## MANAGEMENT DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") for Relevium Technologies Inc. (formerly, Bioflex Technologies Inc., the "Company") should be read in conjunction with the audited consolidated financial statements for the three-month period ended September 30, 2017 ("**the Reporting Period**") and the notes thereto, prepared in accordance with International Financial Reporting Standards (**IFRS**).

The effective date of this MD&A is November 29, 2017.

## GOING CONCERN UNCERTAINTY

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on the going concern basis, which presumes the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of business. The Company has a history of losses, has consumed significant amount of cash resources in the past and has continued to do so in the year ended June 30, 2017. During the reporting period the company consolidated the operations of BGX E-Health LLC and its acquired BioGanix business. Prior to the acquisition of BioGanix, the Company successfully raised financing through the issuance of convertible debentures and common shares and most of the proceeds were used to complete the acquisition.

As at September 30, 2017, the Company had $710,336 in cash. However, the Company expects that cash disbursements over the next 12 months will exceed cash flows expected to be invested into the operations of the BioGanix brand. As such the use of the going concern assumption may not be appropriate. Therefore, as at September 30, 2017, there is a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern without obtaining additional financial resources. To date, the Company has financed its cash requirements primarily by issuing shares, warrants and debt instruments. The Company's ability to continue as a going concern is subject to its ability to raise additional financing and to generate cash flows from its operations.

These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

## OVERVIEW

Relevium Technologies Inc., (the "Company") was incorporated under the Canada Business Corporations Act on July 19, 2012 and its registered head office is located at 1000 Sherbrooke St. West, Suite 2700, Montreal, Quebec, Canada.

The principal business of the Company is the identification, evaluation, acquisition and operations of assets, e-brands and businesses in the Health and Wellness markets with a focus on E-Commerce. The Company is a publicly traded corporation trading under ticker symbol "**RLV**" on the TSX Venture Exchange and "**6BX**" on the Open Market Segment of the Frankfurt Stock Exchange.

### Background

The Company was incorporated on July 19, 2012 as Ovid Capital Inc. and was classified as a Capital Pool Company (**"CPC"**) as defined by Policy 2.4 of the TSX Venture Exchange (the "**Exchange**").

On August 7, 2015, the Company completed its Qualifying Transaction ("**QT**") and on August 13, 2015 changed its name to Bioflex Technologies Inc. and began trading under the symbol "BFT" in the TSX Venture Exchange. Under the terms of the QT, the Company acquired certain assets from Bioflex Medical Magnets and ITECH Medical, including the patents and trademarks with the objective of developing a new product line of wearable braces to improve pain and swelling arising primarily from musculoskeletal injuries.

During the first six months of operations, management concluded that it was in the best interest of the Company to focus on the acquisition of a revenue generating asset or E-Brand in the Health and Wellness space and then proceed to the development of the product line it had originally set an objective to pursue.

Although management's new focus did not constitute a change in business, on October 29, 2015, the Company announced a corporate rebrand and name change to Relevium Technologies Inc. to better reflect a broader approach to its Health and Wellness corporate strategy. On December 17, 2015, the Company was rebranded to Relevium Technologies Inc. as approved by shareholders' vote at the Company's scheduled annual general meeting.

## CORPORATE HIGHLIGHTS FOR THE REPORTING PERIOD

For the three-month period ended September 30, 2017 (the "Reporting Period"), the Company has been focused on the acquisition of BioGanix and on actively transitioning the business. The following section describes the major highlights of the Company for the reporting period:

**BGX E-Health LLC**

BGX E-Health LLC is a wholly-owned subsidiary of Relevium Technologies, which was formed to hold and operate the assets of BioGanix. BioGanix is a E-brand (**E-Commerce Retail Brand**) that was developed with customer the end consumer in mind. The brand offers high quality formulations at competitive prices in order to ensure an overall awesome customer experience. All BioGanix products are produced by tested and verified by GMP Certified and FDA inspected facilities across the USA.

The BioGanix brand currently offers sixteen best-selling dietary supplement products, varying from trending weight loss products, to proven health supporting supplements that supports various processes in the body, including digestive health, heart health, brain health, blood sugar, as well as anti-aging supplements.

BioGanix products are exclusively sold in the USA primarily through its amazon seller account and through its website https://www.bioganix.com. BioGanix is currently not sold in Canada and it is expected that the company will apply to the Natural and Non-prescription Health Products Directorate (NNHPD) to approve its product line for sale in Canada.

On June 7, 2017, the Company completed the asset purchase agreement and acquired 100% of the operating assets of BioGanix and commenced a six-month process of actively transitioning the assets. On June 14th it incorporated BGX E-Health LLC., a wholly owned subsidiary based in Orlando, Florida for that purpose.

The functional currency of BGX E-Health LLC is the US dollar and during the three-month period ended September 30, 2017, BGX E-Health reported revenues US$920,481 representing an increase over the revenues reported by the previous owners of $627,149 for the same period in 2016 or 47% overall. The addition of BioGanix is only a stepping stone in the Company's strategic plan to build a portfolio of e-commerce brands in the Health and Wellness space. In addition to expanding the current product offering of BioGanix through the introduction of new products, the Company plans to also launch parallel brands under BGX E-Health in order to target specific segments.

**The Nutraceutical Market**

Nutraceuticals are nutritional supplements derived from natural sources that compliment progressive health and wellness programs. Nutraceuticals play a significant role in preventive health and therefore are an area of strategic focus in terms of our business strategy.

Relevium's initial focus will be on building e-retail assets and expanding product offerings by introducing new formulations to support Health and Wellness. Investment in this market is supported by industry projections for growth in a market that is estimated to reach USD 38.7 Billion by 2020.

The market for nutraceuticals is highly competitive. Direct competition to Relevium consists of publicly and privately-owned companies, which tend to be highly fragmented in terms of both geographic market coverage and product categories. In many of the products offered through BioGanix, we compete not only with widely advertised branded products, but also with private label products.

The Company's management, combined with the support of the members of its Board of Directors and Advisory Board, has access to strong innovation capabilities and has established access to high-quality manufacturing through the acquisition of BioGanix. Management believes that it is well-positioned to capitalize on favorable long-term trends in the nutraceutical market.

## FINANCIAL HIGHLIGHTS FOR THE REPORTING PERIOD

During the reporting period the company consolidated the sales revenues from its subsidiary BGX E-Health LLC, which holds and operates the acquired assets from BioGanix.

Sales revenue for the reporting period were $1,152,994 ($NIL in 2016), which generated a gross profit of $634,780 ($NIL in 2016) and a net and comprehensive loss of $127,776 ($190,667 in 2016). The Company reported Adjusted Earnings Before Interest, Taxes and Amortization (Adjusted EBITDA) totaling $154,421 or 13% as a percentage of sales for the same period.

| **Adjusted EBITDA** | |
|---|---|
| **Net Loss** | **-$ 127,776** |
| Interest on long term debt | $ 107,617 |
| Acreeted Interest | $ 96,443 |
| Acquistions and Related Costs | $ 78,137 |
| **Adjusted EBITDA** | **$ 154,421** |

**Adjusted EBITDA and Non-IFRS Financial Measures**

This MD&A includes certain measures which are not defined terms in accordance with IFRS such as Adjusted EBITDA. The Term "Adjusted EBITDA" refers to net income (loss) after adjusting for interest, taxes, depreciation and costs relating to acquisitions and their integration.

The Company believes that Adjusted EBITDA is useful supplemental information as it provides an indication of the results generated by the company's main business activities prior to taking into consideration how those activities are financed and taxed and prior to taking into consideration depreciation and particularly the costs of integration of acquisitions.

Adjusted EBITDA is a key measure used by Management and the Company's Board of Directors ("Board") to understand and evaluate the company's operating performance, to prepare annual budgets, and to help develop Operating Plans. Adjusted EBITDA is not a measure of performance under IFRS and should not be considered in isolation or as a substitute for net and comprehensive income (loss) prepared in accordance with IFRS or as a measure of operating performance or profitability.

Adjusted EBITDA does not have a standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures presented by other companies.

**OUTLOOK**

The Company will continue to focus on the acquisition of e-retail brands, businesses and technologies in the Health and Wellness market. As part of the overall acquisition strategy, Relevium will invest in optimizing and developing the acquired e-brands and business following a business model that includes:

- Optimization of its marketing and product positioning strategies
- Overview of its current product line and launching of new products
- Creation and launch new brands and product segments
- Obtaining licenses or direct sourcing of exclusive products
- Joint Ventures for market expansions

## RESULTS FROM OPERATIONS

The following table summarizes financial results for each of the reported periods

| | Quarter Ended | Quarter Ended | Variance |
|---|---|---|---|
| | 30-Sep-17 | 30-Sep-16 | $ |
| **Revenues** | 1,152,994 | - | 1,152,994 |
| **COGS** | 518,214 | - | 518,214 |
| **Gross Profit** | 634,780 | - | 634,780 |
| **Expenses** | | | - |
| Administration fees | 77,431 | 40,000 | 37,431 |
| Consulting fees | 74,546 | 74,889 | (343) |
| General and administrative expenses | 86,106 | 30,900 | 55,206 |
| Selling and Marketing | 365,292 | - | 365,292 |
| Professiona Fees | 38,423 | 11,923 | 26,500 |
| Share-based Bayments | - | 7,243 | (7,243) |
| Loss (Gain) on Foreign Exchnage | (83,302) | 1,605 | (84,907) |
| Amortization of Patent | - | 24,107 | (24,107) |
| Interest on Long Term Debt | 107,617 | 25,000 | 82,617 |
| Accreted Interest | 96,443 | - | 96,443 |
| **Net loss and comprehensive loss** | **(127,776)** | **(215,667)** | 87,891 |
| **Adjusted EBITDA*** | **154,421** | **(166,560)** | 320,981 |
| | | | |
| ***Adjusted EBITDA is a Non-IFRS Financial Measure of Performance** | | | |

During the three-month period ended September 30, 2017, the Company's focused primarily on the integration of the activities of the BioGanix brand, business valuations and diligence in terms of acquisitions development.

The company produced total revenues of $1,152,994 ($NIL in 2016) arising from direct to consumer sales of nutraceutical products through the company's various online platforms.

Cost of goods sold for the reporting period totaled $518,214 ($NIL in 2016), primarily composed of the cost of finished products, warehousing and logistics, resulting in a gross profit of $634,780 (NIL in 2016) or a gross profit margin of 55% as compared to sales.

Total expenses for the reporting period were $762,556 ($190,667 in 2016) an increase of $571,889 resulting primarily new expense categories associated with the acquired Bioganix business and service of the debt incurred to finance the acquisition. The overall increase in expenses resulted from $365,292 in selling and marketing expenses (NIL in 2016), which included the costs of online marketing, promotions and new product launching activities, consulting fees of $74,546 ($74,889 in 2016) associated primarily to transition services and due diligence, interest on long-term debt of $107,617 ($NIL in 2016) and accreted interest of $96,443 ($NIL in 2016) both associated with the debt incurred to finance the acquisition of Bioganix, general and administrative expenses $86,106 ($30,900 in 2016) primarily the result of rental expenses and increased operational activities, professional fees of $38,423 ($11,923 in 2016), primarily related to fees associated to accounting and legal services. Total expenses were offset by a gain on foreign exchange translation of 83,302 (a loss of $1,605 in 2016).

As a result of the operations of the company for the three-month period ended September 30, 2017, the company reported a net loss and comprehensive loss of $127,776 ($190,667 in 2016).

## SUMMARY OF QUARTERLY RESULTS

| Quarter Ended | Revenues | Net loss & Comprehensive Loss (Gain) for the period | Net loss per share (Basic & Diluted) | Weighted Average Common Shares |
|---|---|---|---|---|
| | $ | $ | $ | |
| Sep. 30, 2017 | 1,152,994 | 127,776 | 0.0019 | 65,971,466 |
| Jun. 30, 2017 | nil | 2,018,668 | 0.055 | 35,918,448 |
| Mar. 31, 2017 | nil | 210,437 | 0.0061 | 34,743,966 |
| Dec. 31, 2016 | nil | 164,966 | 0.0048 | 34,582,966 |
| | | | | |
| Sep. 30, 2016 | nil | 190,667 | 0.006 | 31,886,367 |
| Jun. 30, 2016 | nil | 684,198 | 0.0248 | 27,637,653 |
| Mar. 31, 2016 | nil | 231,094 | 0.0061 | 38,138,466 |
| Dec. 31, 2015 | nil | 363,422 | 0.0095 | 38,138,466 |

## FINANCIAL POSITION

The Company had sales revenues of $1,152,994 ($NIL in 2016) and net and comprehensive loss of $127,776 ($190,667 in 2016). Cash and cash equivalents totaled $710,336 ($191,440 in 2016).

On July 2017, the Company obtained control over the assets purchased under the purchase agreement for the acquisition of the assets of BioGanix.

| | **September 30, 2017**<br>**$** | **June 30, 2017**<br>**$** |
|---|---|---|
| Total Assets | 7,107,122 | 7,115,152 |
| Current Assets | 1,289,100 | 1,038,452 |
| Current Liabilities | 1,386,029 | 1,285,690 |
| **Current Working Capital** | **-96,929** | **-247,238** |

As at September 30, 2017, the company reported negative cash flows from operations totaling $501,130 ($197,799 in 2016) primarily the result of a negative change in non-cash working capital items of $637,782 (negative 38,482 in 2016), inventory purchases from acquisitions of $269,020 ($NIL in 2016), net and comprehensive loss of $127,776 (190,667 in 2016), unrealized gain on foreign exchange of 101,035 ($NIL in 2016) and Accreted interest of $96,443 ($NIL in 2016).

As at September 30, 2017 the company reported negative cash flows from investing activities of $10,342 ($NIL in 2016).

As at September 30, 2017 the company reported positive cash flows from financing activities of $317,205 ($342,118 in 2016) arising from the issue of loan payable totaling $375,780 ($NIL in 2016), the repayment of long term debt of $25,380 ($11,682 in 2016) and repayment of loan payable to a thirds party of $33,195 ($NIL in 2016).

The Company's only significant source of funding has been the issuance of equity securities for cash and debt financing. The acquisition of BioGanix has changed the status of the company, from a developing stage company to an operating company with revenues and earnings, with positive adjusted EBITDA of $154,421 ($NIL in 2016). The company expects to continue to require funding from the capital markets to execute its ongoing acquisitions strategy.

The Company has 38,933,716 warrants issued and outstanding that if fully exercised, could generate $5,773,870 (38,933,716 warrants x $0.1483) in capital to support the Company's activities.

| Number of warrants | Exercise price | $ Expiry Date |
|---|---|---|
| 9,290,466 | $0.15 | Aug-18 |
| 1,722,500 | $0.11 | Aug-19 |
| 22,842,750 | $0.15 | Jun-19 |
| 5,058,000 | $0.15 | Aug-19 |
| 20,000 | $0.10 | Aug-19 |
| 38,933,716 | $0.1483 | |

Management also recognizes that capital markets are always in flux and there may be risks involved beyond its control in securing additional capital or having outstanding warrants exercised (See **Going Concern Note**)

**CAPITAL RESOURCES**

The Company's objective is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

Management defines capital as the Company's shareholders' equity and long-term debt. The Company's only significant source of funding has been the issuance of equity securities for cash and debt financing. The acquisition of BioGanix and subsequent acquisitions are expected to change the status of the company, from non-revenue to a cash generating business.

The Company's business model also includes the role of a consolidator in the nutraceutical e-commerce space and such the Company expects to continue to make acquisitions in this space through the capital markets.

**OFF-BALANCE SHEET ARRANGEMENTS**

The Company did not have any off-balance sheet transactions as at September 30, 2017.

**RELATED PARTIES TRANSACTIONS**

During the reporting period the following transactions occurred:

- Consulting fees include $10,000 (2016 - NIL) paid to a director of the Company.

These transactions are measured at the exchange amount, which is the amount of consideration determined and agreed to by the related parties.

## BIOGANIX LTD ASSET ACQUISITION

On July 4, 2017, the Company completed its acquisition of certain assets of BioGanix LTD in exchange for cash consideration in the amount of $1,900,000, the issuance of 6,750,000 common shares of the Company at the price of Cdn $0.13 per share which represents the fair value of the shares issued, $500,000 as a performance based contingent consideration payable in cash on December 31, 2017 and $1,550,000 in the form of a two-year convertible note bearing interest at the rate of 8% payable quarterly. The convertible note allows the holder to convert the principal amount, after an initial period of 12 months, into common shares of the Company at an exercise price of Cdn$0.1396. as described in Note 11 of the condensed consolidated interim financial statements.

The fair values of the of the acquired assets have been determined on a provisional basis pending the completion of a formal valuation and have been allocated as follows:

| | $ |
|---|---|
| Inventory | 269,020 |
| Trademarks and other intangible assets | 2,555,692 |
| Goodwill | 3,251,988 |
| | 6,076,700 |

## CHANGES IN ACCOUNTING POLICIES

**Standards issued but not yet effective**

At statement date, a number of new standards, amendments to standards and interpretations have been issued but are not yet effective. Accordingly, they have not been applied in preparing these consolidated financial statements. The Company is currently assessing the impact that these standards will have on the consolidated financial statements.

The standards issued but not yet effective that are expected to be relevant to the Company's consolidated financial statements are provided below. Management anticipates that all of the pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of each pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's consolidated financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Company's consolidated financial statements and are not listed.

**IFRS 9 Financial Instruments**

The International Accounting Standards Board ("IASB") released IFRS 9 Financial Instruments (2014), representing the completion of its project to replace IAS 39 Financial Instruments: Recognition and Measurement. The new standard introduces extensive changes to IAS 39's guidance on the classification and measurement of financial assets and introduces new "expected credit loss" model for the impairment of financial assets. IFRS 9 also provides new guidance on the application of hedge accounting. The Company has yet to assess the impact of IFRS 9 on its consolidated financial statements. The new standard is required to be applied for annual reporting periods beginning on or after January 1, 2018, with early adoption permitted.

**IAS 7 Statement of Cash Flows**

In January 2016, amendments to IAS 7 Statement of cash flows were issued to improve information provided to users of financial statements about an entity's changes in liabilities arising from financing activities, including both changes from cash flows and non-cash changes. The latest date of mandatory implementation of these amendments to IAS 7 is January 1, 2017. The Company is currently evaluating the impact on its consolidated financial statements.

**IAS 12 Income Taxes**

In January 2016, amendments to IAS 12 Income Taxes were issued regarding the recognition of deferred tax assets for unrealized losses relating to debt instruments measured at fair value. These amendments are effective for annual periods beginning on or after January 1, 2017, with early adoption permitted. The Company is currently evaluating the impact on its consolidated financial statements.

**IFRS 2 Share Based Payment**

In June 2016, amendments to IFRS 2 Share-based payments were issued clarifying how to account for certain types of share-based payment transactions. These amendments are effective for annual periods beginning on or after January 1, 2018. Retrospective or early adoption is permitted under certain conditions. The Company is currently evaluating the impact on its consolidated financial statements.

## FINANCIAL INSTRUMENTS, & RISK MANAGEMENT

### Fair Value

The Company measures certain financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The carrying values of cash and cash equivalents, short-term investment, sales taxes receivable and accounts payable and accrued liabilities approximate their fair values due to the immediate or short-term maturity of these financial instruments.

The determination of the fair value of cash and cash equivalents was calculated using level 1 of the fair value hierarchy.

The carrying values of the contingent consideration payable, the convertible notes payable and unsecured balance of purchase price payable approximate their fair values as they were incurred just prior to September 30, 2017.

The determination of the contingent consideration payable, the convertible notes payable and unsecured balance of purchase price payable was calculated using level 2 of the fair value hierarchy.

**Credit Risk**

The Company is exposed to credit risk through its cash and cash equivalents. Credit risk results from the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract.

Cash and cash equivalents are maintained with a high quality financial institution. As the Company's cash is held by a single Canadian bank, there is a concentration of credit risk. The carrying amount of cash and cash equivalents represents the Company's maximum credit exposure.

**Interest Rate Risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The following table demonstrates the sensitivity to a possible change in interest rates on that portion of loans and borrowings affected, the convertible notes described in Note 9. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

| | **Increase/Decrease %** | **Effect on profit before tax $** |
|---|---|---|
| **2017** | 1% | 26,470 |
| **2016** | 1% | - |

**Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Carrying amounts in the Company's consolidated financial statements are based upon best estimates of amounts ultimately realizable after conversion to Canadian funds.

As at September 30, 2017, assets and liabilities in foreign currencies are approximately as follows:

| | US Dollars $ |
|---|---|
| Current Assets | 722,599 |
| Other Assets | 4,427,344 |
| Current Liabilities | 404,598 |
| Other Liabilities | 4,721,449 |

**Liquidity Risk**
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances.

The Company manages its liquidity risk by continuously forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

**Other Risk Factors**
An investment in the Company involves a number of risks. You should carefully consider the following risks and uncertainties in addition to other information in this MD&A in evaluating the Company and its business before making any investment decision in regard to the common shares of the Company. The Company's operating and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing the Company. Additional risks not presently known to us may also impair our business operations. The Company's financial performance is likely to be subject to the following risks:

a) Investment in the common shares is highly speculative given the proposed nature of the Company's business and its present stage of development.
b) There can be no assurance that an active and liquid market for the Company's common shares will develop and an investor may find it difficult to resell its common shares.
c) There can be no assurance that an active trading market in our securities will be established and sustained. The market price for our securities could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of our peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the securities of the Company. The stock market has from time to time experienced extreme price and volume fluctuations which have often been unrelated to the operating performance of particular companies.
d) The Company may acquire additional business, properties or assets in other jurisdictions or countries. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business.

e) The Company's success depends to a certain degree upon certain key members of the management. It is expected that these individuals will be a significant factor in our growth and success. The loss of the service of members of the management and certain key consultants could have a material adverse effect on the Company.

f) Additional funds for the pursuit of the Company's current and planned business operations may be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations. Revenues, taxes, manufacturing and transportation costs, research and development costs, capital expenditures and operating expenses are all factors which may have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities.

   There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, and pursue only those initiatives that can be funded through cash flows generated from its existing operations.

g) The successful deployment of the Company's products depends on managing complex implementation projects. A variety of factors may result in complex deployments being delayed, cancelled or failing. Some of these risks include: the inherent complexity of health and regulatory affairs, difficulty to appropriately staff the project with qualified personnel, the difficulty of managing a project in which the customer and multiple vendors must work together effectively, unrealistic deadlines, inability to realistically limit the scope of the project, problems with third party systems, software or services, inaccurate or faulty data, and insufficient time and investment spent in the planning and design phases of the project. As a result, the Company may not be able to successfully manage deployments of its products which could harm its reputation, be costly to correct, delay revenues and expose it to litigation.

h) The Company is engaged in an industry that is highly competitive, is evolving and is characterized by technological change. As a result, it is difficult for it to predict whether, when and by whom new competing technologies or new competitors may enter the market. The Company faces competition from companies with strong positions in certain markets it is currently targeting, and in new markets and regions it may enter.
   Many of these current and potential competitors are much larger than the Company with access to significant resources it cannot currently match. The Company cannot assure that it will be able to compete effectively against current and future competitors. In addition, competition or other competitive pressures may result in price reductions, reduced margins or loss of market share, any of which could have a material adverse effect on the Company's business, financial condition or results of operations.

i) The Company's commercial success depends to a significant degree upon its ability to acquire and market brands and products, and to obtain patents or other intellectual property rights or statutory protection for these products in Canada, the United States and other countries, such as the countries in the European Union and Asia.

j) Prosecution and protection of the rights sought in patent applications and patents can be costly and uncertain, often involve complex legal and factual issues and consume significant time and resources.
In addition, the breadth of claims allowed in the Company's future patents, their enforceability and its ability to protect and maintain them cannot be predicted with any certainty. The laws of certain countries may not protect intellectual property rights to the same extent as the laws of Canada or the United States. Even if its patents are held to be valid and enforceable in a certain jurisdiction, any legal proceedings that the Company may initiate against third parties to enforce such patents will likely be expensive, take significant time and divert management's attention from other business matters.

The Company cannot assure that any of its pending patent applications will provide any protectable, maintainable or enforceable rights or competitive advantages to it.

k) In addition to patents, the Company relies on a combination of industrial designs, trademarks, trade secrets and other related laws and confidentiality procedures and contractual provisions to protect, maintain and enforce its proprietary technology and intellectual property rights in the United States, Canada and other countries. However, the Company's ability to protect its brand by registering certain trademarks may be limited. In addition, while the Company generally enters into confidentiality and non-disclosure agreements with its employees, consultants, contract manufacturers, distributors and dealers and with others to attempt to limit access to and distribution of its proprietary and confidential information, it is possible that:
   (i) misappropriation of its proprietary and confidential information, including technology, will nevertheless occur;
   (ii) its confidentiality agreements will not be honored or may be rendered unenforceable;
   (iii) third parties will independently develop equivalent, superior or competitive technology or products;
   (iv) disputes will arise with its current or future strategic licensees, customers or others concerning the ownership, validity, enforceability, use, patentability or registrability of intellectual property; or
   (v) Unauthorized disclosure of its know-how, trade secrets or other proprietary or confidential information will occur.

l) The Company cannot assure that it will be successful in protecting, maintaining or enforcing its intellectual property rights. If it is not successful in protecting, maintaining or enforcing its intellectual property rights, then the Company's business, operating results and financial condition could be materially adversely affected.

m) The Company's commercial success depends, in part, upon it not infringing or violating intellectual property rights owned by others. The industry in which the Company competes has many participants that own, or claim to own, intellectual property. The Company cannot determine with certainty whether any existing third-party patents, or the issuance of any new third-party patents, would require it to alter its technologies or products, obtain licenses or cease certain activities, including the sale of certain products.

n) The Company may in the future receive claims from third parties asserting infringement and other related claims. Litigation may be necessary to determine the scope, enforceability and validity of third-party intellectual property rights or to protect, maintain and enforce the Company's intellectual property rights. Some of the Company's competitors have, or are affiliated with companies having, substantially greater resources than it has, and these competitors may be able to sustain the costs of complex intellectual property litigation to a greater degree and for longer periods of time than the Company can.

   Regardless of whether claims that it is infringing or violating patents or other intellectual property rights have any merit, those claims could:
   (i) adversely affect the Company's relationships with current or future distributors and dealers of its products;
   (ii) adversely affect its reputation with customers;
   (iii) be time-consuming and expensive to evaluate and defend;
   (iv) cause product shipment delays or stoppages;
   (v) divert management's attention and resources;
   (vi) subject the Company to significant liabilities and damages;
   (vii) require it to enter into royalty or licensing agreements; or
   (viii) Require it to cease certain activities, including the sale of products.

o) If it is determined that the Company has infringed, violated or is infringing or violating a patent or the intellectual property right of any other person or if it is found liable in respect of any other related claim, then, in addition to being liable for potentially substantial damages, the Company may be prohibited from developing, using, distributing, selling or commercializing certain of its technologies and products unless it obtains a license from the holder of the patent or other intellectual property right. The Company cannot assure that it will be able to obtain any such license on a timely basis or on commercially favorable terms, or that any such licenses will be available, or that workarounds will be feasible and cost-efficient. If it does not obtain such a license or find a cost-efficient workaround, the Company's business, operating results and financial condition could be materially adversely affected and it could be required to cease related business operations in some markets and restructure its business to focus on its continuing operations in other markets.

p) The market for Health and Wellness is in constant evolution. It is characterized by rapid technological change and frequent new product introductions. Accordingly, the Company's future success depends upon its ability to enhance its current products and to develop, introduce and sell new products at competitive prices. The development of new technologies and products involves time, substantial costs and risks.
   The Company's ability to successfully develop new products depends in large measure on its ability to maintain a technically skilled research and development staff and to adapt to

technological changes and advances in the industry. The success of new product introductions depends on a number of factors including timely and successful product development, market acceptance, the effective management of purchase commitments and inventory levels in line with anticipated product demand, the availability of components in appropriate quantities and costs to meet anticipated demand, the risk that new products may have quality or other defects in the early stages of introduction and its ability to manage distribution and production issues related to new product introductions. If the Company is unable, for any reason, to enhance, develop, introduce and sell new products in a timely manner, or at all, in response to changing market conditions or customer requirements or otherwise, its business would be harmed.

q) The Company's failure to manage its growth successfully may adversely impact its operating results. The Company's ability to manage growth will require it to continue to build its operational, financial and management controls, human resource policies, and reporting systems and procedures. The Company's ability to manage its growth will also depend in large part upon a number of factors, including the ability for it to rapidly:
    (i) expand its internal and operational and financial controls significantly so that it can maintain control over operations;
    (ii) attract and retain qualified technical personnel in order to continue to develop reliable and flexible products and provide services that respond to evolving customer needs;
    (iii) build a sales team to keep customers and channel partners informed regarding the technical features issues and key selling points of its products and services;
    (iv) develop support capacity for customers as sales increase; and
    (v) Build a channel network to create an expanding presence in the evolving marketplace for its products and services.
    (vi) An inability to achieve any of these objectives could harm the business, financial condition and results of operations of the Company.

r) The Company's revenues are difficult to forecast and, as a result, its quarterly operating results can fluctuate substantially. The Company is currently acquiring existing brands and products that are sold directly to consumers via e-commerce platforms. Revenue estimates can be significantly impacted by product cycles, the sales process, economic conditions in general or specific in the Company's target markets, and the order cycle of its clients. While we are not aware of significant supply issues suppliers may not be able to provide us with sufficient amounts of product to meet the demand, if we are successful in expanding sales of our products.

s) As the Company does business in the U.S., it is quite possible that transactions will take place in foreign currencies. At this point the Company does not participate in hedging activities. Although it cannot predict the effect of possible foreign exchange losses in the future, if they occurred, then they could have a material adverse effect on the Company's business, results of operation, and financial condition. In addition, fluctuations in exchange rates could affect the pricing of its products and negatively influence customer demand.

t) Tax examinations are often complex as tax authorities may disagree with the treatment of items reported by the Company, the result of which could have a material adverse effect on its financial condition and results of operations.

u) The Company will be required to make accounting estimates and judgments in the ordinary course of business. Such accounting estimates and judgments will affect the reported amounts of its assets and liabilities at the date of its financial statements and reports and the reported amounts of its operating results during the periods presented. Additionally, the Company will be required to interpret the accounting rules in existence as of the date of the financial statements and reports when the accounting rules are not specific to a particular event or transaction.

   If the underlying estimates are ultimately proven to be incorrect, or if auditors or regulators subsequently interpret the Company's application of accounting rules differently, subsequent adjustments could have a material adverse effect on its operating results for the period or periods in which the change is identified. Additionally, subsequent adjustments could require the Company to restate its financial statements or reports. A restatement of the Company's financial statements or reports could result in a material change in the price of the common shares of the Company.

v) Given the current size of the Company and its higher perceived risk profile, it is hard to attract competent people in general. This is even more challenging than usual because the Company's technology is a new technology and the resources available are limited. Although the Company believes it currently has a sufficient number of competent personnel, failure to recruit talent in the future may have a material adverse effect on the future development of the Company's business.

**OUTSTANDING SHARE DATA**

The following information sets out the outstanding share data of the Company as at September 30, 2017:

| | # of Shares | Share Capital |
|---|---|---|
| Balance as at June 30, 2017 | 65,971,466 | $5,119,909 |
| Balance as at September 30, 2017 | 65,971,466 | $5,119,909 |

As of September 30, 2017, the Company had 65,971,466 common shares issued of which 6,627,375 of the issued and outstanding shares were subject to escrow conditions. The company also has a total of 38,933,716 warrants issued.

The company has issued 2,392,800 options out of 3,838,847 options authorized under the incentive stock option plan.

**SUBSEQUENT EVENTS**

Subsequent to September 30, 2017, the following events occurred:

On October 2017, the outstanding subscription in the private placement of June 7, 2017 for 600,000 units was settled.

On October 20, 2017, the Company announced it had changed auditor and appointed Ernst & Young LLP, Chartered Professional Accountants

On October 25, 2017, the Company announced a non-binding letter of interest to acquire an American based nutraceutical brand with estimated revenues of US$1.35 million.

On October 27, 2017, the Company announced the appointment of Abis Hussain as Senior Marketing Officer.

On November 23, 2017, the Company announced an exclusive product agreement with HEMPCO for its brand Planet Hemp.

**CAUTIONARY STATEMENT**

This Management and Discussion Analysis may contain forward-looking information within the meaning of applicable securities legislation, which reflects the Company's current expectations regarding future events. Forward-looking information is based on several assumptions and is subject to several risks and uncertainties, many of which are beyond the Company's control that could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. Readers should not place undue reliance on forward- looking statements and forward-looking information and are cautioned that reliance on such information may not be appropriate for other purposes.

The Company does not undertake any obligation to update such forward-looking information, whether because of new information, future events or otherwise, except as expressly required by applicable law. These risks and uncertainties include, but are not limited to, those described under the headings "Financial Instruments & Risk Management" and "Inherent Risk Factors" in this MD&A and could cause actual events or results to differ materially from those projected in any forward-looking statements. The Company does not intend, nor does it undertake any obligation, to update or revise any forward-looking statements contained in this MD&A to reflect subsequent information, events or circumstances or otherwise, except if required by applicable law.

ADDITIONAL INFORMATION

Additional disclosures pertaining to the Company's material change reports, press releases and other information are available on the SEDAR website at www.sedar.com.

On behalf of the Board of Directors, we thank our shareholders for their continued support.

"Aurelio Useche"

**Aurelio Useche**
**Chief Executive Officer**