Tax Act* (Canada); and

(vii) enter into any arrangement (including the acquisition of securities for the Portfolio) where the result is a "dividend rental arrangement" for the purposes of the *Income Tax Act* (Canada), or engage in securities lending that does not constitute a "securities lending arrangement" for purposes of the *Income Tax Act* (Canada).

Additional information relevant to the Corporation's activities, including press releases, can be found on SEDAR at www.sedar.com.

Risk Factors

There are certain risks inherent in an investment in the common shares of the Corporation and in the activities of the Corporation. Risks factors are disclosed in the prospectus of the Corporation filed in connection with the Offering under the heading "Risk Factors" that is available at www.sedar.com. If any of the risks outlined in such disclosure occur or if others occur the Corporation's business, operating results, and financial condition could be seriously harmed: investors may lose all of their investment. Other than set out or contemplated herein, management is not aware of any significant changes in risks and risk factors since the date of the prospectus, January 16, 2018.

COVID-19

In March 2020, the World Health Organization declared a global pandemic related to the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19". This has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures which include the implementation of travel bans, self-imposed quarantine periods, and social distancing have caused material disruption to businesses resulting in a global economic disruption. At the same time, global equity markets have experienced historic volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize domestic economic conditions. The duration and eventual impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions.

The Corporation's ability to operate has not been directly impacted by the COVID-19 pandemic or the closure of non-essential businesses, but many of the Corporation's investee companies could be negatively impacted by the COVID-19 pandemic.

The volatility in the equity markets may have a material impact on the Corporation's earnings and the fair value of the Corporation's public and private investment portfolio and will also impact the Corporation's investee companies' earnings and ability to raise capital for their ongoing operations.

Investment Restriction Amendments

The Corporation held its annual and special meeting of shareholders on April 30, 2020 (the "Meeting"). As a result, the shareholders voted overwhelmingly in favour of the following amendments related to the Corporation's investment restrictions:

(i) An amendment to the Company's By-Law No. 1 to remove the investment restriction prohibiting the Company from investing more than 40% of its total assets in securities of private issuers;

(ii) An amendment to the Company's By-Law No. 1 to remove the investment restriction prohibiting the Company from investing more than 10% of its total assets in securities of any single issuer;

(iii) An amendment to the Company's By-Law No. 1 to remove the investment restriction prohibiting the Company from borrowing money or employing any other forms of leverage greater than 25% of the value of the Company's public portfolio.

These amendments and other matters approved at the Meeting are described in detail in the Corporation's Management Information Circular, dated March 31, 2020, on www.sedar.com.

Selected Annual Information

	31-Oct-20	31-Oct-19	31-Oct-18
Investment income (loss) for the year(i)	$(12,602,050)	$(850,081)	$6,355,508
Net income (loss) and comprehensive income (loss) for the year	(14,594,472)	(2,881,029)	3,480,920
Income (loss) per share for the year - basic and diluted(ii)	(0.66)	(0.18)	0.29
Operating expenses	1,489,877(iii)	1,975,488	1,079,202(iv)
Total assets	31,117,565	39,805,931	42,223,355
Total liabilities	376,673	376,772	754,835
Issued capital(v)	33,753,433	36,077,913	35,411,624
Shareholder's Equity	30,740,892	39,429,159	41,468,520
Common shares outstanding	25,012,600	16,079,184	15,652,140
Warrants outstanding(vi)	Nil	15,513,150	15,513,250

Note: Amounts may not total due to rounding.

(i) Includes realized gain (loss) on disposal of investments, unrealized appreciation (depreciation) on investments and interest and other income.
(ii) Based on weighted average number of common shares outstanding during the quarter.
(iii) The operating expenses excludes stock option expense of $338,205 and write-down of interest receivable of $223,086 during the year ended October 31, 2020.
(iv) The operating expenses excludes stock option expense of $1,792,100 during the year ended October 31, 2018.
(v) Issued capital includes share capital and warrants.
(vi) Only refers to publicly trading warrants as part of the initial public offering, which expired on January 26, 2020.

Selected Quarterly Information

	31-Jan-21	31-Oct-20	31-Jul-20	30-Apr-20
Investment income (loss) for the period(i)	$ 12,746,359	$(3,152,375)	$ 3,857,114	$ (10,570,982)
Net income (loss) and comprehensive income (loss) for the period	11,851,838	(3,722,484)	3,147,839	(10,996,732)
Income (loss) per share for the period – basic (ii)	0.47	(0.15)	0.13	(0.44)
Income (loss) per share for the period – diluted (ii)	0.44	(0.15)	0.12	(0.44)
Total assets	42,873,312	31,117,565	35,336,344	31,561,851
Total liabilities	280,582	376,673	1,019,231	652,549
Shareholder's Equity	42,592,730	30,740,892	34,317,113	30,909,302
Operating expenses for the period	894,521	200,789	517,303(iii)	425,751
Common shares outstanding	25,012,600	25,012,600	25,012,600	24,740,600

	31-Jan-20	31-Oct-19	31-Jul-19	30-Apr-19
Investment income (loss) for the period[i]	$ (2,735,807)	$(5,731,464)	$(12,106,358)	$9,855,834
Net income (loss) and comprehensive income (loss) for the period	(3,023,095)	(5,922,151)	(11,359,443)	7,846,015
Income (loss) per share for the period - basic [ii]	(0.19)	(0.39)	(0.73)	0.51
Income (loss) per share for the period - diluted [ii]	(0.19)	(0.39)	(0.73)	0.51
Total assets	36,788,628	39,805,931	46,032,278	57,372,138
Total liabilities	382,564	376,772	680,967	1,909,069
Shareholder's Equity	36,406,064	39,429,159	45,351,311	55,463,069
Operating expenses for the period	346,034	586,185	405,687	406,2597
Common shares outstanding	16,079,184	16,079,184	16,079,184	15,352,340
Warrants outstanding[iv]	0	15,513,250	15,513,250	15,513,250

Note: Amounts may not total due to rounding.

(i) Includes realized gain (loss) on disposal of investments, unrealized appreciation (depreciation) on investments and interest and other income.

(ii) Based on weighted average number of common shares outstanding during the quarter.

(iii) Excludes stock-based compensation.

(iv) Only refers to the publicly trading warrants as part of the initial public offering. The publicly trading warrants expired on January 26, 2020.

Investments

The Corporation held the following investments as at January 31, 2021:

Investment Category	**Cost**	**Fair Value**	**Percentage (Fair Value)**
Equities	$36,740,448	$32,629,876	80%
Warrants	4,171,427	3,019,520	7%
Convertible Debentures	4,440,670	3,158,461	8%
Loans	1,855,323	2,053,293	5%
Subscription Receipts	111,118	111,118	0%
Total investments	**$47,318,986**	**$40,972,268**	**100%**
Portfolio Allocation	**Cost**	**Fair Value**	**Percentage (Fair Value)**
Active Public	$13,980,156	$16,271,327	40%
Passive Public	15,468,669	20,099,591	49%
Private	17,870,161	4,601,350	11%
Total	**$47,318,986**	**$40,972,268**	**100%**

The Corporation held the following investments as at October 31, 2020:

Investment Category	Cost	Fair Value	Percentage (Fair Value)
Equities	$32,425,963	$22,755,580	75%
Warrants	4,755,560	2,614,742	9%
Convertible Debentures	4,821,050	4,153,357	14%
Loan	1,000,000	1,004,384	3%
Total investments	**$43,002,573**	**$30,528,063**	**100%**
Portfolio Allocation	**Cost**	**Fair Value**	**Percentage (Fair Value)**
Active Public	$13,429,226	$12,425,481	41%
Passive Public	11,394,011	13,299,290	44%
Private	18,179,316	4,803,292	16%
Total	**$43,002,573**	**$30,528,063**	**100%**

Top 10 Holdings

The following investments comprise the Corporation's Top 10 holdings measured by fair value as at January 31, 2021:

Company	Portfolio	Investment Category	Fair Value	% of total Assets
Jushi Holdings Inc.	Passive Public	Equity	$5,295,322	12.35%
Grown Rogue International Inc.	Active Public	Equity	4,800,000	11.20%
Curaleaf Holdings Inc.	Passive Public	Equity	2,920,728	6.81%
Bhang Inc.	Active Public	Equity	2,808,212	6.55%
Core One Labs Inc.	Active Public	Equity	2,693,333	6.28%
C21 Investments Inc.	Passive Public	Equity	2,149,931	5.01%
Bhang Inc.	Active Public	Loan	1,500,000	3.50%
Next Green Wave Holdings Inc.	Passive Public	Equity	1,482,710	3.46%
TerrAscend Corp.	Passive Public	Equity	1,370,451	3.20%
Aion Therapeutic Inc.	Active Public	Equity	1,155,000	2.69%
Total			**$26,175,687**	**61.05%**

Note: Amounts may not total due to rounding.

Active Public Portfolio

Bhang Inc. (CSE: BHNG) (“Bhang”)

Bhang is a cannabis CPG brand with a portfolio of over 100 cannabis, hemp-derived CBD and terpene products including, without limitation, gourmet chocolates, pre-rolls, vapes, gums, beverages, gummies, mouth sprays and topicals.

Pursuant to the subscription agreement, PBIC has committed to invest up to a total of CDN$1,500,000 in Bhang through a non-brokered private placement offering (the "Bhang Offering") of units (the "Bhang Units"). Each Bhang Unit is comprised of one subordinated voting share (the "Bhang Shares") and one subordinated voting share purchase warrant (the "Bhang Warrants") in the capital of Bhang. Each Bhang Warrant entitles PBIC to purchase one subordinated voting share of Bhang for a period of 24 months from the date of issuance at an exercise price equal to a 25% premium to the Bhang Unit price. Furthermore, Bhang may accelerate the expiration date of the Bhang Warrants to a period of 30 days following written notice to PBIC in the event that Bhang's subordinated voting shares close at or above CDN$0.25 per share for a period of 10 consecutive trading days on the CSE.

On February 10, 2020, PBIC invested CDN$500,000 in Bhang and purchased a total of 3,571,428 Bhang Units at a price of approximately CDN$0.14 per unit. In connection with the Bhang Offering, Bhang has agreed to provide PBIC with a pre-emptive right to participate in future offerings of Bhang securities in order to maintain its respective percentage of ownership at the time of such offering. In addition, Bhang has agreed to nominate one board member of Bhang as recommended by PBIC at future shareholder meetings and the ability, if PBIC does not have its nominee on Bhang's board of directors, to appoint a board observer.

On February 10, 2020, PBIC and Bhang have also entered into subscription agreements to exchange approximately CDN$2,000,000 worth of each other's common shares (the "Bhang Share-Swap") whereby Bhang received a total of 3,149,606 common shares of PBIC at a deemed price of CDN$0.635 per share and PBIC received a total of 14,285,714 subordinated voting shares of Bhang at a deemed price of CDN$0.14 per share. Pursuant to the Bhang Share-Swap, both PBIC and Bhang have signed a voting and resale agreement providing that each party will be required to vote such shares acquired under the share-swap as recommended by the other party and will be restricted from trading such shares until August 5, 2021 without the prior written consent of the other party.

In addition, PBIC held 8% convertible Promissory Notes (the “Notes”) with Bhang with a principal amount of $600,000 and maturity date of May 31, 2020. The Notes were convertible at the option of PBIC into subordinated voting shares of Bhang at a price of $0.50 per share. Bhang had the option to accelerate the conversion of the Notes in the event that the volume weighted average price of the subordinated voting shares are greater than $1.00 over a period of 10 consecutive trading days on the Canadian Securities Exchange. The Notes were secured by a general security agreement covering all of Bhang’s personal property.

Pursuant to a settlement agreement dated July 17, 2020 (the "Settlement Agreement"), PBIC and Bhang have settled two convertible promissory notes in the aggregate principal amount of $600,000 (collectively, the "Notes") by Bhang issuing to PBIC a total of 6,666,667 subordinated voting shares of Bhang, at a deemed price of $0.09 per share. Furthermore, PBIC has settled and released all other rights and remedies available to PBIC for all matters relating to prior Bhang financings and default of the Notes in exchange for a lump sum payment of $1,152,857 which was satisfied by Bhang with (i) the issuance of a total of 12,809,524 subordinated voting shares of Bhang, at a deemed price of $0.09 per share, and (ii) the issuance of warrants for the purchase of 5,261,905 subordinated voting shares of Bhang, exercisable for a period of 24 months from the date of issuance at an exercise price of $0.15 per share.

On July 17, 2020, PBIC and Bhang also entered into an operating credit facility (the "Credit Facility") whereby PBIC is to provide up to the aggregate principal amount of $1,000,000 to Bhang for general working capital needs. The Credit Facility bears interest at a rate of 8% per annum on all advances and will mature 36 months from the date of entry. The Credit Facility is secured by a charge on all of the current and future assets, undertakings and properties of Bhang and its subsidiaries pursuant to general security agreements. At the option of PBIC, all advances and accrued interest on the Credit Facility are convertible into subordinated voting shares of Bhang at a price of $0.15 per share. Furthermore, in connection with the Credit Facility, Bhang issued PBIC warrants for the purchase of 6,666,667 subordinated voting shares of Bhang, exercisable for a period of 24 months from the date of issuance at an exercise price of $0.15 per share.

On July 30, 2020, PBIC privately purchased and acquired 10,000 multiple voting shares of Bhang at a price of $30 per multiple voting share for a total purchase price of $300,000.

On November 17, 2020, PBIC and Bhang amended the existing Credit Facility whereby PBIC is to provide up to the aggregate principal amount of $1,500,000 to Bhang for general working capital needs.

On January 15, 2021, PBIC provided a US $40,000 senior promissory note to Bhang. The note is due and payable on or before April 15, 2021 and shall be subject to 15% interest per annum, such interest to accrue monthly and to be added to the principal amount of the note.

On March 5, 2021, PBIC acquired 3,846,154 subordinated voting shares of Bhang through a non-brokered private placement at a price of $0.065 per share for a total subscription of $250,000.

On March 5, 2021, PBIC entered into a debt settlement agreement with Bhang and acquired 23,661,623 subordinate voting shares at a deemed price of $0.065 per share in settlement of approximately $1,500,000 in principal and $38,005 in interest owing to PBIC under the Credit Facility.

On March 5, 2021, PBIC elected to convert a total of 10,000 multiple voting shares of Bhang into 10,000,000 subordinate voting shares.

On March 5, 2021, the Credit Facility was amended such that all future amounts owing under the Credit Facility shall be repaid by July 17, 2023 and PBIC shall not be entitled to demand repayment of the Credit Facility until the occurrence of an event of default. All other terms of the Credit Facility remain unchanged.

In March 2021, Bhang repaid the US $40,000 senior promissory note and the related accrued interest.

As at the date of this MD&A, PBIC holds 74,950,610 subordinated voting shares of Bhang, and 15,500,000 warrants to acquire subordinated voting.

Grown Rogue International Inc. (CSE: GRIN) (“Grown Rogue”)

Grown Rogue is a vertically integrated, multi-state operator, cannabis company with operations in Oregon, California and Michigan.

Pursuant to the subscription agreement, PBIC committed to invest up to a total of CDN$1,500,000 in Grown Rogue through a non-brokered private placement offering (the "Grown Rogue Offering") of units (the "Grown Rogue Units"). Each Grown Rogue Unit is comprised of one common share (the "Grown Rogue Shares") and one common share purchase warrant (the "Grown Rogue Warrants") in the capital of Grown Rogue. Each Grown Rogue Warrant entitles PBIC to purchase one common share of Grown Rogue for a period of 24 months from the date of issuance. Furthermore, Grown Rogue may accelerate the expiration date of the Grown Rogue Warrants to a period of 30 days following written notice to PBIC in the event that Grown Rogue's common shares close at or above CDN$0.25 per share for a period of 10 consecutive trading days on the Canadian Securities Exchange (the "CSE").

On February 10, 2020, PBIC invested CDN$500,000 in Grown Rogue and purchased a total of 5,000,000 Grown Rogue Units at a price of CDN$0.10 per unit, acquiring 5,000,000 shares and 5,000,000 warrants exercisable at CDN $0.125 per share.

On May 15, 2020, PBIC completed its remaining $1,000,000 investment in Grown Rogue and purchased an additional 10,000,000 Grown Rogue Units, at a price of CDN$0.10 per Unit, acquiring 10,000,000 shares and 10,000,000 warrants exercisable at CDN $0.13 per share.

In connection with the Grown Rogue Offering, Grown Rogue has agreed to provide PBIC with a pre-emptive right to participate in future offerings of Grown Rogue securities in order to maintain its respective percentage of ownership at the time of such offering. In addition, Grown Rogue has agreed to nominate one board member of Grown Rogue as recommended by PBIC at future shareholder meetings and the ability, if PBIC does not have its nominee on Grown Rogue's board of directors, to appoint a board observer.

On February 10, 2020, PBIC and Grown Rogue also entered into subscription agreements to exchange approximately CDN$1,500,000 worth of each other's common shares (the "Grown Rogue Share-Swap") whereby Grown Rogue received a total of 2,362,204 common shares of PBIC at a deemed price of CDN$0.635 per share and PBIC received a total of 15,000,000 common shares of Grown Rogue at a deemed price of CDN$0.10 per share. Pursuant to the Grown Rogue Share-Swap, both PBIC and Grown Rogue have signed a voting and resale agreement providing that each party will be required to vote such common shares acquired under the share-swap as recommended by the other party and will be restricted from trading such common shares until August 5, 2021 without the prior written consent of the other party.

On February 5, 2021, PBIC acquired 2,000,000 units of Grown Rogue through a non-brokered private placement offering at a price of $0.16 per unit for a total subscription of $320,000. Each unit is comprised of one common share of Grown Rogue and one warrant. Each warrant entitles PBIC to acquire one additional common share of Grown Rogue until February 4, 2023 at a price of $0.20 per common share. Furthermore, Grown Rogue may accelerate the expiration date of the warrants to a period of 30 days following written notice to PBIC in the event that Grown Rogue's common shares close at or above CDN$0.32 per share for a period of 10 consecutive trading days on the Canadian Securities Exchange (the "CSE").

On March 8, 2021, the company acquired 2,222,222 special warrants through a brokered private placement offering at a price of $0.225 per special warrant for a total subscription of $499,999.95. Each special warrant entitles the PBIC to receive, for no additional consideration, one unit of the Grown Rogue on the exercise or deemed exercise of the special warrant. Each unit is comprised of one common share one common share purchase warrant. Each warrant entitles PBIC to acquire one common share at an exercise price of $0.30 for a period of twenty-four (24) months. The special warrants are exercisable by the PBIC at any time for no additional consideration and all unexercised special warrants will be deemed to be exercised, without any further action or payment of additional consideration by PBIC, on the date that is the earlier of: (i) the date that is three (3) business days following the date on which Grown Rogue obtains a receipt from the applicable securities regulatory authorities (the "Securities Commissions") for a (final) short form prospectus qualifying distribution of the common shares and warrants underlying the special warrants (the "Qualifying Prospectus"), and (ii) July 6, 2021. If Grown Rogue has not received a receipt from the Securities Commissions for the Qualifying Prospectus on or before April 5, 2021, each unexercised special warrant will thereafter entitle PBIC to receive upon the exercise or deemed exercise thereof, at no additional consideration, 1.10 units (instead of one (1) unit).

As at the date of this MD&A, PBIC holds 32,000,000 Grown Rogue shares, 17,000,000 warrants and 2,222,222 special warrants.

Core One Labs Inc. (CSE: COOL) (“Core One”)

Core One is a technology company that licenses its technology to a state-of-the-art production and packaging facility located in Southern California. Core One's technology produces infused strips that provide a new way to accurately meter the dosage and assure the purity of the selected cannabinoid constitutes.

Pursuant to the terms of a subscription agreement, PBIC has committed to advance up to the principal amount of $1,500,000 (the "Principal") through a non-brokered convertible debenture (the "Convertible Debenture") offering (the "Offering"). The Principal amount of the Convertible Debenture is to be advanced in three equal tranches of $500,000 to be released upon completion of mutually agreed operational milestones. The Convertible Debenture shall mature on December 31, 2022 and shall bear interest at 12% per annum, calculated and accrued monthly in arrears and due on maturity. The Convertible Debenture is to be secured by a general security agreement covering all of Core One's personal property upon the Company advancing the total Principal amount of the Convertible Debenture. Furthermore, the Principal amount of the Convertible Debenture and any accrued but unpaid interest shall be convertible at the option of PBIC into common shares of Core One ("Core One Shares") at anytime prior to maturity at a price of $0.40 per share.

As of the date of the MD&A, PBIC has advanced $450,000 for the first tranche.

In connection with the Offering, PBIC will also receive 1,500,000 common share purchase warrants of Core One (the "Core One Warrants") that shall vest in three equal tranches upon closing of each tranche under the Convertible Debenture. The Core One Warrants shall be exercisable until December 31, 2022 at a price of $0.60 per share. Furthermore, Core One may accelerate the expiration date of the Core One Warrants to a period of 30 days following written notice to PBIC in the event that the Core One Shares close at or above $1.50 per share for a period of 10 consecutive trading days on the Canadian Securities Exchange.

In addition, PBIC and Core One also entered into subscription agreements to exchange approximately $2,000,000 of each companies' common shares (the "Share-Swap") whereby Core One received a total of 3,149,606 common shares of PBIC, at a deemed price of $0.635 per share, and the Company received a total of 5,333,333 Core One Shares, at a deemed price of $0.375 per share. Pursuant to the Share-Swap, both PBIC and Core One have also signed a voting and resale agreement providing that each party will be required to vote such common shares acquired under the Share-Swap as recommended by the other party and will be restricted from trading such common shares for a period of 18 months. Furthermore, Core One has also agreed to nominate one board member of Core One as recommended by PBIC at future shareholder meetings and the ability, if PBIC does not have its nominee on Core One's board of directors, to appoint a board observer.

In July 2020, Core One consolidated its outstanding common shares on the basis of two (2) pre-consolidated shares for every one (1) post – consolidated share.

As at the date of this MD&A, PBIC holds 2,666,666 Core One shares and has advanced $450,000 for the first tranche of the Convertible Debenture.

<u>Aion Therapeutic Inc. (CSE: AION) (“Aion”) (previously Osoyoos Cannabis Inc.)</u>

Aion Therapeutic Inc. (formerly, Osoyoos Cannabis Inc.) has a joint-venture agreement with a private, vertically-integrated licensed producer under the Cannabis Act (Canada) to offer contract tolling extraction services to third-party businesses. Additionally, the Company recently acquired 1196691 B.C. Ltd. d/b/a “PCAI Pharma” (www.pcai.ca) and its wholly-owned subsidiary AI Pharmaceuticals Jamaica Limited, a private corporation incorporated and operating under the laws of Jamaica. The business of AI Pharma involves, research and development, treatment, data mining and artificial intelligence (machine learning) techniques, focused on the development of combinatorial pharmaceuticals, nutraceuticals and cosmeceuticals utilizing compounds from cannabis (cannabinoids), psychedelic mushrooms (psilocybin), fungi (edible mushroom), natural psychedelic formulations(Ayahuasca), and other medicinal plants in a legal environment for this type of discovery.

Pursuant to the terms of a subscription agreement, on May 27, 2020 PBIC invested $35,000 in 1196691 B.C. Ltd (“PCAI Pharma”) and acquired 200,000 common shares. Upon Aion’s acquisition of PCAI Pharma, PBIC received 1,000,000 common shares of Aion.

Pursuant to the terms of a subscription agreement, on July 9, 2020, PBIC invested $75,000 in Aion and purchased a total of 1,500,00 Aion Units at a price of $0.05 per unit, acquiring 1,500,000 common shares and 750,000 warrants exercisable at $0.15 per share for a period of 24 months from the date of issuance.

Pursuant to the terms of a subscription agreement, on July 20, 2020, PBIC invested $425,000 in Aion and purchased a total of 8,500,00 Aion Units at a price of $0.05 per unit, acquiring 8,500,000 common shares and 4,250,000 warrants exercisable at $0.15 per share for a period of 24 months from the date of issuance.

On February 22, 2021, PBIC acquired 3,333,333 units of Aion through a non-brokered private placement offering at a price of $0.075 per unit for a total subscription of $250,000. Each unit is comprised of one common share of Aion and one-half of one common share purchase warrant. Each warrant entitles PBIC to acquire one common share until February 22, 2023 at a price of $0.15 per common share, provided that Aion has the right to accelerate the expiry date of the warrants to thirty days following written notice to PBIC if the closing market price of the common shares on the Canadian Securities Exchange is at or above $0.20 per common share for a period of ten consecutive trading days.

As at the date of this MD&A, PBIC holds 14,333,333 Aion common shares and 6,666,667 warrants.

Private Portfolio

The Corporation invests in common shares, preferred shares, options, warrants, promissory notes and convertible debentures of public and private companies whose prices are not quotes in an active market. Where the fair values of investments cannot be derived from active markets, the Corporation uses valuation models to determine fair value. Where possible, the Corporation uses inputs derived from observable market data for the models. Where observable market data is not available, the Corporation uses judgment to establish fair value. For more information on the Corporation's accounting policies and valuation techniques for level 3 investments please read notes 2 and 3 of the audited annual October 31, 2020 financial statements and the January 31, 2021 condensed interim financial statements.

The Corporation's private portfolio consisted of the following investments as at January 31, 2021:

HydRx Farms Ltd. (d/b/a Scientus Pharma) ("Scientus")

Scientus conducts scientific research on cannabinoids with a focus on developing and commercializing pharmaceutical-grade cannabinoid derivative products. Scientus is a vertically integrated biopharmaceutical Licensed Producer under the Cannabis Act and its Regulations and a Licensed Dealer under the Narcotics Control Act and its Regulations.

On February 21, 2018, PBIC completed a subscription agreement with Scientus to purchase 500,000 common shares at the purchase price of $4 per share for total subscription of $2,000,000.

As at January 31, 2021, PBIC is carrying its investment in Scientus common shares at $Nil.

Global Cannabis Innovators Crop. ("GCI") (previously SFHB Holdings Corp.)

GCI's portfolio includes a cannabis farms management company and companies in emerging markets around the globe. They also have a footprint in retail and distribution. The company's platform is to connect consumers to cannabis flower and cannabis culture, with existing or planned operations in each of the three supply chain steps – cultivation and production, distribution and retail.

On April 19, 2018, PBIC completed a subscription agreement with GCI to acquire 8,200,000 units at the purchase price of $0.125 for total subscription of $1,025,000. Each unit consists of one class A common share and one-half (1/2) of one class A share purchase warrant. Each warrant shall entitle the holder to acquire one class A common share at a price of $0.25 until April 20, 2023. PBIC allocated $826,560 of the subscription to the common shares and $198,440 to the warrants. On May 3, 2018, PBIC completed a second subscription agreement with GCI to acquire 8,000,000 units at the purchase price of $0.25 for total subscription of $2,000,000. Each unit consists of one class A common share and one-half (1/2) of one class A share purchase warrant. Each warrant shall entitle the holder to acquire one class A common share at a price of $0.50 until May 3, 2023. PBIC allocated $1,612,000 of the subscription to the common shares and $388,000 to the warrants.

As at January 31, 2021, PBIC's investment in GCI common shares and warrants represented 0.58% of PBIC's total assets.

Herbs Holdings Ltd. ("Herbs")

Herbs holds a cultivation license in Jamaica, which through a 100-year lease, it has access to 3,700 acres of growing lands. Herbs has a robust domestic retail plan and an experienced operating team.

On April 19, 2018 PBIC completed a subscription agreement with Herbs to acquire 250,000 class A common shares at the purchase price of US $1 per share for a total subscription of US $250,000. In October 23, 2018, Herbs underwent a 1 for 10 stock split and PBIC's class A shares increased to 2,500,000. On April 10, 2019 PBIC completed another subscription agreement with Herbs to acquire 862,100 class A common shares at the purchase price of US $0.87 per share for a total subscription of US $750,027.

On April 10, 2019 PBIC invested in a 10% convertible promissory note (the "note") with Herbs and advanced the principal amount of US$750,000. The note has a maturity of 2 years upon which the principal and interest shall become due and payable upon demand of PBIC, unless the principal is converted into common shares. Any time on or after the maturity date, but prior to repayment of the principal, PBIC may elect to have the principal and interest converted into Class A common shares. The conversion will occur at a company valuation that is the lessor of (i) USD$125,000,000, or, (ii) the Company valuation used for the most recent equity raise prior to the conversion, less 20% percent.

As at January 31, 2021, PBIC is carrying investment in Herbs common shares and promissory note at $Nil.

Embark Health Inc. ("Embark")

Embark focuses on the formulation and production of advanced 2.0 products for the Contract Manufacturing and Adult-use markets. Embark continues to be at the forefront of production of solventless concentrate products including Bubble Hash, Traditional Pressed Hash, Rosin and Dry Sift. With the acquisition of Embark Nano (formerly, Axiomm Technologies Ltd.) Embark is preparing to launch a suite of next generation Cannabis 2.0 products. The acquired portfolio of products and formulations support the mass production and distribution of advanced 2.0 products including cannabis-infused beverages, topicals, edibles and water-soluble powders.

Effective September 11, 2020, Embark completed the acquisition of Axiomm Technologies Ltd. ("Axiomm"). Prior to the transaction with Axiomm, PBIC held 1,200,000 common shares and 800,000 warrants in Axiomm. As part of the transaction, Axiomm accelerated the expiry of the outstanding warrants pursuant to the terms of the original terms. Upon completion of the acquisition of Axiomm, PBIC received 116,592 common shares of Embark in exchange for the Axiomm shares.

As at January 31, 2021, PBIC's investment in Embark common shares represented 0.54% of PBIC's total assets.

Green Relief Inc. ("Green Relief")

Based in Hamilton, Ontario, Green Relief is a licensed producer using aquaponics to produce medical cannabis. Aquaponics combines the best attributes of aquaculture and hydroponics, without the need to

discard water or add chemical fertilizers. It produces 10 times the crop yield per acre and uses 90% less water than conventional farming.
On April 26, 2018, PBIC acquired 400,000 shares of Green Relief from a private shareholder at the purchase price of $2.50 per share for a total investment of $1,000,000. The private shareholder was paid $750,000 in cash and issued 138,889 common shares of PBIC at $1.80 per common share.

On April 8, 2020, Green Relief applied for an order (the "Initial Order") from the Ontario Superior Court of Justice authorizing the Applicant's restructuring proceedings commenced under Part III of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3 (as amended) be taken up and continued under the *Companies' Creditors Arrangement Act*, R.S.C.1985, c.C-36, as amended ("CCAA"). The Initial Order was amended on April 17, 2020 and includes among other things, a stay of proceedings against the Company, and the appointment of PricewaterhouseCoopers Inc., LIT as monitor of Green Relief.

As at January 31, 2021, PBIC is carrying its investment in Green Relief common shares at $Nil.

Avalon Bridge Capital Inc. ("Avalon")

Avalon is a cannabis-focused venture capital fund based. Their team has been investing in the market institutionally since 2017 and has investments in premier consumer brands and technology companies. Avalon is seeking to raise a follow-on fund that will participate in its initial investments and make new ones in the cannabis market. The fund is open to all qualified US and non-US investors.

On April 4, 2018, PBIC completed a subscription agreement with Avalon to purchase 500,000 common shares at the purchase price of $0.05 for the total subscription of $25,000.

As at January 31, 2021, PBIC's investment in Avalon common shares represented 0.06% of PBIC's total assets.

LPF Investment Corp. ("Loudpack")

Loudpack is a cannabis consumer products company that operates a purpose-built, pharmaceutical standard cultivation and manufacturing facility in California.

On October 22, 2018, PBIC completed a private placement with Loudpack to purchase 700 convertible debentures at a price of $1,000 per convertible debenture for a total subscription of US$700,000. Each debenture has a face value of $1,000, coupon rate of 8% and 24-month maturity. Each convertible debenture and any accrued unpaid interest can be converted for units of the company at the same pre-money valuation of the private placement. Each convertible debenture and any accrued unpaid interest are automatically converted for units of the company in the event of a go public transaction at a 25% discount to the issue price of the go-public securities if the transaction is completed before March 31, 2019. If the transaction is completed after that date, the conversion price is at a 30% discount to the issue price of the go-public transaction securities.

In October 2020, the maturity of the convertible debentures was extended to November 30, 2020. In December 2020, the existing convertible debentures were exchanged for 15% secured convertible debentures due December 31, 2022.

As at January 31, 2021, PBIC's investment in Loudpack convertible debentures represented 2.09% of PBIC's total assets.

Osiris Ventures Inc. (d/b/a Norcal Cannabis Company) ("Norcal")

NorCal is one of the largest vertically integrated cannabis operators in California. The Company currently operates state-of-the-art indoor flower production facilities. NorCal also operates a leading network of statewide delivery depots and is led by a team of experts combining 50+ years of cannabis experience in California with seasoned leadership in tech, finance and real estate.

On November 26, 2018, PBIC completed a subscription agreement with NorCal to acquire 2,018,163 preferred shares at the purchase price of US $0.4955 for a total subscription of US $1,000,000.

As at January 31, 2021, PBIC's investment in NorCal preferred shares represented 0.59% of PBIC's total assets.

Tokr LLC ("Tokr")

Tokr is an app with a mission to become the world's leading cannabis discovery platform and trusted resource. Tokr has built a cannabis marketplace between consumers and brands, using knowledge as power to foster relationships with the right audiences and allowing Tokr users to curate their cannabis experience based on their unique and individual lifestyle.

On December 6, 2018, PBIC completed a subscription agreement with Tokr to acquire 292,986 class A units at the purchase price of US $1.195 for a total subscription of US $350,000.

As at January 31, 2021, PBIC's investment in Tokr units represented 0.53% of PBIC's total assets.

C3 Centre Holding Inc. ("C3")

C3 is a Quebec cannabis centre site where a portfolio of companies is being developed to create an ecosystem comprised of cultivation, extraction, food transformation, research and education. C3's concept is to build a cannabis business accelerator, providing companies with access to production facilities and capital.

On April 15, 2019, PBIC completed a subscription agreement with C3 to acquire 1,000,000 Class A1 common shares at the purchase price of $0.50 for a total subscription of $500,000. On August 26, 2019, PBIC subscribed for additional 666,667 Class A1 common shares at the purchase price of $0.75 for a total subscription of $500,000.

As at January 31, 2021, PBIC's investment in C3 common shares represented 1.17% of PBIC's total assets.

MKK Canada Corp. ("Balcanns")

Balcanns is looking to become a GMP (Good Manufacturing Practice) certified medical cannabis supplier in a low-cost European environment. Balcanns has a diverse and experienced team consisting of global experts in plant biology, commercial hydroponic production, and controlled environmental systems, led by a strong senior management team.

On April 17, 2019, PBIC completed a subscription agreement with Balcanns to acquire 800,000 common shares at the purchase price of $0.125 for a total subscription of $100,000.

As at January 31, 2021, PBIC's investment in Balcanns represented 0.23% of PBIC's total assets.

Zitronic Hemplements AG ("Zitronic")

Solothurn-based Zitronic concentrates on the production of certified BIO CBD young plants and BIO CBD cannabis seeds as part of its conversion to organic farming, while continuing to grow certified BIO CBD hemp at several sites in Switzerland. Zitronic produces a whole range of high-quality, certified BIO products, including teas, nutritional supplements, food, care products and the tobacco substitute product BIO CHRONiC Pure.

On March 14, 2019, PBIC paid $500,000 pursuant to a purchase agreement to acquire an option (the "Zitronic option") to acquire 10% of the outstanding shares of Zitronic ("Zitronic shares") for CHF $1. PBIC has granted the seller an option ("PBIC option") to reacquire either the Zitronic option or the Zitronic shares for 12 months for $500,000 plus an additional $500,000 prorated by multiplying the number of days elapsed since the date of the purchase agreement (up to a maximum of 365 days) divided by 365 days. On May 14, 2019, PBIC acquired another Zitronic option for $500,000 with identical terms.

As at January 31, 2021, PBIC's investment in Zitronic represented 0.79% of PBIC's total assets.

BIO365 LLC ("BIO365")

BIO365 is a Northern California company focused on creating biologically active and nutrient dense biochar soils for commercial agriculture. Their team of soil scientists, biochar experts, and experienced cultivators work together to integrate decades of practical wisdom with the latest cutting-edge science. Their breakthrough line of horticultural media is designed to benefit farmers, communities, and the environment.

On April 25, 2019, PBIC completed a purchase agreement with BIO365 to acquire 12,414 series A preferred units at the purchase price of US $40.28 for a total subscription of US $500,036. The series A preferred units shall automatically convert into common units upon (a) the election of the holders of a majority of the then outstanding series A preferred units or (b) the closing of an IPO.

As at January 31, 2021, PBIC's investment in BIO365 preferred units represented 1.49% of PBIC's total assets.

PlantEXT Ltd. ("PlantEXT")

PlantEXT is an Israeli company focused on developing and commercializing pharmaceutical cannabis formulations for the treatment of inflammation related medical conditions. PlantEXT has entered into a strategic partnership and exclusive agreement with the State of Israel's Agricultural Research Organization to develop and commercialize a treatment for inflammatory bowel disease. PlantEXT also operates independent research and development facilities near Tel Aviv, where it is developing an extensive pipeline of anti-inflammatory products supported by pre-clinical and clinical research.

On May 28, 2019, PBIC completed a subscription agreement with PlantEXT to acquire 400,000 common shares at a purchase price of US $1.25 for a total subscription of US $500,000.

On January 9, 2020, PBIC and 2702099 Ontario Inc. (as the lenders), entered into a loan agreement with PlantEXT to lend up to US $200,000. The loan shall be repaid in full by March 31, 2020 (the "Term"). No interest is payable on the loan, however PBIC shall be entitled to receive two (2) warrants of PlantEXT for every US #1 of principal loaned. Each warrant shall entitle the holder thereof to acquire one common share at an exercise price of US $0.01 for a period of 12 months following the date of issuance.

In the event that PlantEXT has not repaid the loan by the end of the Term, PBIC shall receive five (5) warrants for every US $1.00 of principal outstanding (each, a "penalty warrant") as consideration for a 30-day extension of the Term (the "Extended Term"). PBIC shall receive five (5) additional penalty warrants for every US $1.00 of principal that remains outstanding at the end of any Extended Term. PlantEXT issued 6,400,000 warrants with an exercise price of US $0.01 and expiry dates ranging from January 9, 2021 to August 31, 2021. The loan was repaid in full in October 2020.

As at January 31, 2021, PBIC is carrying its investment in PlantEXT common shares and warrants at $Nil.

Greenstar Global Inc. ("Greenstar") (operating as Wundr Co.)

Wundr Co. is a London based cannabis company that is focused on helping European patients and consumers in the most precise and effective ways. Their diversified team features in depth knowledge and expertise across the cannabis supply chain. Wundr Co. has acquired iuvo Therapeutics GmbH which is Germany's largest independent medical cannabis distributor, holding both medical cannabis import and narcotics distribution licenses for EU.

On July 30, 2019, PBIC completed a private placement with Greenstar to purchase 500 convertible debentures at a price of US $1,000 per convertible debenture for a total subscription of US $500,000. The debentures have a face value of $1,000, are non-interest bearing and mature on December 31, 2019. Each convertible debenture can be converted for common shares of the company at a price of $0.50 per common share. The conversion price shall be adjusted if the company does not complete a go public transaction within 135 days or if there is a subsequent financing. Prior to any go public transaction, the convertibles debentures will be automatically converted into common shares.

In December 2019, the convertible debentures were converted into 1,000,000 common shares. In March 2020, PBIC received an additional 1,000,000 penalty shares as per the terms of the convertible debentures.

As at January 31, 2021, PBIC's investment in Greenstar common shares represented 1.63% of PBIC's total assets.

2702099 Ontario Inc. ("Newco")

On June 19, 2019, PBIC entered into a joint venture with an investee company to conduct research and develop a technology comprising an endogenous anti-addiction mechanism, based on a cannabinoid-like molecule for certain indications.

PBIC shall subscribe for 6,000,000 common shares of Newco in a series of tranches which upon the completion of the final tranche represented 60% of the issued and outstanding common shares of Newco for a total aggregate investment of US $1,100,000. Under the joint venture agreement, the board of directors of Newco shall consist of two (2) nominees of PBIC and two (2) nominees of the investee company.

On July 5, 2019, PBIC subscribed for 3,272,727 common shares of Newco for US $600,000. August 14, 2019, PBIC subscribed for the remaining 2,727,273 common shares of Newco for US $500,000 as agreed upon in the joint venture agreement.

As at January 31, 2021, PBIC is carrying its investment in Newco common shares at $Nil.

EG Management and Services Inc. ("EG")

EG provides management services to licensed cannabis operators in California. Currently, the majority of their operations is managing product and brand development, supply chain, sales and marketing. EG works with licensed growers to get the most value for their product. Often this involves helping growers transition from selling bulk low value product to selling higher value consumer packaged goods.

On August 2, 2019 PBIC invested in a 8% convertible promissory note (the "note") with EG and advanced the principal amount of US$500,000. The note has a maturity of January 1, 2022 upon which the principal and interest shall become due and payable. If, while the note remains outstanding and EG completes a subsequent equity financing involving the sale of preferred shares with aggregate gross proceeds of at least US $2,000,000, then the then-outstanding principal and accrued interest shall automatically convert into the same type and/or class of preferred shares. The number of preferred shares issued upon conversion will equal the quotient obtained by dividing the outstanding principal and interest by the lesser of: (a) 80% of the per share price of the subsequent equity financing of at least US $2,000,000; and (b) the quotient obtained by dividing US $25,000,000 by the number of issued and outstanding shares of EG, calculated on a fully diluted basis excluding conversion of similar promissory notes.

As at January 31, 2021, PBIC is carrying investment in EG convertible promissory note at $Nil.

4C Labs Ltd. ("4C Labs")

4C Labs is pursuing an economic model that focuses on low cost production and pharmaceutical partnerships to supply international medical markets as well as EU GMP flower production for the medical market worldwide.

On November 1, 2019, PBIC completed a private placement with 4C Labs to acquire 400,000 common shares at purchase price of $0.25 for a total subscription of $100,000.

As at January 31, 2021, PBIC's investment in 4C Labs common shares represented 0.07% of PBIC's total assets.

<u>Logan Square Partners LLC ("Logan Square")</u>

On January 22, 2021, PBIC invested US $22,533 in a secured promissory note (the "Note") issued by Logan Square. Logan Square is a special purpose entity with a purpose to facilitate the purchase of certain shares of a cannabinoid delivery and technology company (the "Technology Company") which has been halted from being traded publicly. Logan Square is an LLC formed by certain members of the law firm of Crath, Miller & Xistris LLP where the CEO of PBIC is a non-billing partner. The CEO has no management or voting interest in Logan Square for purposes of this transaction and will receive no economic benefit in connection with this transaction or his affiliation with Logan Square or Crath, Miller & Xistris, LLP.

The Note bears interest at a rate per annum equal to the applicate federal rate as of the date of the Note. All unpaid principal and accrued interest are payable upon demand of PBIC (the "Maturity Date"). Upon the Maturity Date, Logan Square shall deliver to PBIC, share certificates representing an aggregate of 4,506,472 shares of common stock of the Technology Company as payment in full of this Note.

As at January 31, 2021, PBIC's investment in the Logan Square Note represented 0.52% of PBIC's total assets.

<u>Lauterbrunnen Development Inc. ("Lauterbrunnen")</u>

Lauterbrunnen is a real estate development company that is planning to develop a hemp-manufacturing, co-packing and storage facility in Colorado.

On January 15, 2021, PBIC invested US $60,000 in a promissory note (the "Note") issued by Lauterbrunnen. The Note bears interest at a rate of 15% per annum and paid upon maturity of the Note. All unpaid principal and interest accrued on the Note is due and payable on January 15, 2022.

As at January 31, 2021, PBIC's investment in the Lauterbrunnen Note represented 0.18% of PBIC's total assets.

Results of Operations and Cash Flows

Operating Activities

For the three months ended January 31, 2021, the Corporation reported net income and comprehensive income of $11,851,838 (2020 - $3,023,095 loss) with a basic net income per share of $0.47 (2020 - $0.19 loss) and diluted net income per share of $0.44 (2020 - $0.19 loss). The net income three months ended January 31, 2021 was primarily driven by realized gain on disposal investments and unrealized appreciation of investments.

For the three months ended January 31, 2021, the Corporation incurred cash inflows from operating activities of $1,207,503 primarily due to net disposal of investments, which was offset by operating expenses. For the three months ended January 31, 2020, the Corporation generated cash inflows from operating activities of $161,197 primarily due to net disposal of investments, which was offset by operating expenses.

Related Party Transactions

During the three months ended January 31, 2021, all transactions with related parties have occurred in the normal course of operations.

Management Fees

The Corporation is required to pay the Manager an annual management (the "Management Fee") fee of 1.0% of the market capitalization of the Corporation based on the daily volume-weighted average price of the Common Shares. The Management Fee is accrued daily and paid by the Corporation to the Manager monthly in arrears. The Manager will pay the Investment Manager and the officers and directors of the Corporation provided by the Manager (other than the independent directors) out of the Management Fee.

During the three months ended January 31, 2021, the Corporation incurred management fees of $29,237 (2020 - $36,041). As at January 31, 2021, accounts payable and accrued liabilities included $10,515 (October 31, 2020 - $8,401) of management fees payable to the Manager.

Performance Fees

As soon as practicable following the final Business Day of each calendar quarter (each such date, a "Performance Fee Payment Date" and each such period, a "Performance Fee Period"), the Corporation is required to pay the Manager a quarterly performance fee (the "Performance Fee") in respect of the outstanding common shares equal to 20% of the amount by which the sum of (i) the "weighted average market price" of the common shares on the Canadian Securities Exchange (or such other principal market on which the Common Shares are quoted for trading) during the 15 trading days preceding the end of the Performance Fee Period, plus (ii) distributions on such common shares during such period, exceeds 101.25% of the Threshold Amount (the "Hurdle Rate"). The Threshold Amount will be the greater of (i) $2.60; and (ii) the weighted average market price of the common shares on the Performance Fee Payment Date in the last quarter for which a Performance Fee was paid.

In the event that new Common Shares are issued, the Hurdle Rate application to the Performance Fee payable with respect to those Common Shares will be reduced proportionately to reflect the number of days remaining in that quarter and the Threshold Amount in respect of such Common Shares for that quarter will be the greater of (i) the issue price of the Common Shares; and (ii) the then current Threshold Amount.

During the three months ended January 31, 2021 and 2020, the Hurdle rate was not reached; therefore, the Corporation did not incur performance fees.

Operating Expenses

The Corporation will reimburse the Manager for all reasonable and necessary actual out-of-pocket costs and expenses paid by the Manager in connection with the performance of the services described in the

Management Agreement, as well as certain specified expenses ancillary to the operations of the Manager, including travel on behalf of the Corporation and office space and services. During the three months ended January 31, 2021, the Corporation reimbursed the Manager operating expenses of $Nil (2020 - $Nil).

During the three months ended January 31, 2021, the Corporation incurred accounting and regulatory compliance fees of $64,636 (2020 - $55,370) from an accounting firm in which the Corporation's CFO is a Partner. As at January 31, 2021, accounts payable and accrued liabilities included $44,296 (October 31, 2020 - $57,065) of fees payable to the accounting firm.

During the three months ended January 31, 2021, the Corporation incurred consulting fees of $42,375 (2020 - $Nil) from a company controlled by one of its independent directors. As at January 31, 2021, accounts payable and accrued liabilities included $Nil (October 31, 2020 - $Nil) of consulting fees payable to the director's company.

During the three months ended January 31, 2021, the Corporation incurred consulting fees of $18,833 (2020 - $Nil) for management services from a company controlled by its former COO. As at January 31, 2021, accounts payable and accrued liabilities included $Nil (October 31, 2020 - $18,833) of consulting fees payable to the former COO's company.

During the three months ended January 31, 2021, the Corporation incurred consulting fees of $28,250 (2020 - $Nil) from a company controlled by the Chief Strategy Officer and director. As at January 31, 2021, accounts payable and accrued liabilities included $Nil (October 31, 2020 - $Nil) of consulting fees payable to the director's company.

During the three months ended January 31, 2021, the Corporation incurred salaries expense of $20,000 (2020 - $Nil) for the Chief Strategy Officer. As at January 31, 2021, accounts payable and accrued liabilities included $20,000 (October 31, 2020 - $Nil) of salaries payable to the Chief Strategy Officer.

During the three months ended January 31, 2021, the Corporation made aggregate severance payments of $281,500 and expense reimbursements of $75,000 to former directors and officers and the Corporation’s current Chief Strategy Officer.

Directors’ Fees

During the three months ended January 31, 2021, the Corporation incurred directors' fees of $5,000 (2020 - $18,750) for the independent directors on the Corporation's Board of Directors. As at January 31, 2021, accounts payable and accrued liabilities included $5,000 (October 31, 2020 - $62,500) of directors' fees.

Due from Related Company

During the three months ended January 31, 2021, the Corporation advanced $100,000 to a company controlled by a director and officer. The amounts due from the related company bear interest at a rate of 10% per annum and are due upon demand. During the three months ended January 31, 2021, the Corporation charged $55 of interest to the related company. As at January 31, 2021, the Corporation had a due from related company balance of $100,055.

Investments

As at January 31, 2021, the Corporation had investments in entities whose CEO is also the Corporation's Chief Strategy Officer and a director. The value of these investments is approximately $590,000 (October 31, 2020 - $590,000).

An additional related party transaction is disclosed in the “Private Portfolio” section above with respect to the Corporation’s investment in 2702099 Ontario Inc.

Share Capital

On February 10, 2020, the Corporation and Grown Rogue entered into subscription agreements to exchange $1,500,000 worth of each other's common shares whereby Grown Rogue received a total of 2,362,204 common shares of the Corporation and the Corporation received a total of 15,000,000 common shares of Grown Rogue. In addition, the Corporation and Grown Rogue entered into a voting and resale agreement whereby each party will be required to vote these shares as recommended by the other party and will be restricted from trading such shares until August 5, 2021 without the prior written consent of the other party.

On February 10, 2020, the Corporation and Bhang entered into subscription agreements to exchange $2,000,000 worth of each other's common shares whereby Bhang received a total of 3,149,606 common shares of the Corporation and the Corporation received a total of 14,285,714 common shares of Bhang. In addition, the Corporation and Bhang entered into a voting and resale agreement whereby each party will be required to vote these shares as recommended by the other party and will be restricted from trading such shares until August 5, 2021 without the prior written consent of the other party.

On March 16, 2020, the Corporation and Core One Labs Inc. ("Core One") entered into subscription agreements to exchange $2,000,000 of each other's common shares whereby Core One received a total of 3,149,606 common shares of the Corporation and the Corporation received a total of 5,333,333 Core One Shares. In addition, the Corporation and Core One entered into a voting and resale agreement whereby each party will be required to vote these shares as recommended by the other party and will be restricted from trading such shares until September 17, 2021 without the prior written consent of the other party.

Additional details of the share transactions are disclosed under the active public portfolio section.

On May 11, 2020, the Corporation issued 272,000 common shares at a deemed price of $0.25 per share, in settlement of $68,000 in accrued directors' fees payable for related to the year ended October 31, 2019.

On February 19, 2021, the Corporation closed a non-brokered private placement and issued 5,614,900 common shares of the Corporation at a price of $0.35 per common share for aggregate gross proceeds of $1,965,215. The Corporation paid a finder's fee of $28,875 in connection with the issuance of the common shares.

On March 24, 2021, the Corporation issued 25,000 common shares pursuant to an option exercise at an exercise price of $0.25.

As at the date of this MD&A, the Corporation has 30,652,500 issued and outstanding common shares.

Warrants

As at the date of this MD&A, the Corporation does not have any issued and outstanding warrants.

Stock Options

On May 11, 2020, the Corporation granted and issued an aggregate of 1,300,000 stock options to a number of the Company's officers, directors and consultants. The stock options were granted in accordance with the Corporation's stock option plan and are exercisable for a period of four (4) years from the date of issuance at an exercise price of $0.25 per share. The stock options vested immediately upon issuance.

Effective May 26, 2020, the Corporation cancelled 850,000 previously issued stock options to the Corporation's officers, directors and consultants with a January 30, 2023 maturity date and $2.35 exercise price. On August 17, 2020, the Corporation granted and issued an aggregate of 850,000 replacement stock options to the same officers, directors and consultants. The stock options were granted in accordance with the Corporation's stock option plan and are exercisable for a period of four (4) years from the date of issuance at an exercise price of $0.335 per share. The stock options vested immediately upon issuance.

On March 24, 2021, 25,000 stock options were exercised at an exercise price of $0.25.

As at the date of this MD&A, the Corporation had the following issued and outstanding stock options:

Exercise Price	Outstanding Vested Options	Expiry Date
$2.35	175,000	January 30, 2023
$0.25	1,275,000	May 10, 2024
$0.335	850,000	August 16, 2024
	2,300,000	

Risk Management

Financial instrument risks

The Corporation's financial instruments consist primarily of investments. See the *Investments* section of this MD&A.

The primarily business activities of the Corporation result in financial statements that are primarily comprised by financial instruments. As such, the Corporation is exposed to certain risk related to financial instruments:

a) Credit risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Corporation is exposed to credit risk on its cash. The credit risk in cash is managed through the use of major financial institutions which have high credit qualities as determined by rating agencies. The Corporation is exposed to credit risk from its investments in convertible debentures and promissory notes of various entities in normal course of business and the related interest receivable on the principal. The credit risk on these investments is managed by investing in credit-worthy companies and establishing monitoring processes. The credit risk on interest receivable is partially mitigated through the ability to convert into underlying equity instruments of the investee.

b) Liquidity risk

Liquidity risk refers to the risk that the Corporation will have insufficient cash resources to meet its financial obligations when they become due. The Corporation manages liquidity risk by reviewing resources to ensure that it will have sufficient liquidity to meet liabilities as they become due and to support business strategies.
The Corporation generates cash flow from the disposal of investments, financing activities, and dividend and interest income. The Corporation primarily invests in equity and debt instruments of publicly traded cannabis companies. Disposal of investments in non-publicly traded companies could differ from the carrying value since an active market does not exist.

As at January 31, 2021, the Corporation's contractual cash flows, which were payable under financial liabilities in these financial statements consisted of accounts payable and accrued liabilities with payments due in less than one year. The Corporation has sufficient liquid assets to satisfy its liabilities.

c) Market risk

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, equity market fluctuations, foreign currency exchange rates and other relevant market rate or price changes. Market risk is directly influenced by the volatility and liquidity in the markets in which the related underlying assets are traded. The market risks to which the Corporation is exposed are equity price risk and interest rate risk.

i) Equity price risk

The Corporation is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Corporation's earnings due to movements in individual equity prices or general movements in the level of the stock market or the cannabis sub-market. The Corporation's investments are subject to fluctuations in fair value arising from changes in the equity market. As at January 31, 2021, should the equity prices of the Corporation's holdings increase or decrease by 5%, the impact on net income or loss would be approximately $1,429,445 (October 31, 2020 - $823,644).

ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate due to changes in market interest rates. The Corporation's exposure to interest rate risk relates to its ability to earn interest income on cash and cash equivalents and fixed income securities held. The fair value of the Corporation's cash and cash equivalents and investments affected by changes of interest rates is minimal.

d) Currency risk

Currency risk is the risk that the fair value of future cash flows from the Corporation's operations will fluctuate due to changes in foreign exchange rates. The Corporation holds investments denominated in United States dollars, ("U.S. dollar"). A change in the U.S. dollar foreign exchange rate versus the Corporation's functional and presentation currency may have an adverse effect on the Corporation's investments. As at January 31, 2021, should the U.S. dollar foreign exchange rate increase or decrease by 1%, the impact on net income or loss would be approximately $26,648 (October 31, 2020 - $20,989).

Investments denominated in U.S. dollars as at January 31, 2021 totaled $2,664,804 (October 31, 2020 - $2,098,887).

Critical Accounting Estimates

The Corporation’s critical accounting estimates and judgements are summarized in note 2f of the annual audited financial statements for the year ended October 31, 2020 and note 2e of the condensed interim financial statements for the three months ended January 31, 2021.

Off-Balance Sheet Arrangements

The Corporation does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the financial performance, liquidity, or capital resources of the Corporation.

Commitments

See note 4 of the Corporation's condensed interim financial statements for the three months ended January 31, 2021.

Subsequent Events

Subsequent events are disclosed under Share Capital.

Internal Controls Over Financial Reporting

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Corporation's management, including its CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure. The Corporation's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with International Financial Reporting Standards. However, due to inherent limitations, internal control over financial reporting may not prevent or detect all misstatements or fraud. There have not been any changes in the Corporation's disclosure controls and procedures and the internal control over financial reporting that occurred during the three months ended January 31, 2021 and the year ended October 31, 2020 that has materially affected, or is reasonably likely to materially affect, the Corporation's internal control over financial reporting.

The Corporation's management believes that any disclosure controls and procedures or internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Corporation have been prevented or detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any control system also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Cautionary Note Regarding Forward-Looking Information

Certain statements contained in this MD&A constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking information is provided for the purposes of assisting the reader in understanding the Corporation's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management's current expectations and plans related to the future and readers are cautioned that such statements may not be appropriate for other purposes. Forward-looking information may relate to future results, performance, achievements, events, prospects or opportunities for the Corporation or the cannabis industry and may include statements regarding the financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, investment opportunities, taxes, and plans and objectives of or involving the Corporation. Particularly, matters described as "Outlook" are forward-looking information. In some cases, forward-looking information can be identified by terms such as "plans", "anticipates", "expects", "estimates", "believes", "projected", "will", "plan", "may", "could, "would", "might", "growth", "future", "will".

Forward-looking information necessarily involves known and unknown risks and uncertainties, which may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, assumptions may not be correct and objectives, strategic goals and priorities may not be achieved. A variety of factors, many of which are beyond the Corporation's control, affect the operations, performance and results of the Corporation and its business, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results.

Information contained in forward-looking information is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances, including the following: general economic, financial market, regulatory and political conditions in which the Corporation operates will continue to improve; the Corporation will be able to compete in the cannabis industry; the Corporation will be able to make investments on suitable terms; issuers in the Corporation public and private portfolio of investments will be able to meet their objectives and financial estimates.

Although the Corporation believes the expectations reflected in such forward-looking information are reasonable and represent the Corporation's projections, expectations and beliefs at this time, such information involves known and unknown risks and uncertainties which may cause the Corporation's actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking information. The risk factors and uncertainties that could cause our actual results to differ materially from the forward-looking information contained in this presentation include: there is no assurance that the Corporation will be able to achieve its investment objectives; risks relating to the portfolio issuers; risks relating to medical cannabis; risks relating to risk and timing of legalization of recreational cannabis; regulatory risks; risks relating to the licensing process; risk factors related to U.S. cannabis legislation; changes to the cannabis laws; United States anti-money laundering laws and regulations; investments in U.S. cannabis sector; and risks relating to foreign market exposure. These risk factors are not intended to represent a complete list of the factors that could affect the Corporation you are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements as actual results achieved may vary from such forward-looking information and the variations may be material. The reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information, as there can be no assurance that actual results will be consistent with such forward-looking information.

The forward-looking information included in this MD&A relate only to events or information as of the date on which the statements are made in this MD&A. Except as specifically required by applicable Canadian securities law, the Corporation undertakes no obligation to update or revise publicly any forward-looking information, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

APPENDIX I – CGOC Management Corp.

Contact Information

240 Richmond Street West, Suite 4164
Toronto, ON M5V 1V6
647-660-0566 Ext. 105

The Management Agreement

The Corporation's management services are provided by the Manager pursuant to a management agreement between the Corporation and the Manager dated January 16, 2018 (the "Management Agreement"). Pursuant to the Management Agreement, and subject to various terms and conditions thereof, the Manager agreed to provide the following management services to the Corporation:

(i) managing the business of the Corporation, including making all decisions regarding the business of the Corporation that are advisable or consistent with accomplishing the business of the Corporation, with all rights, power and authority conferred by the Management Agreement;

(ii) transacting the business of the Corporation and dealing with and in the assets of the Corporation for the use and benefit of the Corporation, including the power and authority to cause the Corporation to enter into contracts;

(iii) providing the services of up to three appropriately qualified individuals acceptable to the Board to serve as directors of the Corporation, which nominees may have a material relationship with the Corporation and may not be "independent" within the meaning of National Instrument 52-110 – Audit Committees;

(iv) providing the services of at least two appropriately qualified individuals to serve as senior officers of the Corporation, including individuals who will serve as the Chief Executive Officer, President, Chief Investment Officer and Chief Financial Officer, or other positions that serve a substantially similar function, as well as providing recommendations for certain appropriately qualified individuals to serve as the remaining officers of the Corporation, if any;

(v) managing, directing, advising and otherwise carrying out any of the Corporation's activities;

(vi) advising the Corporation with respect to all investments that are required or recommended to be implemented with respect to any of the assets of the Corporation;

(vii) operating the head office of the Corporation;

(viii) borrowing money (on a secured or unsecured basis) on behalf of the Corporation, including pursuant to a loan facility, the issue of debt securities or by purchasing securities on margin, subject to and in accordance with the investment policy and credit policy, if any, of the Corporation;

(ix) authorizing payment on behalf of the Corporation of expenses incurred on behalf of the Corporation and the negotiation of contracts with third party providers of services (including, without limitation, prime brokers, registrars and transfer agents, legal counsel, auditors, insurance agents and printers);

(x) preparing or overseeing the preparation of annual budgets for presentation to the Board for approval and monitoring the Corporation's financial performance;

(xi) providing or causing to be provided any records, financial or legal documentation or any other documentation reasonably required by the Chief Financial Officer of the Corporation in the performance of the internal accounting, auditing and legal obligations of the Chief Financial Officer;

(xii) advising the Board on strategic matters relating to the business of the Corporation including the Portfolio and any investment opportunities to enhance the value of the Common Shares;

(xiii) identifying, structuring and negotiating acquisition, disposition, financing and other transactions and managing due diligence in connection therewith;

(xiv) conducting day-to-day relations on behalf of the Corporation with third parties, including the management teams for each asset, suppliers, joint ventures, lenders, brokers, consultants, advisors, accountants, lawyers, insurers and appraisers;

(xv) engage a portfolio manager to manage the Passive Public Portfolio in accordance with the investment objectives and restrictions of the Corporation and shall be responsible for paying the fees of such portfolio manager out of the Management Fee;

(xvi) managing the investor relations activities of the Corporation; (xvii) managing the Corporation's regulatory compliance, including ensuring all required filings are made; and

(xvii) annually or as otherwise reasonably requested by the board of trustees, making reports to the board of trustees and/or the security holders of the Corporation of the performance of the Corporation and the board of trustees.

In addition to the Management Fee and the Performance Fee, under the Management Agreement, the Corporation is obligated to reimburse the Manager for all reasonable and necessary actual out-of-pocket costs and expenses paid by the Manager in connection with the performance of the services described in the Management Agreement, including certain specified expenses ancillary to the operations of the Manager, including travel on behalf of the Corporation and office space and services.

The term of the Management Agreement will continue, subject to earlier termination in certain circumstances until the winding-up or dissolution of the Corporation. The Management Agreement may be terminated early in certain circumstances, including (i) upon the dissolution, liquidation, bankruptcy, insolvency or winding-up of the Manager; and (ii) material breach by the Manager of the Management Agreement and, if capable of being cured, any such breach has not been cured within 60 days' written notice of such breach to the Manager. The Manager has the right, at any time, upon 180 days' written notice, to terminate the Management Agreement for any reason. In the event that the Management Agreement is terminated, the Manager is entitled to all accrued and unpaid management and success fees. The Manager may not be removed other than by a meeting of the shareholders and only if the Manager is in material breach or default of the provisions of the Management Agreement and, if capable of being cured, any such breach or default has not been cured within 60 days' notice of such breach or default to the Manager. Similarly, the Management Fee payable under the Management Agreement may not be modified other than by a meeting of the Shareholders and only if such modification results in an increase in the Management Fee payable to the Manager.

Directors and Executive Officers of the Manager

The name and municipality of residence of each of the directors and executive officers of the Manager and their principal occupations are as follows:

Name and Municipality of Residence	Date Individual became a Director	Position with the Manager	Principal Occupation
Paul Andersen Toronto, ON	November 1, 2017	Director, President, and Secretary	Managing Partner, Forbes Andersen LLP