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MANAGEMENT DISCUSSION & ANALYSIS

CSE:STILL
OTC:SCNNF

Three Month Period Ended October 31, 2019

STILLCANNA INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE PERIOD ENDED OCTOBER 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. (hereinafter "STIL" or the "Company") for period ended October 31, 2019.

The MD&A has been prepared with an effective date of December 31, 2019 and should be read in conjunction with the Company's July 31, 2019 audited consolidated 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"). All reported financial information includes the financial results of STIL and its subsidiaries.

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 uncertainty of estimates of capital and operating costs, production estimates and economic return; the assumption that the Company will become fully compliant with regulatory filing and continued listing requirements;

uncertainties regarding completion of the Company's extraction facilities and associated production approval; uncertainties regarding the Company's ability to obtain GMP certification; uncertainties regarding the Company's ability to meet its contractual obligations, including the ability to meet supply requirements; uncertainties regarding the ability of the Company to meet the requirements of the EU marketplace; and other risks and uncertainties disclosed in other information released by the Company from time to time and filed with the appropriate regulatory agencies.

It is the Company's policy that all forward-looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. The forward-looking statements contained herein are as of December 31, 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 is a publicly traded corporation incorporated in Canada with its head office located at 503 – 905 W. Pender St., Vancouver, BC V6C 1L6. The Company's common shares are traded on the Canadian Securities Exchange ("CSE") under the trading symbol "STIL". As of June 26, 2019, the Company's common shares commenced trading on the U.S. OTC Markets ("OTC") under the trading symbol "SCNNF".

Stillcanna is a fully integrated seed to Cannabidiol ("CBD") company with significant extraction and cultivation experience gained through the acquisition of Borganic Consulting Inc. ("Borganic") and Olimax NT Sp .Z.O.O ("Olimax") during the fiscal year ended July 31, 2019. The Company is uniquely positioned in the European Union with operations in Poland and Romania. The main focus of the Company is the production of large quantities of CBD isolate and CBD distillate to serve the wholesale marketplace emerging around the world.

Borganic Consulting Inc.

On February 26, 2019, the Company acquired 100% of the issued and outstanding shares of Borganic Consulting Inc. in exchange for 15,000,000 common shares of the Company with a fair value of $9,450,000.

Upon completion of the acquisition, the Company transitioned from a mining issuer to an early-stage life sciences company that plans to carry out the business of extracting CBD oils and crystals from hemp. Effective March 14, 2019 the Company changed its name to Stillcanna Inc. and began trading under a new symbol STIL on the Canadian Securities Exchange.

Olimax NT Sp .Z.O.O

On May 7, 2019, the Company announced the execution of a share purchase agreement with Olimax NT Sp .Z.O.O, 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 shares of the Company and $2,000,000 cash consideration.

BUSINESS UPDATE AND OUTLOOK

Since inception, the Company has been dedicated to the manufacturing and bulk supply of CBD-based products for the European marketplace. The Company is focused on the manufacturing of bulk CBD Isolate and THC free Distillate using its in-house engineered closed-loop ethanol extraction system. The Company anticipates that its manufacturing and extraction systems will enable it to produce more product at a lower cost per unit than competitive companies in the space.

B2B Website

During the period the Company launched its B2B web portal to support its bulk sales initiatives. The Company obtained a comprehensive Certificate of Analysis ("COA") of its CBD Isolate. The COA indicates that the product is pure CBD, has non-detectable levels of THC, and is free of any heavy metals and pesticides ("CBD Isolate"). The COA is available on the Company's B2B portal. The portal also makes available a certificate of Good Farming Practices, EU-registered hemp varietals used, a Material Safety Data Sheet and verification of EU GMP compliant construction and anticipated filing for certification. Stillcanna anticipates adding additional certifications to the portal as they become available including Halal, Kosher, Non-GMO, Gluten-free, Organic and others. http://www.stillcannacbd.com.

Extraction Initiatives

Over the past 12 months the Company has been focused on the completion of two large extraction facilities based in Europe. Its initial facility based in Romania is a joint venture with its partner Dragonfly Biosciences Limited of the UK. The facility's construction is complete and Stillcanna is in the final stages of permitting, working with various government offices and consultants in Romania. The joint venture signed a 10-year lease with an option to purchase approximately 12,000 square foot building in Bailesti, Romania close to the Bulgarian border.

The main building of approximately 10,000 square feet previously housed a textile manufacturer. The Company re-purposed the building and built the extraction facility to EU GMP standards. The Company's facility, named Origin, is expected to be the first fully licensed facility of its kind in the country. The Company has been working closely with multiple local and state government agencies in Romania including the EPA, Drug Enforcement Agency, the Ministry of Health, local

building authorities, a GMP consultant, state and local fire marshals, local police and security specialists. The Company is awaiting final approval from the Ministry of Health, the last fire inspection and the final EPA stamp. The Company has obtained several layers of permission from all the listed government bodies through a multi-step approval process. The Company anticipates final production approval in early 2020.

In Poland, since its acquisition of Olimax, the Company began construction of its second extraction facility called Nexus. The Nexus facility is optimized to make pure CBD crystal and is currently producing CBD isolate. The Company expects to have its chromatography equipment installed and operational in Q1 of 2020, enabling it to produce THC-free Distillate for the EU marketplace. Even though Nexus is currently producing CBD isolate, final construction for GMP (Good Manufacturing Practice) compliance is still taking place and the Company anticipates filing for its certification in Q1 of 2020. The Nexus facility was built using a proprietary closed-loop ethanol extraction process entirely cooled by liquid nitrogen, and it is believed to be the only such facility in the world. The entire process runs at minus 70 degrees Celsius and streamlines the extraction process with a unique winterization methodology. Since producing its first pure CBD isolate at its NEXUS facility, the Company has received over C$1,140,000 in confirmed purchase orders. The Company's production staff in Poland has grown to 20 employees, working 12-hour shifts on a two-day rotation during a seven-day workweek.

Agricultural Initiatives

In March 2019, the Company acquired Olimax NT Sp. Z.O.O., a third-generation Polish agricultural company focused on growing their own varietal of industrial Sativa L hemp *Gylana*. Olimax planted 1500 hectares of hemp in various agricultural pockets throughout Poland. Olimax staggered its planting over an 8-week period to allow for a staggered harvest. Olimax purchased 5 custom-built harvesters using proprietary technology that cuts, stores and bundles the hemp flower in bales that can remain in an inert state for up to 2 years prior to processing. Olimax built proprietary dryers that can dry up to 2400 kgsof hemp in a 6-hour period. Harvest completion yielded 855 bales of hemp flower, nearly 100,000 pounds of seed, and one million pounds of leaf and fiber biomass for both industrial uses and CBD extraction.

Multi-Year Extraction Agreement

The Company, through its wholly owned subsidiary Borganic, has signed an agreement with UK-based Dragonfly Biosciences Limited ("Dragonfly") to form an exclusive joint venture company named Premium Extractions Ltd ("PEI"). The agreement sets out that PEI is owned 49% by Borganic and 51% by Dragonfly. The agreement also sets out that Dragonfly will be contributing continuous long-term access to its hemp crops, will provide certain processing equipment, its growing expertise, and an agreement with Premium Extraction to purchase a minimum of 50,000 grams of CBD per month at 2 Euros per gram. Conversely, the agreement sets out that Borganic will provide PEI the capital to fund the development of the initial Romanian extraction facility located near the Bulgaria/Romania border, along with operational extraction management capabilities. PEI will be the exclusive extractor for Dragonfly and will also do third party tolling (extracting) for other companies.

Supply Agreement with Biosciences of California

In May of 2019 Stillcanna signed a definitive agreement with BioScience Enterprises, Inc of California to supply up to 1,000 Kg per month of CBD isolate manufactured in its Polish Nexus extraction facility. BioScience Enterprises Inc. is a leading contract manufacturer of CBD products and also acts as an escrow company that enables bulk CBD purchases globally. Their secure 18,000 square foot California-based facility is capable of a monthly output of 1.5 million glass tinctures, 2 million vape PET products, 1.5 million cartridges and 1.5 million disposable pens. BioSciences Enterprises, Inc. manufacture multiple brands and supply CBD to various Fortune 500 Companies. Since beginning production of CBD Isolate, the Company has begun shipping CBD Isolate to Bioscience Enterprises Inc. as outlined in the supply agreement dated May 28, 2019. Bioscience has operations in California, the United Kingdom and Ireland. The CBD Isolate shipment was successfully delivered from the Company's Polish based NEXUS extraction facility to Biosciences' United Kingdom office. The Company anticipates ongoing shipments to Biosciences offices globally.

Biomass Agreement with Sequoya

In August 2019, the Company signed a definitive agreement to supply Sequoya Cannabis Ltd., located in Poland, with hemp biomass. The contract has a value of approximately $850,000 CAD. The Company has begun shipping hemp biomass to Sequoya Cannabis in Poland as outlined in the supply agreement dated August 23, 2019. The Company anticipates shipping hemp to Sequoya on an ongoing monthly basis.

The Global CBD Marketplace

The market for bulk CBD Isolate and Distillate remains fragmented with several geographical anomalies. Stillcanna's focus is the European marketplace, which comprises the UK, the EU and the balance of Europe. The UK is the leading consumer market for retail CBD products, followed by Italy. The UK is an anomaly in its practice of allowing local companies the importation and sale of non-EU based products, while the balance of EU countries want EU-manufactured products to trade within its boundaries.

Stillcanna produces an entirely EU-based compliant product and feels it is uniquely positioned to meet the requirements of the EU marketplace. The Company has witnessed significant price differentiation between the UK price for wholesale bulk CBD and the rest of Europe. Current prices based on quantity in the UK sit between 2,000 and 4,000 Euros while the balance of the EU sits between 4,000 and 7,000 Euros. A Good Manufacturing Practices (GMP) certificate greatly increases the value of an extraction Company's products.

Non-Brokered Private Placement

On October 10, 2018, the Company closed a non-brokered private placement financing of gross proceeds of $4,000,000 consisting of the 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 was exercisable into one common share of the Company at a price of $0.50 per share until October 10, 2019. In connection with the private placement, the Company paid cash finders' fees of $87,900 and 421,200 finder's warrants. Each finder's warrant was exercisable into one common share of the Company at a price of $0.50 per share until October 10, 2019.

Brokered Financing

On May 7, 2019, the Company announced the completion of a brokered financing of an aggregate of 21,187,587 subscription receipts at a price of $1.15 per subscription receipt for aggregate gross proceeds of $24,365,000. The net proceeds of the financing were released to the Company in connection with the satisfaction of the escrow release conditions by the Company through its successful acquisition of Olimax. The subscription receipts automatically converted into one common share of the Company and one-half of one common share purchase warrant. Each full warrant is exercisable to acquire one common share for a period of 12 months at an exercise price of $1.73. In connection with the acquisition of Olimax, the Company issued 1,300,000 common shares to certain finders. It also issued 700,000 common shares to certain consultants in exchange for financial advisory services.

Year Ended:	July 31, 2019	July 31, 2018	July 31, 2017	July 31, 2016
Expenses	$ 11,166,302	$ 301,013	$ 23,153	$ 74,004
Net loss for the year	(20,590,566)	(596,933)	(287,426)	(69,731)
Basic and diluted loss per share	(0.37)	(0.03)	(0.03)	(0.01)
Balance Sheet Data:				
Cash and short-term investment	15,580,243	97,575	617	-
Total assets	44,359,272	101,868	263,306	264,720
Accounts payable and accrued liabilities	635,005	34,791	46,412	36,953
Shareholders' equity	42,889,979	67,077	201,574	226,500
Cash Flow Data:				
Increase (decrease) in cash for the year	15,482,668	96,958	634	(121,841)

RESULTS OF OPERATIONS

The Company incurred a net loss of $20,590,566 for the year ended July 31, 2019.

Selling, General and Administrative (SG&A) Expenses

SG&A expenses amounted to $11,691,219 for the year ended July 31, 2019. Approximately 97% of this figure is represented by five expense categories: Consulting, advertising, share-based payments, professional fees and travel.

Consulting – Consulting fees paid during the year ended July 31, 2019 totaled $5,913,690. This figure consists mainly of advisory and finders' fees paid during the year related to the acquisition of Borganic and Olimax. As part of the Borganic acquisition, the Company granted 1,800,000

common shares as a finder's fee for a fair value of $1,134,000 and 2,000,000 common shares of the Company as an advisory fee with a fair value of $1,260,000. As part of the Olimax acquisition, the Company granted 1,300,000 common shares as a finder's fee for a fair value of $1,495,000 and 700,000 common shares of the Company as an advisory fee with a fair value of $805,000. Also included in the consulting fees paid during the year is compensation to key executive officers before transitioning to permanent employees in August 2019.

Advertising – The Company incurred advertising expenditures totaling $3,069,369 during the year ended July 31, 2019. This figure was within the Company's budget to increase brand recognition and raise shareholder awareness as a result of the recent changes in business activity from a mining issuer to a life sciences issuer.

Share-based payments – Total share-based payments for the year ended July 31, 2019 were $1,681,866. Share-based payments recorded resulted from the issuance of the following stock options:

	Number of Options	Weighted Average Exercise Price
Issued, August 2, 2018	100,000	$0.19
Issued, October 12, 2018	1,050,000	$0.63
Issued, May 27, 2019	1,800,000	$1.23

Share-based payments relating to options vesting during the year using the Black-Scholes Option Pricing Model were $1,681,866.

Professional fees – Professional fees totaled $458,766 for the year ended July 31, 2019. These fees resulted primarily from a number of large transactions including: Legal and accounting relating to the acquisition of Borganic and Olimax, legal fees incurred during the non-brokered private placement and the brokered financing, annual audits of all three entities, valuation charges related to both acquisitions, and professional fees attached to receiving dual listing on the OTC Markets.

Travel – The Company incurred travel expenditures of $294,054 during the year ended July 31, 2019. The expenditure relates primarily to the introduction of two international subsidiary Companies along with travel costs associated with the non-brokered private placement and the brokered financing.

Other Items

Loss on acquisition of subsidiary - The acquisition of Borganic was accounted for as an asset acquisition. There were no intangible assets identified that met the recognition criteria under IFRS and therefore the excess of the consideration paid over the fair value of the monetary assets and liabilities assumed, totaling $8,873,354, was expensed during the year-ended July 31, 2019.

Year Ended July 31, 2018

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 $295,920 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.

SUMMARY OF QUARTERLY RESULTS

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

Quarter Ended	Gross profit	Total expenses	Loss for the period	Basic and Diluted Loss per share
October 31, 2019	$ 106,618	$ 2,358,030	$ 2,251,412	$ (0.02)
July 31, 2019	$ 97,053	$ 7,670,009	$ 7,572,956	$ (0.38)
April 30, 2019	$ -	$ 12,413,002	$ 12,413,002	$ (0.23)
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)

Quarter ended October 31, 2019

Gross Profit

The Company incurred a net loss of $2,251,412 for the three months ended October 31, 2019. Approximately 93% of operating expenses during the quarter were represented by five expense

categories: Consulting, advertising, share-based payments, professional fees and wages and salaries.

Consulting – The Company incurred consulting expenditures of $717,504 during the quarter ended October 31, 2019. Consulting expenditures were higher than anticipated during the quarter due to one-time payments made to various consultants surrounding future business development opportunities along with consulting expenditures relating to the completion of the Olimax acquisition. The Company also added some key advisory personnel to help implement operational goals and expand future sales channels.

Advertising – The Company incurred advertising expenditures of $530,248 during the quarter ended October 31, 2019. This figure was within the Company's budget to increase brand recognition and raise shareholder awareness as a result of the recent changes in business activity from a mining issuer to a life sciences issuer.

Share-based payments – On May 27, 2019, the Company granted 1,800,000 stock options, of which 650,000 were granted to certain directors of the Company. The options are exercisable after three months from the grant date for a period of five years at a price of $1.23 per share. Share-based payments relating to options vesting during the quarter ended October 31, 2019 using the Black-Scholes Option Pricing Model was $415,952.

Professional fees – The company incurred expenditures totaling $244,402 for the three-month period ending October 31, 2019 relating to professional services rendered. Included in this total is an increased audit accrual reflecting the increase in complexity in the year-end audit along with legal and accounting fees associated with the filing of the Business Acquisition Report associated with the acquisition of Olimax.

Wages and salaries – The company paid wages and salaries totaling $186,250 for the three-month period ending October 31, 2019. The increase in wages over previous quarters is a result of transitioning key executives to salaried positions as well as securing additional staff to help expand operations in Poland.

Quarter ended July 31, 2019

During the fourth quarter ended July 31, 2019, the Company began earning revenue through the acquisition of Olimax. Sales were created based on inventory on hand at the time of acquisition. As discussed in the business update above, the Company is still awaiting full permitting approval of the Origin facility in Romania and was completing construction of the Nexus facility in Poland. The Company projects its first material revenue from Origin and Nexus to be realized by the end of 2019 or early 2020**.**

The Company incurred a net loss of $7,572,956 for the three months ended July 31, 2019. Approximately 96% of this figure is represented by four expense categories: Consulting, advertising, share-based payments, and travel.

Consulting – During the quarter, upon completion of the Olimax acquisition, the Company granted 1,300,000 common shares as a finder's fee for a fair value of $1,495,000 and 700,000 common shares of the Company as an advisory fee with a fair value of $805,000.

Advertising – The Company incurred advertising expenditures of $2,483,414 during the quarter ended July 31, 2019. This figure was within the Company's budget to increase brand recognition and raise shareholder awareness as a result of the recent changes in business activity from a mining issuer to a life sciences issuer.

Share-based payments – On May 27, 2019, the Company granted 1,800,000 stock options, of which 650,000 were granted to certain directors of the Company. The options are exercisable after three months from the grant date for a period of five years at a price of $1.23 per share. Share-based payments relating to options vesting during the year using the Black-Scholes Option Pricing Model was $1,001,366.

Travel - The Company incurred travel expenditures of $181,839 during the quarter ended July 31, 2019. The expenditure relates to trips made by key executives and consultants to complete due diligence and operational visits relating to the Olimax acquisition, travel related to the brokered financing completed during Q4, as well as travel to ensure the continuing development of the Company's joint venture extraction facility located in Romania.

Quarter ended April 30, 2019

The Company incurred a net loss of $12,413,002 for the three months ended April 30, 2019. The total expenses of $12,413,002 related primarily to the loss recognized on the acquisition of Borganic of $8,873,354. The acquisition of Borganic was accounted for as an asset acquisition. There were no intangible assets identified that met the recognition criteria under IFRS and therefore the excess of consideration paid over the fair value of the monetary assets and liabilities was expensed. The Company also recognized $2,520,965 in consulting charges during the three-month period ended April 30, 2019. Of the $2,520,965, $1,134,000 resulted from the issuance of 1,800,000 common shares of the Company as a finder's fee and $1,260,000 resulted from the issuance of 2,000,000 common shares of the Company as an advisory fee. Both the finder's fee and the advisory fee were issued in connection with the acquisition of Borganic. The Company also incurred advertising expenditures of $577,615 in the three-month period ending April 30, 2019 consistent with the Company's budget to increase brand recognition and raise shareholder awareness as a result of the recent change in business activity from a mining issuer to a life sciences issuer. The Company incurred a net loss of $64,813 for the comparable three-month period ended April 30, 2018. The loss was primarily due to consulting fees, transfer agent and filing fees and a mineral property write-down of $18,768.

Quarter ended January 31, 2019

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 a definitive agreement with Borganic Consulting Inc. and the contracts agreed to with key officers of the Company.

Quarter ended October 31, 2018

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.

CHANGE IN FINANCIAL CONDITION

On May 7, 2019, the Company announced the completion of a brokered financing of an aggregate of 21,187,587 subscription receipts at a price of $1.15 per subscription receipt for aggregate gross proceeds of approximately $24,365,000. The net proceeds of the financing were released to the Company in connection with the satisfaction of the escrow release conditions by the Company through its successful acquisition of Olimax NT Sp .Z.O.O. The subscription receipts automatically converted into one common share of the Company and one-half of one common share purchase warrant. Each full warrant is exercisable to acquire one common share for a period of 12 months at an exercise price of $1.73. In connection with the acquisition of Olimax, the Company issued 450,000 common shares to certain finders. It also issued 700,000 common shares to certain consultants in exchange for financial advisory services.

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 was exercisable into one common share at a price of $0.50 per share until October 10, 2019. In connection with the private placement, the Company paid cash finders' fees of $87,900 and 421,200 finder's warrants. Each finder's arrant was exercisable into one common share at a price of $0.50 per share until October 10, 2019.

LIQUIDITY AND CAPITAL RESOURCES

As at October 31, 2019, the Company had working capital of $11,574,272 (October 31, 2018: $3,464,611).

During the three months ended October 31, 2019, the cash used in operating activities amounted to $2,565,490. The cash flows used by operations before changes in operating assets and liabilities amounted to $1,745,082. The change in working capital is made up primarily of increased inventory and biological asset values composed of capitalized production costs which have begun to transfer to inventory upon harvesting of the Company's 2019 hemp crop.

During the period ended October 31, 2019, the cash used in investing activities amounted to $4,091,648. $3,188,592 of this total was used to finance harvesting and extraction equipment as well as continue construction of the Company's Nexus facility in Poland. The remaining $903,056 was used to finance an additional Rotochrom machine and the advancement of permitting efforts at the Company's Origin facility in Romania.

During the quarter ended October 31, 2019, the Company issued 3,050,335 common shares resulting from the exercise of stock options for proceeds of $1,428,168.

As at October 31, 2019, the Company has no material operations that generate significant cash flows and its long-term financial success is dependent on the completion of existing CBD extraction facilities or engaging in other profitable business ventures and opportunities.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The remuneration of directors and key management personnel during the three months ended October 31, 2019 and 2018 was as follows:

	October 31, 2019	**October 31, 2018**
Wages and salaries	$ 87,000	—
Consulting fees to Directors and key management personnel	40,500	$ 46,000
Share-based compensation to directors	150,205	—
	$ 277,705	$ 46,000

On May 27, 2019, the Company granted 1,800,000 stock options, of which 650,000 were granted to certain directors of the Company. The options are exercisable after three months from the grant date for a period of five years at a price of $1.23 per share. Share-based payments relating to options vesting during the three-month period ending October 31, 2019 using the Black-Scholes Option Pricing Model was $415,952 of which $150,205 related to vested options belonging to directors of the Company.

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.

With the acquisition, the Company has completed a change of business from a mining issuer to a life sciences issuer.

On May 7, 2019, the Company announced the execution of a share purchase agreement with 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 shares of the Company and $2,000,000 cash consideration.

As part of the acquisition of Olimax, the Company also announced the completion of a brokered financing of an aggregate of 21,187,587 subscription receipts at a price of $1.15 per subscription receipt for aggregate gross proceeds of approximately $24,365,000. The net proceeds of the financing were released to the Company in connection with the satisfaction of the escrow release conditions by the Company through its successful acquisition of Olimax. The subscription receipts automatically converted into one common share of the Company and on-half of one common share purchase warrant. Each warrant is exercisable to acquire one common share for a period of 12 months at an exercise price of $1.73. In connection with the acquisition of Olimax, the Company issued 450,000 common shares to certain finders. It also issued 700,000 common shares to certain consultants in exchange for financial advisory services.

On May 28, 2019, the Company signed a definitive agreement to supply Bioscience Enterprises, Inc. of California with up to 1,000 Kg of CBD isolate per month over an initial term of 6 months from commencement of the agreement.

In August of 2019, the Company signed a definitive agreement to supply Sequoya Cannabis Ltd., located in Poland, with hemp biomass. The contract has a value of approximately $850,000 CAD.

RISKS AND UNCERTAINTIES

The Company is an early stage life sciences company that plans to carry out the business of extracting CBD oils and crystals from hemp. Companies in this industry are subject to many risks both specific to its business activities and of a general nature. These risks may either individually or in combination materially adversely impact the future operating and financial performance of the Company. Investing in securities of the Corporation contains a high degree of risk. Prospective investors should carefully consider all associated risks factors.

There can be no guarantee that the Company will achieve its objectives or that any forward-looking statements or forecasts will eventuate. This Section describes the areas, which the Company believes are the major risks associated with an investment in the Company.

The occurrence or consequences of some of the risks described here are partially or completely outside of the control of the Company, its Directors and management team. Investors should note that this section does not purport to list every risk that may be associated with the Company's business or the industry in which it operates, or an investment in Shares, now or in the future. The selection of risks has been based on the Company’s assessment of a combination of the probability of the risk occurring, the ability to mitigate the risk and the impact of the risk if it did occur. This assessment is based on the knowledge of the Directors, but there is no guarantee or assurance that the risks will not change or that other risks will not emerge. There can be no

guarantee that the Company will achieve its stated objectives, or that any forward-looking statement contained in this document will be achieved or realized.

Failure to comply with laws, regulations and standards

Any changes to the existing regulatory framework or the imposition of new legislation or regulations applicable to the Hemp and/or Cannabis industry in which the Company operates may adversely affect the financial and operating performance of the Company. This risk factor applies to government policy and legislative changes in Europe and North America, as well as the other countries in which the Company operates and intends to operate in the future.

The legal Hemp and Cannabis industries are relatively new industries and the Company anticipates that regulations governing each industry will be subject to change as governments monitor producers and distributors of hemp, CBD and Cannabis products. Changes to government regulations, including those relating to taxes and other government levies, could significantly affect the financial condition of market participants, including the Company.

Regulatory reform could significantly delay, hamper or otherwise adversely impact the development of the legal Hemp, CBD and Cannabis industries, as well as have a material adverse effect on the Company's business, results of operations, and financial condition.

Although hemp and CBD and the commercial medical Cannabis industry have been legalized in parts of Europe and North America, the transport, production, distribution, storage, sale and possession of CBD and Cannabis for non-medical purposes remains illegal in many jurisdictions. In addition, governments may require that technology providers in the CBD and Cannabis industries require specific licenses to operate. Obtaining a license would significantly impact revenue forecasts and costs associated with compliance.

Product Liability Risk

The Company aims to use its Extraction System to distill Cannabinoid Oil to sell. The products are subject to stringent safety standards and are otherwise highly regulated. If components or equipment manufactured using the Extraction System do not meet manufacturing standards or are found to be faulty, defective or unsafe, the Company may face product liability claims from clients, regulators or members of the public, which may affect Company's brand reputation, revenue-earning potential and operating results. StillCanna may not be able to successfully secure or renew product liability insurance or defend itself against product liability claims. Any product liability claims may disrupt StillCanna's business operations and financial performance.

Competition

Competitors may be working on developing new products and technologies that are superior to the Company's extraction, refinement and distillation technology. The development of a new and superior product by a competitor could affect the Company's ability to successfully exploit its products. The Company may be unable to develop further products or keep pace with developments in its market space and may lose market share to competitors. If the Company's competitors develop a more efficient product or undertake a more aggressive marketing campaign, it would likely adversely affect the Company's financial performance and marketing strategies. There is no guarantee that licensed growers and manufacturers will purchase or lease

or use the Company's Extraction Systems and the Company may be unable to compete successfully with more established distillation or processing companies on price or quality or may be unsuited to the established preferences of potential users. The Company is unable to influence or control the conduct of its competitors and such conduct may detrimentally affect the Company's financial and operating performance.

Reliance on Key Members

The Company's research and development and its operational success will substantially depend on the continued employment of senior executives, technical staff and other key members. The loss of key management personnel may have a detrimental impact on the Company.

Commercialization Risk

There can be no assurance that the Company will successfully commercialize the business model of its Extraction System. There can be no assurance that existing distillation products will continue to develop or that new markets will develop, and that the Company's technology becomes obsolete.

Customer Preferences

The Company's business is dependent upon consumer awareness and market acceptance of the Oil Extraction System, which can be consumed as an edible oil and can also be made into a variety of infused products for consumers, including; infused edible foods, cartridges for vape pens, topical creams and gel capsules. New methods of consumption may adversely affect demand for edible products, and therefore adversely impact demand for the Company's Extraction Systems. Failure to respond to changes in preferences or anticipate market trends may adversely affect the Company's future revenues and performance. Although the Company has strived to establish market recognition for its products in the industry, it is too early in the life cycle of the Company's brand to determine whether the Company's Extraction Systems will achieve and maintain satisfactory levels of acceptance and sustained take-up by consumers.

There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favorable to the market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favorable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for the Company's products and services, and, correspondingly, on the Company's business, results of operations, financial condition and cash flows. The effect of consumer perceptions on the legal CBD and Cannabis market means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on the demand for the Company's products and services, and, correspondingly, on the Company's business, results of operations, financial condition and cash flows.

Limited Operating History

In addition to being subject to general business risks and to risks inherent in the nature of an early stage business, the Company will be exposed to risks inherent to participating in an early stage

industry. The Company will need to build consumer awareness of its brand in the emerging CBD and Cannabis industries and markets through significant investments in its strategy, its production capacity, quality assurance, and compliance with regulations. These activities may not promote the Company's brand, products and services as effectively as intended, or at all. The Company must rely largely on its own market research to forecast sales and demand for its products and services, as detailed forecasts are not generally obtainable from other sources at this early stage of the CBD and Cannabis industries. If demand for the Company's products or services fails to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business and financial condition of the Company.

ACCOUNTING POLICIES, ESTIMATES AND JUDGMENTS

Refer to the Company's consolidated financial statements for the year ended July 31, 2019 for description of accounting policies and other disclosures.

OUTSTANDING SHARE DATA

As of October 31, 2019, the Company had 110,874,747 issued and outstanding common shares. As of the date of this MD&A, the Company has 110,874,727 issued and outstanding shares.

Non-Brokered Private Placement

On October 10, 2018, the Company closed a private placement for proceeds of $4,000,000 and issued 16,000,000 units at a price of $0.25 per unit. Each unit consists of one common share and one-half warrant. Each warrant was exercisable into one common share at a price of $0.50 per share until October 10, 2019. In connection with the private placement, the Company paid cash finders' fees of $87,900 and 421,200 finder's warrants with a fair value of $252,720. Each finder's warrant was exercisable into one common share at $0.50 until October 10, 2019.

Acquisition of Borganic

On March 14, 2019, the Company acquired all of the issued and outstanding shares of Borganic in exchange for 15,000,000 common shares of the Company. In connection with the transaction, the Company also issued 1,800,000 common shares to certain finders and 2,000,000 common shares to certain consultants in exchange for financial advisory services.

Acquisition of Olimax and Brokered Financing

On May 7, 2019, the Company acquired all of the issued and outstanding shares of Olimax in exchange for 24,000,000 common shares of the Company and $2,000,000 cash consideration. In connection with the acquisition of Olimax, The Company issued 1,300,000 common shares to certain finders and 700,000 common shares to certain consultants in exchange for financial advisory services.

As part of the acquisition of Olimax, the Company announced the completion of a brokered financing of an aggregate of 21,187,587 subscription receipts at a price of $1.15 per subscription receipt for aggregate gross proceeds of approximately $24,365,000. The net proceeds of the financing were released to the Company in connection with the satisfaction of the escrow release

conditions by the Company through its successful acquisition of Olimax. The subscription receipts automatically converted into one common share of the Company and on-half of one common share purchase warrant. Each warrant is exercisable to acquire one common share for a period of 12 months at an exercise price of $1.73. In connection with the private placement, the Company paid a commission equal to 7.0% of the gross proceeds of the offering and issued warrants to acquire that number of Units which is equal to 7.0% of the aggregate number of subscription receipts sold under the offering. Each compensation warrant is exercisable at the issue price for a period of 12-months following the date the escrow release conditions are satisfied. The agent also received an advisory fee of $384,628.68 and 333,410 advisory warrants in connection with the offering. Each advisory warrant is exercisable at the issue price for a period of 12-months following the date the escrow release conditions are satisfied.

Exercise and Expiration of Warrants

During the three-month period ended October 31, 2019, the Company issued 3,050,335 common shares for exercise of warrants for proceeds of $1,428,168.

On October 10, 2019, 4,774,560 warrants issued at an exercise price of $0.50 on October 10, 2018 expired and were removed from the Company's warrant register.

Options:

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

	Number of Options	Weighted Average Exercise Price
Balance, July 31, 2018	**1,015,000**	**$0.19**
Issued August 2, 2018	100,000	0.19
Issued October 12, 2018	1,050,000	0.63
Exercised, March 25, 2019	(125,000)	0.19
Exercised, March 29, 2019	(125,000)	0.19
Exercised, April 5, 2019	(80,000)	0.19
Issued May 27, 2018	1,800,000	1.23
Balance, July 31, 2019	**3,635,000**	**$0.87**
Balance, October 31, 2019	**3,635,000**	**$0.87**

During the year ended July 31, 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 11,087,474 Common Shares as of the date of this report. 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.

Warrants:

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

	Number of Warrants	Weighted Average Exercise Price
Balance, July 31, 2018	**5,450,000**	**$0.10**
Granted, October 10, 2018	8,421,200	0.50
Granted, May 7, 2019	12,076,925	1.73
Exercised	(2,352,500)	0.10
Exercised	(3,646,640)	0.50
Expired, October 10	(4,774,560)	0.50
Balance, October 31, 2019	**15,174,425**	**$1.40**

As of October 31, 2019, the following warrants were outstanding and exercisable:

Number of Warrants Outstanding	Exercise Price	Expiry Date	Number of Common Shares Issuable
3,340,000	$ 0.10	January 12, 2023	3,340,000
10,593,794	$ 1.73	May 7, 2020	10,593,794
1,483,131	$ 1.73	May 7, 2020	1,483,131
15,174,425			15,174,425

APPOINTMENTS AND RESIGNATION OF DIRECTORS AND EXECUTIVE OFFICERS

There were no changes to the Company's Board of Directors or to key officers of the Company during the three-month period ended October 31, 2019.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

During the three months ended October 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 consolidated financial statements for the year ended July 31, 2019.

The Chief Executive Officer and Chief Financial Officer of the Company have filed the Venture Issuer Basic Certificate with the Interim and Year End 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.