Management's Discussion and Analysis

Lift & Co. Corp.

For the third quarter ended December 31, 2019

Dated February 4, 2019

General Information

The following is Lift & Co. Corp.'s management discussion and analysis dated February 4, 2019 (“MD&A”), which provides a comparative overview of the Company's performance for its nine month and three month periods ended December 31, 2019 with the corresponding nine month and three month periods ended December 31, 2018, and it reviews the Company's financial position as at December 31, 2019. Throughout this MD&A, the term “Company” or “Lift & Co.” shall mean Lift & Co. Corp. and its wholly owned subsidiary, Lift Co. Ltd. This discussion should be read in conjunction with the Company's MD&A, audited consolidated financial statements and accompanying notes as at and for the year ended March 31, 2019, as well as the unaudited condensed consolidated interim financial statements of the Company for the third quarter ended December 31, 2019 ("consolidated interim financial statements").

The consolidated interim financial statements of the Company and extracts from these consolidated interim financial statements contained in this MD&A were prepared in accordance with International Financial Reporting Standards (“IFRS”). The Company's presentation currency is the Canadian dollar. All financial information presented has been rounded to the nearest dollar, except per share amounts and where otherwise indicated. The Company's consolidated interim financial statements for the period ended December 31, 2019 were approved by its Board of Directors on February 4, 2019. Readers are cautioned that certain information included herein is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumption prove incorrect, actual results may vary significantly from those expected. See “Forward Looking Statements” and “Risks and Uncertainties”.

Unless otherwise indicated, the information in this report is dated as of February 4, 2019. Additional information relating to the Company is available on SEDAR at www.sedar.com.

Operational Highlights

As the adult-use cannabis market continues to mature, Lift & Co.'s strategic focus is to monetize a platform of premium marketing channels across the cannabis consumer value chain that also power Lift & Co.'s data-as-a-service flagship product, Cohesion. Management is proud to highlight recent achievements demonstrating Lift & Co.'s position as a cannabis insights leader:

Strong Financial Results

- Total revenue increased by 41.2% to $4.6 million for the nine month period, supported by increases across each of Trade Marketing, Data Insights and Event Marketing
- Loss from operations decreased by 17.5% for the nine month period, as compared to the same period last year

Data Insights, Cohesion Product Launch and Strategic Relationship with Nielsen

- Data Insights revenue increased by 73.3% to $748,281 for the nine month period, supported by a targeted focus on monetizing the Lift.co website and the launch of the Cohesion, the Company's flagship data-as-a-service platform, which support brands in understanding, segmenting and targeting cannabis consumers
- Lift & Co. announced the development of a new cannabis consumer profiling and segmentation data product 'Cohesion Segmentation - powered by Nielsen' that will be developed with Nielsen, a leading global measurement and data anlytics company, and launched over the next few months, as well as the addition of the Adobe Advertising Cloud demand-side-platform, which will enable Cohesion clients to seamlessly deliver compliant programmatic advertising to their target consumer segment
- The Company announced the beginning of its expansion into the United States through a partnership with Enlighten, that will provide Lift & Co. with access to over 1,000 US retail locations as well as US cannabis product data
- Lift & Co. recently launched an early version of the Lift & Co. App at the Lift & Co. Cannabis Expo Vancouver 2020. The App allows consumers to capture a photo of product labels in-store to immediately access thousands of reviews on Lift.co, then upload their purchase receipts at the point-of-sale to earn Lift points and enable essential consumer and retail data insights that will become available to the industry through Cohesion.

Trade Marketing, Increased Adoption by Budtenders and Brands

- Trade Marketing revenue increased to by 76.7% to $363,685 for the nine month period, supported by the launch of Lift & Co.'s retail training certification, CannSell, and its brand training modules
- The third quarter marked the first quarter of profitability for this segment; in addition, the Company received regulatory approval for its new module on edibales, extracts and topicals, which launched January 2, 2020 for a 30% increase in price
- Almost 900 total CannSell Standard and CannSell Expert retail certification licenses were sold during the quarter, bringing the total number of budtenders on the CannSell platform to over 5,000
- Lift & Co. launched an additional two brand training modules on the CannSell platform this quarter for PAX Labs and TerrAscend's Haven St. Premium Cannabis brand. An additional eight modules are in various stages of development and are expected to launch over the next two quarters.
- Beginning in April 2020, Ontario regulators plan to license approximately 20 new stores per month, and recent reports indicate Ontario could have capacity for up to 1,000 stores, which are guaranteed to adopt CannSell per the multi-year exclusive mandate from the Alcohol and Gaming Commission of Ontario

Event Marketing, Continued Growth in Revenue and Brand

- Event Marketing revenue increased by 33.2% to $3,516,110 for the nine month period, as a result of another record breaking Toronto Expo and Canadian Cannabis Awards
- Revenue for the four-day Toronto Expo increased by 44.4%; the event featured 170 of the industry's preeminent thought leaders, highlighting the Company's influential position at the centre of the cannabis space
- Revenue for the Canadian Cannabis Awards increased by 23.7%; a total of 32 awards were announced, which are the gold-standard for excellence in the industry
- Subsequent to the quarter, the Company held its Vancouver Expo, which brought in over 300 exhibitors and 100 speakers, and was the first major cannabis event since the Cannabis 2.0 country-wide rollout; revenue increased by 14% year over year to $2,574,832

Business Overview

The legalization of adult recreational-use cannabis in Canada on October 17, 2018 under Bill C-45 (the “Cannabis Act”) created a new multi-billion-dollar consumer packaged goods ("CPG") industry. However, while CPG companies in other industries benefit from brand advertising, established retail distribution networks, and advanced marketing analytics, the cannabis industry lacks this basic infrastructure due to restrictive regulations and the industry's relative infancy. Management believes that the inability for cannabis brands to market and conduct market research like traditional CPG companies creates an opportunity for technology solutions.

Lift & Co. is positioned as a consumer insights provider. Lift & Co. has built a platform ecosystem that works across the value chain of cannabis consumers, retailers and producers in order to create marketing channels and aggregate the data they generate. Management believes the Company's products have a unique advantage within regulations and that they enable businesses to better target and understand their marketing efforts.

Lift & Co.'s suite of products offers solutions management believes to be both compliant and innovative. The Company serves as a strategic marketing and analytics partner to cannabis businesses through a popular consumer platform (Lift.co) that features Canada's most comprehensive product-comparison resources for federally regulated cannabis that collects consumer behavioural, survey and transactional data; a retail budtender platform (CannSell) which includes cannabis brand content, the leading cannabis retail training certification and collects retailer survey data; the Company's flagship data-as-a-service platform (Cohesion) which combines the various data the Company aggregates into consumer insights; and the leading cannabis events platform (Lift & Co. Expo) which has traditionally funded the Company's scaling technology platforms.

The Company categorizes its suite of products into three segments: Trade Marketing (CannSell), Data Insights (Cohesion, Lift.co) and Event Marketing (Lift & Co. Expos).

Trade Marketing

The Company pursued an exclusive partnership with MADD Canada in 2017, the country's leading voice on the prevention of impaired driving, to develop a retail certification program across Canada that would allow the Company to create a closed engagement platform of budtenders. Branded as CannSell, the product has been a national success. To date, CannSell is the sole approved and mandatory certification in Ontario for the next several years (as mandated by the Alcohol and Gaming Commission of Ontario), and is also the sole retail certification currently used by all Crown retail employees in Prince Edward Island and the Yukon. CannSell is also adopted by private retailers across several other jurisdictions, bringing the CannSell penetration to a total of eight jurisdictions in Canada. To management's knowledge, CannSell is the market leader as measured by market share.

CannSell is offered as CannSell Standard and CannSell Expert. CannSell Standard is a four-hour online training program that educates cannabis retail employees on the responsible sale of cannabis, as well as their legal and regulatory obligations. In addition, the Company launched CannSell Expert, an advanced 25-hour certification program essential for cannabis retailers looking to equip their staff with deeper cannabis knowledge necessary for advanced customer service in areas of product knowledge, plant genetics and consumption methods. Retail budtenders register on the CannSell platform with their personal demographic and contact details.

CannSell's guaranteed reach in Ontario (as mandated by the Alcohol and Gaming Commission of Ontario) and leading reach across Canada's retailers has created a multi-year defensible advantage for the Company to create one of the most valuable cannabis retail marketing platforms. To leverage this unique and closed platform of budtenders for marketing purposes, Lift & Co. launched brand training modules for sale to licensed producers. Accessible by all CannSell certification holders, the Company provides brands with direct digital access to budtenders across the country and monetizes this access at a premium. Today, modules are sold to cannabis brands to assist in their trade marketing efforts and the Company provides data insights into the success of these efforts to reach and educate the country's budtenders.

Data Insights

Management considers Cohesion to be the Company's flagship platform which is supported by all the other platforms. The Company's website, Lift.co, is to management's knowledge the largest review site for federally regulated cannabis products in the world and provides data-driven product recommendations to attract consumers and empower them to make informed purchasing decisions. Management believes Lift.co is highly differentiated from other review websites by focusing on branded products rather than generic cannabis strains, allowing the Company to generate data insights and marketing opportunities valuable to specific brands.

Through a rewards program hosted on Lift.co, where reviews and receipts are exchanged for points that can be used towards major retailer gift cards, and through relevant content, the platform encourages users to submit product reviews and purchase receipts, which generates a deep and unique data set on consumer behaviour and sentiment. As at December 31, 2019, the Company had collected 126,830 unique product reviews. This data, along with data collected through the CannSell platform, is used to generate marketing insights for brands on a recurring data-as-a-service revenue model through the Cohesion platform.

Unlike other data providers which focus on point-of-sale data, management believes that by combining reviews, purchase receipts and survey data, Cohesion is uniquely positioned in the market as the only platform that can directly tie specific consumer profiles with specific buying behaviour and transactional data points. Moreover, at a time when the industry is focused on building brands, management strongly believes that the Cohesion value proposition of answering the “why” and “who” of a transaction comes at a pivotal time in the cannabis industry's evolution.

The Company's continued investment in this unique data strategy is being validated through its recently announced consumer profiling and segmentation tool: “Cohesion Segmentation – powered by Nielsen”. To management's knowledge, this is the first time Nielsen or any traditional data and information company has co-launched a data product for the cannabis industry. Cohesion Segmentation – powered by Nielsen, will combine the Company's unique approach to consumer insights with Nielsen's decades worth of consumer segmentation data into a product that management believes will reduce customer acquisition costs for cannabis brands through what management believes will be the most in-depth and powerful consumer segmentation product available to cannabis companies.

Lastly, the Lift.co platform also allows for direct communication to consumers about product information that retailers and licensed producers are prohibited from communicating directly – specifically product effects, durations and quality ratings. As a result, the restrictions on product marketing have allowed the Company to position the Lift.co platform as a unique channel to help clients better market their brands and understand cannabis consumers, while providing critical information for consumers to make informed purchase decisions. As a result, Lift & Co. is able to monetize the Lift.co website traffic through packaged content and targeted advertising. This includes, but is not limited to, banner advertisements, featured product and business listings, and custom sponsored content.

Event Marketing

Lift & Co. leverages its events platform as a growth engine for its suite of product offerings, serving to generate cashflow and qualified business leads for its services as well as users and data for Cohesion. This was the Company's first monetized product. Today, the Company only pursues events that are accretive to expanding its digital platforms and data aggregation capabilities.

Lift & Co. holds two annual four-day cannabis tradeshows in Toronto, Ontario ("Toronto Expo") and Vancouver, British Columbia ("Vancouver Expo" and together the “Expos”), including a Lift Cannabis Business Conference. Revenues are derived from booth sales, ticket sales and advertising, and both Lift Expos have been growing significantly in both attendance and revenues each year, with the most recent Toronto Expo drawing in over 20,000 attendees.

Lift & Co. also hosts the Canadian Cannabis Awards (“CCAs”), an annual cannabis industry gala event and awards program with category results based on online user-driven nomination and voting. Within the Cannabis Act's restrictive marketing and advertising requirements, the CCAs enable winning businesses to differentiate their brands and products to consumers in what the Company believes is an otherwise extremely limited advertising landscape. Following two sold out galas, the Company intends to continue to grow the CCAs as a strategic solution to further enable licensed producers to compete for customers using the Company's platforms.

Results of Operations

Financial Highlights (unaudited)

	3 months ended Dec 31 2019	3 months ended Dec 31 2018	9 months ended Dec 31 2019	9 months ended Dec 31 2018
Revenue	$ 926,429	835,050	4,628,076	$ 3,277,865
Expenses				
Cost of revenue	568,292	531,440	1,961,723	1,413,218
General and administrative	1,292,654	1,273,610	4,250,637	4,480,014
Selling and marketing	523,121	699,833	1,535,092	1,888,228
Research and development	523,564	471,642	1,697,014	1,332,513
Loss from operations	**(1,981,202)**	**(2,141,475)**	**(4,816,390)**	**(5,836,108)**
Finance and other costs, net	232,587	89,996	632,830	173,816
Gain on change in fair value of derivative liabilities	(639,213)	(2,159,794)	(3,383,887)	(2,847,979)
Loss on extinguishment	-	-	439,152	-
Reverse takeover costs	-	-	-	1,125,765
Net loss	(1,574,576)	(71,677)	(2,504,485)	(4,287,710)
Unrealized gain (loss) on marketable securities	-	(19,328)	(20,082)	(14,027)
Comprehensive loss	**(1,574,576)**	**(91,005)**	**(2,524,567)**	**(4,301,737)**
Loss per share - basic	(0.02)	(0.00)	(0.04)	(0.08)
Loss per share - diluted	$ (0.02)	(0.01)	(0.04)	$ (0.11)
Loss from operations	$ (1,981,202)	(2,141,475)	(4,816,390)	$ (5,836,108)
Share based compensation	104,005	147,148	211,548	1,004,423
Depreciation	115,594	19,412	344,068	35,775
EBITDA[(1)]	**$ (1,761,603)**	**(1,974,915)**	**(4,260,774)**	**$ (4,795,910)**

(1) Refer to "Non-IFRS Financial Measures".

For the periods noted above, net loss and comprehensive loss was impacted significantly by changes in the fair value of derivative liabilities. Derivative liabilities pertain to warrants for which the exercise price or number of shares to be issued was originally dependent on future events, resulting in the warrants being classified as a liability rather than as equity. As the liability is revalued at the end of each reporting period, the fluctuations effectively reflect the change in the Company's stock price or valuation during the period. As these warrants will either expire or be exercised and converted into common shares of the Company, the fluctuation in value does not imply any change in future cash outflows of the Company but merely a change in the dilutive value of these instruments.

The loss on extinguishment reflects the balance of unamortized transaction costs relating to the $2 million convertible debenture that was issued on August 16, 2018 and repaid last quarter, as well as a portion of transaction costs that were incurred last quarter in order to exchange the $2 million convertible debenture for the $3.5 million debenture, including the cost of warrants issued. Of the $439,152 loss, $73,996 represents the cash outlay incurred.

Reverse takeover costs incurred during the quarter ended September 30, 2018 reflect the costs (mostly non-monetary) incurred by the Company in listing its shares on the TSX Venture Exchange by way of a reverse takeover.

Finance and other costs reflect both the interest expense and accretion expense incurred on the Company's convertible debenture as well as interest expense on the Company's finance lease liability, net of interest income received on excess cash. The finance lease liability pertains to the lease of the Company's office space, which has been reflected as an asset and liability in accordance IFRS 16 effective April 1, 2019. The increase in finance costs over prior year reflect both the change in accounting policy for leases as well as the convertible debenture refinancing. See "Changes in Accounting Policy" for more information.

Selected Segmented Financial Information (unaudited)

	Trade Marketing	Data Insights	Event Marketing	Corporate	Total
Three months ended December 31, 2019					
Revenue	$ 139,094	360,131	427,204	-	$ 926,429
Expenses					
Cost of revenue	44,724	195,369	328,199	-	568,292
General and administrative	23,217	74,926	108,237	1,086,274	1,292,654
Selling and marketing	12,469	150,972	152,269	207,411	523,121
Research and development	30,309	493,255	-	-	523,564
Income (loss) from operations	**$ 28,375**	**(554,391)**	**(161,501)**	**(1,293,685)**	**$ (1,981,202)**
Three months ended December 31, 2018					
Revenue	$ 56,742	276,792	501,516	-	$ 835,050
Expenses					
Cost of revenue	2,724	106,974	421,742	-	531,440
General and administrative	30,637	112,838	109,814	1,020,321	1,273,610
Selling and marketing	10,500	197,241	122,532	369,560	699,833
Research and development	43,651	427,991	-	-	471,642
Income (loss) from operations	**$ (30,770)**	**(568,252)**	**(152,572)**	**(1,389,881)**	**$ (2,141,475)**
Nine months ended December 31, 2019					
Revenue	$ 363,685	748,281	3,516,110	-	$ 4,628,076
Expenses					
Cost of revenue	110,755	262,022	1,588,946	-	1,961,723
General and administrative	103,628	276,031	350,986	3,519,992	4,250,637
Selling and marketing	39,410	421,731	425,907	648,044	1,535,092
Research and development	154,556	1,542,458	-	-	1,697,014
Income (loss) from operations	**$ (44,664)**	**(1,753,961)**	**1,150,271**	**(4,168,036)**	**$ (4,816,390)**
Nine months ended December 31, 2018					
Revenue	$ 205,819	431,769	2,640,277	-	$ 3,277,865
Expenses					
Cost of revenue	10,466	121,287	1,281,465	-	1,413,218
General and administrative	61,274	304,096	393,998	3,720,646	4,480,014
Selling and marketing	26,868	520,515	435,398	905,447	1,888,228
Research and development	269,618	1,062,895	-	-	1,332,513
Income (loss) from operations	**$ (162,407)**	**(1,577,024)**	**529,416**	**(4,626,093)**	**$ (5,836,108)**

Revenue (unaudited)

		Trade Marketing	Data Insights	Event Marketing		Total
Three months ended December 31, 2019	$	139,094	360,131	427,204	$	926,429
Three months ended December 31, 2018	$	56,742	276,792	501,516	$	835,050
Nine months ended December 31, 2019	$	363,685	748,281	3,516,110	$	4,628,076
Nine months ended December 31, 2018	$	205,819	431,769	2,640,277	$	3,277,865

Revenue for the three month period ended December 31, 2019 increased by $91,379 (10.9%) compared to the same period last year, driven by an increase in revenue for Trade Marketing and Data Insights and offset slightly by a decrease in Event Marketing. Revenue for the nine month period ended December 31, 2019 increased by $1,350,211 (41.2%) compared to the same period last year, as a result of an increase in all three segments.

Trade Marketing revenue increased by $82,352 (145.1%) for the three month period and increased by $157,866 (76.7%) for the nine month period ended December 31, 2019. The increase is a result of the launching of the CannSell mandatory training certification in Ontario as well as the diversification of Trade Marketing revenue through branded modules. A total of 890 certifications were sold during the quarter, bringing the total number of budtenders on the CannSell platform to 5,176. As of December 31, 2019, four branded modules have launched and an additional eight have been sold and are in various stages of development. Total unearned revenue related to Trade Marketing totaled $455,984 as of December 31, 2019, representing closed contracts as of this date.

Data Insights revenue increased by $83,339 (30.1%) for the three month period and increased by $316,512 (73.3%) for the nine month period ended December 31, 2019, as a result of a targeted focus on monetizing the Lift.co website through the sale of banner advertisements, featured product and business listings, and sponsored videos and articles, as well as the addition of new revenue through the launch of the Company's new data dashboard product, Cohesion. Total unearned revenue related to Data Insights totaled $775,295 as of December 31, 2019.

Event Marketing revenue decreased by $74,312 (14.8%) for the three month period and increased by $875,833 (33.2%) for the nine month period ended ended December 31, 2019. The decrease for the quarter was a result of a one-time Retail Tradeshow that was held in Calgary last year. During the quarter, the Company also held its Canadian Cannabis Awards, which increased in revenue from $330,339 to $427,204 or by 29.3%. For the nine month period, the increase was a result of another record breaking Toronto Expo, which saw increases in sponsorship pricing of approximately 89%, increases in exhibitor pricing of approximately 45%, and increases in attendance of approximately 26% and ticket pricing of approximately 44% for the expo's "Industry Day" (second day of the four day event).

Operating Expenses (unaudited)

		3 months ended Dec 31 2019	3 months ended Dec 31 2018	9 months ended Dec 31 2019		9 months ended Dec 31 2018
Cost of revenue	$	**568,292**	**531,440**	**1,961,723**	$	**1,413,218**
General and administrative		**1,292,654**	**1,273,610**	**4,250,637**		**4,480,014**
Bad debt expense		1,537	31,480	13,258		65,632
Professional fees		132,539	124,910	585,391		847,252
Office and administration		314,705	416,377	956,444		785,151
Depreciation		115,594	19,412	344,068		35,775
Salaries and wages		624,274	534,283	2,139,928		1,741,781
Share based compensation		104,005	147,148	211,548		1,004,423
Selling and marketing		**523,121**	**699,833**	**1,535,092**		**1,888,228**
Advertising and promotion		67,001	189,292	305,122		620,263
Salaries and wages - Sales and commissions		225,368	210,375	475,853		436,570
Salaries and wages - Marketing		230,752	300,166	754,117		831,395
Research and development		**523,564**	**471,642**	**1,697,014**		**1,332,513**
	$	**2,907,631**	**2,976,525**	**9,444,466**	$	**9,113,973**

Cost of revenue increased by $36,852 (6.9%) for the three month period and by $548,505 (38.8%) for the nine month period ended December 31, 2019, compared to the same periods last year. The increase for the three month period was largely due to an increase in reviews and therefore the Company's cost of reviews as part of its rewards program (impacting Data Insights) as well as an increase in royalty fees paid on CannSell retail training certification sales (impacting Trade Marketing). The increase for the nine month period was additionally impacted by Event Marketing. The Company incurred a one-time cancellation fee of $222,472 relating to the Company's originally planned business conference in Berlin, Germany, as well as increased venue costs for the Toronto Expo. The Berlin conference, which was originally scheduled for September 2019, was cancelled in favour of an event collaboration with Marijuana Business Daily, as well as a strategic shift in short-term focus towards the United States over Europe. Venue costs for the Toronto Expo also increased to provide more setup time for exhibitors, which supported increased exhibitor revenue.

General and administrative expenses decreased by $19,044 (1.5%) for the three month period and by $229,377 (5.1%) for the nine month period ended December 31, 2019, compared to the same periods last year. For the three month period, the decrease in office and administration and share based compensation was offset by increases in depreciation and salaries and wages. For the nine month period, the decrease in share based compensation and professional fees was somewhat offset by increases in office and administration, depreciation and salaries and wages. The increase in salaries and wages is predominantly due to increased administrative support required to maintain the Company's operations as a publicly traded company. Similarly, the increase in depreciation relates to the Company's move into a larger office space. Professional fees have decreased as the Company incurred additional fees in the first half of the prior year in anticipation of going public in September 2018. Share based compensation decreased due to forfeiture of stock options, as well as negative mark to market adjustments on outstanding deferred share units.

Selling and marketing expenses decreased by $176,712 (25.3%) for the three month period and decreased by $353,136 (18.7%) for the nine month period ended December 31, 2019, compared to the same periods last year. The change is a result of reduced marketing efforts, when compared to the prior year, as the Company was able to leverage its existing brand awareness. This was offset by an increase in sales wages and commissions, due to higher commissions on increased revenue as well as expanded sales efforts towards the non-events portion of the business.

Research and development costs increased by $51,922 (11.0%) for the three month period and by $364,501 (27.4%) for the nine month period ended December 31, 2019, compared to the same periods last year. The increase is a result of the expansion of the Company's development and data teams, in order to improve Lift & Co.'s non-event product offering. Consequently, the Company was able develop a retail certification program last year and launched its next-stage data dashboard product, Cohesion, last quarter. The Company is currently in the process of developing a mobile app that supports the Cohesion product, as well as a new cannabis consumer profiling and segmentation data product 'Cohesion Segmentation - powered by Nielsen' that is being developed in partnership with Nielsen.

Summary of Quarterly Results

The following table sets out quarterly financial information for the Company's eight most recently completed quarters:

(in thousands)	Q3'20	Q2'20	Q1'20	Q4'19	Q3'19	Q2'19	Q1'19	Q4'18
Revenue	$ 926	332	3,370	2,495	835	237	2,206	$ 1,085
Loss from operations	(1,981)	(2,286)	(550)	(1,403)	(2,141)	(2,701)	(994)	(1,274)
Comprehensive income (loss)	(1,575)	(2,062)	1,112	(3,651)	(91)	(2,930)	(1,281)	(4,095)
Earnings (loss) per share - Basic	(0.02)	(0.03)	0.02	(0.05)	(0.00)	(0.05)	(0.02)	(0.08)
Earnings (loss) per share - Diluted	$ (0.02)	(0.01)	(0.05)	(0.00)	(0.06)	(0.02)	(0.08)	$ (0.01)

Changes from quarter to quarter relate to the timing of Lift & Co.'s events. Generally, the Company holds the Toronto Expo in Q1, the CCAs in Q3 and the Vancouver Expo in Q4. The Company also held a one-time Retail Tradeshow in Calgary in Q3 of last fiscal year. Excluding event related fluctuations, expenses have been increasing at a higher rate than revenues, as the Company has been investing in its technological infrastructure in anticipation of greater demand for digital marketing products and data insights as the cannabis industry continues to evolve into a traditional CPG market. This trend has reversed last quarter on higher revenues and stabilized expenses. In addition, the significant differences between loss from operations and comprehensive income (loss) pertain mainly to the change in fair value of derivative liabilities.

Liquidity and Capital Resources

	Dec 31 2019	March 31 2019
Cash	$ 779,993	$ 2,324,275
Total assets	7,420,823	6,453,475
Total non-derivative liabilities(1)	11,283,592	5,061,914
Working capital(2)	$ (4,944,576)	$ 1,817,442

(1) Derivative liabilities have been excluded as this liability will be settled with equity instruments
(2) Working capital is defined as current assets minus current liabilities, excluding derivative liabilities that will be settled with equity instruments

The adoption of *IFRS 16, Leases* on April 1, 2019 contributed to an increase in both total assets and total non-derivative liabilities as it required the recognition of the Company's office lease as an asset and offsetting liability. The increase to total assets was offset by a decrease in current assets to finance ongoing operating expenses, which are currently in excess of revenue; this also contributed to a decrease in cash and working capital. The Company also completed a private placement of senior unsecured convertible debentures for gross proceeds of $3,500,000 last quarter, of which $2,000,000 was used to repay existing convertible debentures, impacting the Company's cash balance. As the current convertible debentures mature a year from issuance and the previous convertible debentures were considered long-term as of March 31, 2019, there was a $2,000,000 impact to the Company's working capital balance.

In the previous fiscal year, the Company completed a brokered private placement whereby 11,418,009 subscription receipts were issued at a price of $0.60 per share for gross proceeds of $6,850,806 and completed a private placement of senior unsecured convertible debentures consisting of 2,000 units at $1,000 per unit for gross proceeds of $2,000,000. A comparison of the expected purposes of these funds, as disclosed in the Company's filing statement, versus actual spending is as follows:

	Expected	Actual
New office	$ 1,366,426	$ 1,797,241
Additional salaries and related costs	3,353,491	1,114,621
Additional marketing	1,293,065	584,262
General and administrative	643,495	2,078,990
Information technology	352,158	134,038
Future acquisitions and opportunities	1,000,000	-
RTO transaction costs	-	643,090
Operating losses and working capital	-	2,049,676
Unallocated funds	$ 393,283	$ -

Costs associated with the new office and related general and administrative expenses came in higher than originally anticipated, whereas information technology expenses, additional salaries and additional marketing spend came in lower. As an acquisition opportunity has not yet been closed, the $1 million allocated amount has not yet been spent. In addition, funds were used to fund RTO transaction costs and operating losses, which were not originally specifically disclosed as an expected use of funds.

The Company has a cash balance of $779,993 as of December 31, 2019. Although the Company had its first quarter of positive operating cashflows, positive cashflows are not expected over the next year as the Company intends to continue to invest in its Data Insights business. As such, management continues to evaluate a number of strategic alternatives as well as opportunities for debt and equity financing to support the Data Insights business, in addition to the reinvestment of positive cashflows from its Trade Marketing and Events segments.

The Company's office lease has been classified as a finance lease liability effective April 1, 2019, in accordance with *IFRS 16, Leases*. This lease expires on August 31, 2028, with an unexercised option to extend for an additional five years. The following table sets out the Company's contractual obligations:

(in thousands)	Total	1 Year	2 Years	3 Years	4 Years	5 Years	After 5 Years
Finance lease liability	$ 2,441	130	151	175	217	283	$ 1,485

As of February 4, 2019, the Company had the following number of common shares issued and outstanding as well as the following instruments that are convertible into common shares:

Common shares	70,495,928
Warrants	13,049,059
Convertible debentures	16,279,070
Stock options	5,503,663
Fully diluted	**105,327,720**

Transactions with Related Parties

There were no material related party transactions during the period ended December 31, 2019.

Non-IFRS Financial Measures

This MD&A includes the following financial measure that does not have any standardized meaning under IFRS and may not be comparable to similar measures employed by other companies:

"Earnings before interest, income taxes, depreciation and amortization" ("EBITDA") is calculated as net income before depreciation, share based compensation, finance and other costs, changes in fair value and gains on extinguishment of derivative liabilities, realized and unrealized gains or losses on marketable securities, reverse takeover costs and income tax expense.

Management believes that this financial measure is useful for investors and other readers, when used in conjunction with other IFRS financial measures, as it is a measure used internally by management to evaluate performance. However, this financial measure is intended to provide additional information and should not be considered in isolation or as a substitute for measures of financial performance prepared in accordance with IFRS.

Changes in Accounting Policies

The following new standards, interpretations and amendments to standards became effective April 1, 2019. The full description of each of these changes in accounting policies is available in the Company's consolidated interim financial statements. The impact of the adoption of these standards is outlined below.

IFRIC 23, Uncertainty over Income Tax Treatments, provides guidance on the accounting for current and deferred tax assets and liabilities in circumstances in which there is uncertainty over income tax treatments. The adoption of this standard did not have a material impact on the consolidated interim financial statements.

IFRS 16, Leases, applies a control model to the identification of leases, distinguishing between leases and service contracts on the basis of whether there is an identified asset controlled by the customer. The standard removes the distinction between operating and finance leases with assets and liabilities recognized in respect of all leases. The Company adopted the standard using the modified retrospective approach, which does not require the restatement of comparative information. On adoption, the Company recognized a right-of-use asset and finance lease liability of $2,526,318, which pertains to the lease of the Company's office space. The weighted average incremental borrowing rate applied to the finance lease liability was 15% and the right of use asset is being amortized on a straight-line basis over an estimated useful life of 9.4 years, which is the remaining lease term, including exercised extensions. In applying IFRS 16 for the first time, the Company has elected to exclude leases that have terms of twelve months or less (from date of adoption) and leases that meet the low-value exemption.

Forward-Looking Statements

Certain sections of this MD&A may contain "forward-looking statements" within the meaning of applicable securities legislation. All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Forward-looking statements may relate to the Company's future financial conditions, results of operations, plans, objectives, performance or business developments. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements and those made in our other filings with applicable securities regulators in Canada. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

Critical Accounting Estimates

The preparation of consolidated interim financial statements in accordance with IFRS, requires management to make judgments that affect the application of accounting policies and the interpretation of accounting standards, and to make estimates and assumptions which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Management makes estimates based on specific facts or circumstances as well as past experiences. Management periodically reviews its estimates and underlying assumptions relating to the fair value of financial instruments, discount rates used to determine the present value of finance lease liabilities, components of convertible instruments, impairment of trade and other receivables, depreciation and impairment of property and equipment, provisions, share based compensation and tax provisions. As adjustments become necessary, they are reported in earnings in the period in which they become known. Due to the inherent uncertainty involved with making such estimates and judgments, actual results could differ from those reported.

A detailed description of Lift's critical accounting estimates can be found in the Company's MD&A for the year ended March 31, 2019. As at December 31, 2019, the only significant change in the Company's critical accounting estimates relates to estimates around discount rates used to determine the present value of the Company's finance lease liability. In order to determine the appropriate discount rate, management considers various factors including internally available financing terms, discount rates used by comparable entities, as well as estimates provided by industry experts.

Risks and Uncertainties

Any investment in the securities of the Company is speculative due to the nature of its business and stage of development. There are a number of risk factors that could materially affect the Company's future operating results and could cause actual events to differ materially from those described in the forward-looking statements related to the Company. In addition to the usual risks associated with an investment in a business, investors should carefully consider the following risk factors and the risk factors set out in the Company's Filing Statement, which is available on www.sedar.com. If any of the noted risks actually occur, our business may be harmed and the financial condition and results of operations may suffer significantly. In that event, the trading price of the common shares could decline, and shareholders may lose all or part of their investment. Additional risks and uncertainties not presently known to us or that we currently consider immaterial also may impair our business and operations.

Future Capital Needs and Uncertainty of Additional Financing

In order to cover expected operating losses, including continued research and development expenditures related to the Company's digital product offering, the Company would need to secure additional equity or debt financing. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to the Company. Accordingly, these conditions represent a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

New and Unproven Market

Lift & Co. has developed products and services that provide licensed producers and retailers with a platform of marketing and data insight solutions to understand, target, and engage legal cannabis consumers. The market for these products and services, in the industry in which the Company operates, is relatively new and may not develop as expected, which makes it difficult to evaluate the Company's future prospects and may increase the risk that the platform will not be successful.

Limited Operating History

Lift & Co. has only a limited operating history and has incurred losses in recent periods as the Company has invested in the infrastructure and personnel necessary to build and support future growth. Although Lift & Co. anticipates generating increased revenue in the future, it is also incurring substantial expenses in the establishment and expansion of its business. To the extent that such expenses do not result in projected revenue increases, the Company's long-term viability may be materially and adversely affected.

Regulation of the Cannabis Industry

The cannabis industry is a new industry that is highly regulated, highly competitive and evolving rapidly. While Lift & Co. currently does not at this time anticipate being directly involved in the production, distribution or direct sale of cannabis, its business model is dependent on the regulations governing both the medicinal and the recreational cannabis markets. As such, regulatory risk exists, and Lift & Co.'s management may not be able to predict all such risks or be able to predict how such risks may result in actual results differing from the anticipated results contained in any forward-looking statements.

User Data Regulations

Lift & Co. requires its users to register on the Lift & Co. platform prior to accessing its products or services, or certain features of its products or services and its incentive platform, and Lift & Co. may be subject to increased legislation and regulations on the collection, storage, retention, transmission and use of user-data that is collected through its own website and which in the future may be collected through third party sources, including social media channels.

Dependence on Key Personnel

The Company's success depends to a significant extent on the abilities and efforts of its senior management and technical personnel. The loss of, or inability to identify, attract, hire, retain, and motivate highly skilled management, technical, sales and marketing, corporate development and other key personnel could have a material effect on Lift & Co.'s business.

User Data Protection

Although Lift & Co. only sells aggregated, non-identifiable data and ensures compliance with all applicable privacy legislation, efforts to protect the personal information of its users may be unsuccessful due to the actions of third parties, software bugs or technical malfunctions, employee error or malfeasance, or other factors. In addition, third parties may attempt to fraudulently induce employees or users to disclose information in order to gain access to the Company's data or its users' data. If any of these events occur, users' information could be accessed or disclosed improperly. Any incidents involving the unauthorized access to or improper use of the information of users or incidents involving violation of Lift & Co.'s terms of service or policies could damage the Company's reputation and the "Lift & Co." brand and diminish Lift & Co.'s competitive position. In addition, the affected users or governmental authorities could initiate legal or regulatory action against Lift & Co. in connection with such incidents, which could cause the Company to incur significant expense and liability or result in orders or consent decrees forcing Lift & Co. to modify its business practices and remediate the effects of any such incidents of unauthorized access or use. Any of these events could have a material adverse effect on Lift & Co.'s prospects, business, financial condition or results of operations.

Competition for User Engagement

Lift & Co. competes against other companies to attract and engage permitted consumers and licensed producers, including companies which may have greater financial resources and substantially larger permitted consumer bases. As a result, its competitors may acquire and engage potential permitted consumers and enter into arrangements with licensed producers at the expense of the growth or engagement of the Company's permitted consumer base and arrangements with licensed producers, which would negatively affect its business. Lift & Co. believes that its ability to compete effectively for permitted consumers and licensed producers depends upon many factors, both within and beyond its control, including:

- The popularity, usefulness, ease of use, performance and reliability of its products and services compared to those of its competitors;
- the popularity of its events and conferences compared to those of its competitors;
- the timing and market acceptance of its products and services;
- its marketing and selling efforts, and those of its competitors;
- the pricing for its products and services relative to the products and services of its competitors;
- the return that the Company's partners and users receive from its products and services, and those of its competitors;
- the Company's reputation and the brand strength relative to its competitors;
- the Company's ability, and the ability of its competitors, to develop new products and services and enhancements to existing products and services;
- the Company's ability to successfully expand into international markets and the adoption of its products and services in those markets;
- the Company's ability to establish and maintain relationships with platform partners that integrate with the Lift platform;
- the Company's ability to attract, retain and motivate talented employees, particularly engineers, designers and product and service managers; and
- acquisitions or consolidation within the Company's industry, which may result in more formidable competitors.