MJ BIOSCIENCE CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three month period ended January 31, 2015

INTRODUCTION

The following Management Discussion and Analysis ("MD&A") of MJ Bioscience Corp. (the "Company") has been prepared by management in accordance with the requirements of National Instrument 51-102 as of April 1, 2015. This MD&A should be read in conjunction with the condensed interim financial statements as at January 31, 2015 and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS"). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company.

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

FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking statements and information relating to the Company that are based on the beliefs of our management as well as assumptions made by and information currently available to us. When used in this document, the words "*anticipate*", "*believe*", "*estimate*", "*expect*" and similar expressions, as they relate to our company or our management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of our exploration properties. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or our achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

COMPANY OVERVIEW

Background

The Company was incorporated under the Business Corporations Act (British Columbia) on October 15, 2014. The head office of the Company is Suite 1820 – 925 West Georgia, Vancouver, British Columbia V6C 3L2. The Company is currently engaged in the business of cannabis research and development in British Columbia, Canada.

Significant events

Incorporation – October 15, 2014

On January 28, 2015 Highmark Marketing Inc. ("Highmark Marketing"), MJ Bioscience Corp. ("MJ Bioscience") and Highmark Technologies Corp. ("Highmark Technologies") are pleased to announce that on January 28, 2015, they completed a statutory arrangement under a plan of arrangement (the "Arrangement") among Highmark Marketing, MJ Bioscience and Highmark Technologies. As a result of completing the Arrangement, MJ Bioscience and Highmark Technologies became reporting issuers in Alberta, British Columbia and Ontario and the shareholders as of January 12, 2015 of Highmark Marketing acquired 100% ownership of Highmark Technologies and MJ Bioscience.

<u>Financing</u>

On October 15, 2014, the Company issued 10,000 common shares for gross proceeds of $50.

On January 28, 2015, pursuant to the Arrangement Agreement that was entered into on October 16, 2014 with Highmark Marketing and Highmark Technologies (the "Arrangement Agreement"), the Company issued 13,965,857 common shares of its capital stock as consideration for the acquisition of all Highmark Marketing's intellectual property relating to cannabis research for a total amount of $279,317.

Subsequent events

There were no subsequent events.

SELECTED FINANCIAL INFORMATION

	January 31, 2015	October 31, 2014
Working capital deficit	$ 22,752	$ 22,724
Current assets	1,040	1,068
Total liabilities	23,792	23,792
Share capital	279,367	50
Deficit	$ 22,802	$ 22,774

RESULTS OF OPERATIONS

The Company has not yet generated revenue from its operations.

For the three month period ended January 31, 2015, the Company incurred losses of $28, which resulted mainly from legal costs of $28.

Summary of periodic results

Results for the most recent completed financial period are summarized in the table below:

	Three month period ended January 31, 2015	Period from October 15, 2014 (date of incorporation) to October 31, 2014
Net loss	$ 28	$ 22,774
Loss per share	0.00	2.28
Total assets	280,357	1,068
Working capital deficit	$ 22,752	$ 22,724

Liquidity and Capital Resources

As at January 31, 2015, the assets of the Company were represented by $1,040 cash and receivables.

The Company has to rely upon the sale of equity securities, primarily through private placements for cash, for general operating activities.

The Company has not pledged any of its assets as security for loans, or otherwise is not subject to any debt covenants.

Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company.

Transactions with Related Parties

On October 16, 2014, Highmark Marketing Inc. (the "Parent") entered into an arrangement agreement with Highmark Technologies Corp ("HTC") and the Company, and has approved a private placement offering. All three companies are members of the same group and therefore considered related parties as per IAS 24.9(i).

Plan of Arrangement

The arrangement agreement includes a statutory plan of arrangement. The Parent proposes to reorganize its business by completing a spin-off of certain assets by distributing all the shares in the Company and HTC to the Parent's shareholders as a return of paid in capital. In return, the shareholders of the Parent will receive 1/3 common share in the Company. It is intended that upon completing the Plan of Arrangement both the Company and HTC will each seek a listing upon the Canadian Securities Exchange, subject to meeting listing requirements.

As a result of plan of arrangement, the Parent will transfer all of the intellectual property related to its cannabis research and development to the Company. In return, the Company will issue enough shares to Highmark Marketing so the company can distribute the shares on a 1 to 1 basis.

The proposed Plan of Arrangement is subject to approval by the Parent's shareholders and the Supreme Court of British Columbia. The Plan of Arrangement shall be carried out in accordance with provisions of the British Columbia Business Corporations Act, securities rules and stock exchange policies.

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As at January 31, 2015, the amount owing to the Parent, Highmark Marketing Inc. is $22,792.00. The amount is unsecured and due on demand.

Outstanding Share Data

As of January 31, 2015, the Company had 13,975,857 issued and outstanding common shares. The Company did not issue any warrants or options to purchase its common stock.

As of April 1, 2015, the Company had 13,975,857 issued and outstanding common shares. The Company did not issue any warrants or options to purchase its common stock.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

SIGNIFICANT ACCOUNTING POLICIES

All significant accounting policies adopted by the Company have been described in the notes to the condensed interim financial statements for the three month period ended January 31, 2015.

New Accounting Standards and Interpretations

Certain new accounting standards and interpretations have been published, however, these are not mandatory for the January 31, 2015 reporting period. The Company is currently evaluating the potential impacts of these new standards and does not anticipate any material changes to the financial statements upon adoption of these new and revised accounting pronouncements.

IFRS 9 – Financial Instruments (effective January 1, 2015) introduces new requirements for the classification and measurement of financial assets, and will replace IAS 39. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple classification options available in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39.

RISKS AND UNCERTAINTIES

The Company's future growth and profitability will depend on the effectiveness and efficiency of advertising and promotional costs, including the Company's ability to (i) create brand recognition for the Products; (ii) determine appropriate advertising strategies, messages and media; and (iii) maintain acceptable operating margins on such costs. There can be no assurance that advertising and promotional costs will result in revenues for the Company's business in the future, or will generate awareness of the Company's technologies or services. In addition, no assurance can be given that the Company will be able to manage the Company's advertising and promotional costs on a cost-effective basis.

Uninsured or Uninsurable Risk

The Company may become subject to liability for risks against which the Company cannot insure or against which the Company may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for the Company's usual business activities. Payment of liabilities for which the Company does not carry insurance may have a material adverse effect on the Company's financial position and operations.

Conflicts of Interest Risk

The Company's directors are, and may continue to be, involved in other business ventures in the technology industry through direct and indirect participation in corporations, partnerships, joint ventures, etc. that may become potential competitors of the products the Company intends to provide. Situations may arise in connection with potential acquisitions or opportunities where the other interests of the directors conflict with or diverge from the Company's interests. In accordance with the BCBCA, directors who have a material interest in any person who is a party to a material contract or a proposed material contract are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to the Company's best interests. However, in conflict of interest situations, the Company's directors and officers may owe the same duty to another company and will need to balance their competing interests with their duties to The Company. Circumstances (including with respect to future corporate opportunities) may arise that may be resolved in a manner that is unfavorable to us.

Key Personnel Risk

The Company's success will depend on its directors and officers to develop the Company's business and manage its operations, and on the Company's ability to attract and retain key technical, sales and marketing staff or consultants once operations begin. The loss of any key person or the inability to find and retain new key persons could have a material adverse effect on the Company's business. Competition for qualified technical, sales and marketing staff, as well as officers and directors can be intense and no assurance can be provided that the Company will be able to attract or retain key personnel in the future, which may adversely impact the Company's operations.

Speculative Nature of Investment Risk

An investment in the Company's common shares carries a high degree of risk and should be considered as a speculative investment by purchasers. The Company has not paid dividends, and are unlikely to pay dividends in the immediate or near future. The Company is in the development and planning phases of its business and has not started commercialization of the Company's products and services. The Company's operations are not yet sufficiently established such it can mitigate the risks associated with its planned activities.

No Established Market for Shares Risk

There is currently no established trading market through which common shares in the Company's authorized capital may be sold. Even if a trading market develops, there can be no assurance that such market will continue in the future. As a result, investors in the Company may lose their entire investment.

Liquidity and Future Financing Risk

The Company may require additional financing to fund future operations and expansion plans. The Company's ability to secure any required financing to sustain its operations will depend in part upon prevailing capital market conditions, as well as the Company's business success. There can be no assurance that The Company will be successful in the Company's efforts to secure any additional financing or additional financing on terms satisfactory to the Company's management. If additional financing is raised by issuing common shares in the Company's authorized capital, control of the Company's company may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, The Company may be required to scale back its business plan or cease operating.

Going-Concern Risk

The Company's financial statements have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that The Company will be successful in completing an equity or debt financing or in achieving profitability. The financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

Global Economy Risk

The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. The Company will be dependent upon the capital markets to raise additional financing in the future, while The Company establish a user base for the Products. Access to financing has been negatively impacted by the ongoing global economic downturn. As such, The Company is subject to liquidity risks in meeting the Company's development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the Company's ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Company and its management. If uncertain market conditions persist, the Company's ability to raise capital could be jeopardized, which could have an adverse impact on the Company's operations and the trading price of the Company's common shares on the Canadian Securities Exchange (the "Exchange").

Dividend Risk

The Company has no earnings or dividend record and has not paid dividends in the past and does not anticipate paying dividends in the near future. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on company's financial condition, results of operations, capital requirements and such other factors as the board of directors deem relevant.

Share Price Volatility Risk

It is anticipated that the Company's common shares will be listed for trading on the Exchange. As such, external factors outside of the Company's control such as announcements of quarterly variations in operating results, revenues and costs, and sentiments toward technology sector stocks may have a significant impact on the market price of the Company's common shares. Global stock markets, including the Exchange, have from time to time experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. The same applies to companies in the technology sector. There can be no assurance that an active or liquid market will develop or be sustained for the common shares.

Increased Costs of Being a Publicly Traded Company

As a company with publicly-traded securities, the Company will incur significant legal, accounting and filing fees not presently incurred. Securities legislation and the rules and policies of the Exchange require listed companies to, among other things, adopt corporate governance and related practices, and to continuously prepare and disclose material information, all of which will significantly increase the Company's legal and financial compliance costs.

FINANCIAL INSTRUMENTS

Fair Value

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

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of cash is measured based on level 1 inputs of the fair value hierarchy.

The estimated fair value of financial liabilities is equal to their carrying values due to the short-term nature of these instruments.

CAPITAL MANAGEMENT

The Company defines its capital as shareholders' equity. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its technologies and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the development stage, its principal source of funds is from the issuance of common shares.

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

The Company expects its capital resources, which include a share offering, will be sufficient to carry its research and development plans and operations through its current operating period. The Company is not subject to externally imposed capital requirements.

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

1) Fair value

   The carrying value of cash amounts, and accrued liabilities approximated their fair value because of the relatively short-term nature of these instruments.

2) Credit risk

   The Company's cash is largely held in large Canadian financial institutions. The Company maintains cash deposits with Schedule A financial institutions, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

3) Interest rate risk

   Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

4) Liquidity risk

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

CONTINGENCIES

There are no contingent liabilities.

DIRECTORS AND OFFICERS

As of the date of this report, April 1, 2015, the Company's directors and officer are as follows:

Marc Branson – Director and Chief Executive Officer
David Taylor – Director
Peter Schriber – Director
Tak Tsan Tso – Chief Financial Officer