

**HEMPNOVA LIFETECH CORPORATION
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2020**

This Management’s Discussion and Analysis (“MD&A”) of HempNova Lifetech Corporation (“we”, “our”, “us”, “HempNova” or the “Company”) has been prepared by management on the basis of available information up to November 23, 2020, and should be read in conjunction with the Company’s condensed consolidated interim financial statements and related notes thereto prepared by management for the three months ended September 30, 2020. The Company’s condensed consolidated interim financial statements have been prepared in accordance with IAS 34 - Interim Financial Reporting of International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board. Certain information and notes usually provided in the annual financial statements have been omitted or condensed. Therefore, this MD&A should be read in conjunction with the audited consolidated financial statements and related notes thereto for the six months period ended June 30, 2020 and the year ended December 31, 2019.

Except as noted, all financial amounts are expressed in Canadian dollars. All references to "\$" and "dollars" are to Canadian dollars, all references to “US\$” are United States dollars. Some dollar amounts are rounded to thousand (‘000) for discussion purpose.

Additional information regarding the Company, including our continuous disclosure materials, the audited consolidated financial statements and the MD&A is available under the Company's profile on SEDAR at www.sedar.com. The Company’s audit committee reviews the condensed consolidated interim financial statements and the MD&A, and recommends approval to the Company’s board of directors.

Refer to Note 3 of the audited consolidated financial statements for the six months ended June 30, 2020 for details of the Company’s significant accounting policies.

The Company was incorporated in British Columbia in October 1989. The Company changed its name from Pacific Link Mining Corp. to HempNova Lifetech Corporation on May 2, 2019. The head office, principal address and records office of the Company are 2060 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 3P3. On May 1, 2019, the Company voluntarily delisted its shares from the TSX Venture Exchange.

The Company, through its wholly owned subsidiary HempNova Lifetech (USA) Corp. (“HempNova Oregon”), has been engaging in industrial hemp related services and products since 2019. HempNova Oregon was incorporated in Oregon, USA. On April 6, 2020, HempNova Oregon changed its name from HempNova Lifetech (Oregon) Corp. to HempNova Lifetech (USA) Corp. and its jurisdiction from the State of Oregon to the State of Delaware.

In April 2020, the Company also registered the following wholly owned subsidiaries in the USA:

HempNova Oregon LLC	100% owned by HempNova Lifetech (USA) Corp.
HempNova Asset Management LLC	100% owned by HempNova Lifetech (USA) Corp.
HNL2 Holdings LLC	100% owned by HempNova Asset Management LLC
HNL3 Holding LLC	100% owned by HempNova Asset Management LLC
HempNova Eugene LLC	100% owned by HempNova Oregon LLC
HempNova 238 LLC	100% owned by HempNova Oregon LLC

Change of fiscal year end

On April 28, 2020, the Company changed its fiscal year end from December 31 to June 30 effective immediately to better reflect the seasonality of its operations. The Company’s transition period is the six months ended June 30, 2020, and the comparative period is the twelve months ended December 31, 2019. The Notice of Change of

Fiscal Year End was filed on April 28, 2020 by the Company on SEDAR pursuant to NI 51-102.

The Company filed audited financial statements for the six-month period ended June 30, 2020 (with comparative figures to its old financial year end, December 31, 2019).

In addition, the Company will be filing, in respect of its new financial year, the following financial statements:

1. Unaudited interim financial statements for the first quarter ending September 30, 2020 (with comparative figures to the period ending September 30, 2019);
2. Unaudited interim financial statements for the second quarter ending December 31, 2020 (with comparative figures to the period ending December 31, 2019);
3. Unaudited interim financial statements for the third quarter ending March 31, 2021 (with comparative figures to the period ending March 31, 2020); and
4. Audited financial statements for the twelve-month period ending June 30, 2021 (with comparative figures to its six-month transition year end June 30, 2020 and its twelve-month period ending December 31, 2019).

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1. Core Businesses and Strategy

The Company is engaging in industrial hemp related services and products. The Company's strategy is to become a leading vertical integrated one-stop service provider to hemp growers with services including germination, propagation, flower drying and processing, biomass drying and processing, marketing and sales of hemp related products to retailers, wholesalers, industrial users and consumers. The Company's goal is to continuously create healthy returns to stakeholders through efficient management, organic growth and meaningful acquisitions. During 2020, the Company operates two hemp centers – Oscar Facility in Eugene, Oregon, USA (“Oscar Facility”) and Seven Oaks Hemp Center (“7Oaks Hemp Center”) in Central Point, Oregon, USA. The Company continues to build up Oscar Facility as a Good Manufacturing Practice (“GMP”) certified hemp refinery facility and to expand 7Oaks Hemp Center focusing on cultivation and processing of hemp smokable flowers.

2. Business Activities

In June 2019, the Company leased and started building up its first hemp processing facility (the “Oscar Facility”) in Eugene, Oregon, USA. The Oscar Facility, a previous U.S. Department of Agriculture (“USDA”) certified food processing facility, is a 1.7-acre commercial property with 23,000 square feet factory and warehouses. At the Oscar Facility, outside the existing building, the Company built and fully permitted a 10,000 square feet hemp drying workshop and installed four commercial dryers therein.

During 2019 drying season, the Company provided drying and storage services to local hemp growers and dried 1.4 million pounds of died biomass in its 49 days drying operation and generated \$7 million revenue by providing drying and storage services. The Company also built up a laboratory inside the Oscar Facility for analyses, research, and development.

The Company has also leased a 15,000 square feet warehouse located in Medford, Oregon, USA (the “Medford Facility”) since August 2019. An Industrial Hemp Handler License was granted to the Medford Facility by Oregon Department of Agriculture (“ODA”). The Company has converted this warehouse into a hemp storage facility. Two large commercial dryers are currently stored in Medford Facility.

In early 2020, the Company started its expansion plan for a strategic acquisition in Southern Oregon, USA. On May 8, 2020, the Company acquired all assets of 7Oaks Hemp Center, a fully functional turn-key hemp operation, located at 5130 Seven Oaks Road, Central Point, Oregon, USA for \$2.03 million. This acquisition included:

- 45 Acres EFU land with water rights and best soil
- Excellent location, close to major hemp growing areas in Southern Oregon
- Winner of 4 hemp cultivation awards in 2019
- Two existing warehouses for about 16,000 square feet
- One 8,200 square feet greenhouse
- State-of-art irrigation system

7Oaks Hemp Center obtained hemp grower license and permits for three 54,000 square feet greenhouses, a 18,000 square feet warehouse, south entrance, increase power from 800 AMP to 2,800 AMP.

Since May 2020, the Company has built and completed a 54,000 square feet multi-purposes greenhouse and a 18,000 square feet warehouse with steel structure; also, the Company is building a 8,500 square feet drying shop.

As at the date of this report, the company has grown and harvested 33 acres of hemp, mainly smokable flowers, and currently the Company is trimming and drying smokable flowers.

HempNova has been building and permitting a 5,000 square feet refinery room at its Oscar Facility since early 2020 to produce hemp related products. The Company has applied its GMP certificate and ODA food safety certificate for its Oscar Facility.

In February 2020, the Company approved \$347,545 of incentive payments to directors, officers, employees and consultants. The Company issued 1,115,000 common shares at \$0.2 per share for a total of \$223,000 and paid \$124,545 in cash for the settlement. Also, the Company granted 3,500,000 stock options to certain of its directors, employees and consultants at an exercise price of \$0.20 per common share in February 2020 and 200,000 stock options to a senior officer at an exercise price of \$0.40 per common share in March 2020. These options vest 1/3 each year over three years from the grant date and exercisable for a period of five years.

In May 2020, the Company closed a non-broker private placement of 16,167,500 common shares at a price of \$0.40 per share for gross proceeds of \$6,467,000. A finder's fee of \$129,550 was paid in connection with this financing. Such fund was used in the Company's expansion in Southern Oregon and general working capital.

In October 2020, the Company closed a \$4,198,600 convertible note financing (the "Notes"). The Notes are unsecured debt obligations of the Company and bear interest at a rate of 10% per annum to be paid annually in arrears on each of the first, second and third anniversary of the closing date. Subject to conversion, the principal amount of the Notes will mature and be repayable in full on the third anniversary of the closing date (the "Maturity Date").

The principal amount of the Notes may be converted, in whole or in part, into common shares of the Company at a conversion price of \$0.50 per common share until the second anniversary of the closing date and, thereafter, at a conversion price of \$0.60 per common share until the Maturity Date. The Company may redeem the Notes upon 30 days notice to the purchaser at any time prior to the maturity date.

The net proceeds from the Notes have been continued funding the Company's expansion plans in 2020 and general working capital.

Since February 2020, the coronavirus ("COVID-19") has threatened a slowdown in the global economy as well as caused volatility in the global financial markets. While the full impact of COVID-19 on the global economy is uncertain, rapid spread of COVID-19 may have an adverse effect on the Company.

Abeida Transaction

In 2019, the Company terminated the Share Exchange Agreement dated September 18, 2018 (the "Aibeida Agreement") made among the Company, Aibeida Lifetech Ltd. ("Aibeida"), Hang Zhou Aibeida Technologies Co. Ltd., Clever Splendor Limited ("Clever Splendor") and H.K. Gimaras Industrial Co. Ltd. ("Gimaras"), pursuant to which the Company would acquire all of the issued and outstanding shares of Aibeida from Clever Splendor and Gimaras. The termination was the result of material breaches by Aibeida, Clever Splendor and Gimaras of their obligations under the Aibeida Agreement.

During the year ended December 31, 2018, the Company advanced a loan of \$200,000 (the "Loan") and advanced \$38,497 to Aibeida and its subsidiary for Aibeida's expenses for a total of \$238,497 with non-interest bearing and repayable on demand. Aibeida shareholders had pledged all outstanding shares of Aibeida as security for repayment of the Loan.

As at December 31, 2019, the Company provided a valuation allowance totalling \$238,497 for the doubt of the recovery of the Loan and the advance. A notice of the Loan collection was sent to Aibeida on November 25, 2019. As at the date of this MD&A, the Company has not received the recovery of \$238,497 of the Loan and advance. The Company will continue its legal collateral action to recover the Loan.

3. Summary of Quarterly Results

Variations in quarterly performance over the eight quarters were primarily because the Company's primary revenue is seasonal in nature with the major revenue generated in the fourth calendar quarter; also, the variations were primarily due to variation in inventory write-off, change in foreign exchange rate, share-based compensation. The following table sets forth selected unaudited quarterly financial information for each of the last eight recently completed quarters:

	9/30/2020	6/30/2020	3/31/2020	12/31/2019
	\$	\$	\$	\$
Revenue	-	237,307	201,983	7,042,932
Cost	-	(73,792)	(72,975)	(1,205,940)
Operating expenses	(796,029)	(1,290,867)	(1,013,536)	(690,349)
Net (loss) / income after taxes	(784,101)	(2,705,453)	(882,782)	3,676,074
(Loss) / income per share	(0.01)	(0.05)	(0.02)	0.08

	9/30/2019	6/30/2019	3/31/2019	12/31/2018
	\$	\$	\$	\$
Revenue	-	-	-	-
Operating expenses	(438,030)	(361,766)	(38,603)	(130,535)
Net loss	(435,159)	(360,112)	(38,603)	(128,969)
Loss per share	(0.01)	(0.01)	(0.00)	(0.00)

4. Results of Operations

4.1 Operating Result Comparison for the Quarters Ended September 30, 2020 and 2019

The Company's primary revenue is seasonal in nature with the major revenue generated in the fourth calendar quarter. During the three months ended September 30, 2020 and 2019, the Company did not generate revenue.

The following table is a summary of the Company's operating expenses for the fiscal quarters ended September 30, 2020 and 2019.

For the three months ended September 30,	2020	2019	Change
	\$	\$	\$
Audit and accounting	9,098	9,131	(33)
Amortization (a)	189,040	77,519	111,521
Consulting and management fees	84,783	85,125	(342)
Directors' fees	3,000	1,500	1,500
Interest expense (b)	63,313	24,297	39,016
Legal, filing and transfer agent fees	16,603	21,972	(5,369)
Office and miscellaneous	71,008	73,685	(2,677)
Rent	25,752	21,967	3,785
Research and development (c)	116,033	-	116,033
Salaries and benefits (d)	117,006	101,666	15,340
Share-based compensation (e)	79,526	-	79,526
Travel, marketing and others	20,867	21,168	(301)
Total operation expenses	796,029	438,030	357,999

The operation expenses increased by \$358,000 during the fiscal quarter ended September 30, 2020 compared to the prior year same period mainly due to increased operation activities in Oregon USA resulting in overall increases in operation expenses.

- (a) The amortization increased by \$112,000 due to newly purchased 7Oaks facility, newly built greenhouse, barn and fixture in 2020, as well as substantial equipment purchases since 2019.
- (b) The interest expenses in connection with the lease obligation increased by \$39,000 due to Medford facility leased since August 2019 and office leases shared since January 2020.
- (c) The Company hired a research and development team for industry hemp related products analyses and research activities in Oscar facility.

- (d) The Company hired more general operation team resulting in increases of salary and benefits in general and administration.
- (e) Share-based compensation fluctuates from year to year depending on the timing and fair value of options granted and vested in each year. During the three months ended September 30, 2020, the share-based compensation was \$80,000 (2019 - \$Nil) as the Company granted 3.7 million options to its directors, employees and consultants during 2020 but no options granted in 2019.

Other income increased by \$9,000 during the quarter ended September 30, 2020 compared to the prior year same period mainly due to foreign exchange gain increased by \$17,000 offset other income (expenses) change of \$8,000.

5. Liquidity and Capital Resources

5.1 Cash flows

For the three months ended September 30,	2020	2019
	\$	\$
Operating activities, cash outflow	(1,275,591)	(139,803)
Financing activities, cash inflow	4,094,193	94,384
Investing activities, cash outflow	(1,851,900)	(1,625,667)

Operating activities

During the three months ended September 30, 2020, \$1,275,000 (2019 - \$140,000) net cash used in the operating activities mainly due to \$466,000 (2019 - \$331,000) of net operation expenditures plus \$809,000 (2019 – offset \$191,000) of changes in working capital. During the three months ended September 30, 2020, the Company spent \$397,000 on inventory and paid off \$686,000 due to related parties.

Financing activities

During the three months ended September 30, 2020, the Company received \$4,198,600 cash for the convertible debt subscription received in advance (2019 - \$177,000 cash received from share issuance) and paid \$104,000 (2019 - \$82,000) in connection with the lease obligation.

Investing activities

During the three months ended September 30, 2020, the Company used \$1,850,000 in purchase of new equipment as well as newly built greenhouse, barn and fixtures in facilities in USA (2019 - \$1,605,000). The Company also paid \$2,000 (2019 - \$21,000) deposit for rent.

5.2 Liquidity and Capital Resources

As at September 30, 2020, the Company had current assets of \$4,971,000 (June 30, 2020 - \$3,806,000) and current liabilities of \$348,000 (June 30, 2020 - \$1,168,000) for a total of working capital of \$4,623,000 (June 30, 2020 - \$2,638,000). The Company uses the following key financial measurements to assess its financial condition and liquidity:

	As at September 30, 2020	As at June 30, 2020
	\$	\$
Working capital	4,622,972	2,637,533
Cash	2,743,730	1,810,931

On May 12, 2020, the Company closed a non-broker private placement of 16,167,500 common shares at a price of \$0.40 per share for gross proceeds of \$6,467,000. A finder fee of \$129,550 was paid in connection with this financing. Proceeds from the private placement used in funding the Company's expansion in Southern Oregon and for general working capital.

On October 20, 2020, the Company closed a \$4,198,600 convertible note financing (the "Notes"). The Notes are unsecured debt obligations of the Company and bear interest at a rate of 10% per annum to be paid annually in arrears on each of the first, second and third anniversary of the closing date. Subject to conversion, the principal amount of the Notes will mature and be repayable in full on the third anniversary of the closing date (the "Maturity Date").

The principal amount of the Notes may be converted, in whole or in part, into common shares of the Company at a conversion price of \$0.50 per common share until the second anniversary of the closing date and, thereafter, at a conversion price of \$0.60 per common share until the Maturity Date. The Company may redeem the Notes upon 30 days' notice to the purchaser at any time prior to the maturity date.

The Company's primary revenue is seasonal in nature with the major revenue generated in the fourth calendar quarter.

The Company does not have unlimited resources and its future capital requirement will depend on many factors, including, among others, cash flows from operations. To the extent that is existing resource and the funds generated by future income are insufficient to fund the Company's acquisition and operations, the Company may need to raise additional funds through equity or debt financing. If additional funds are raised through the issuance of equity securities, the percentage ownership of current shareholders will be reduced, and such equity securities may have rights, preferences or privileges senior to those of the Company's current common shares. No assurance can be given that additional financing will be available or that, if available, can be obtained on terms favorable to the Company and its shareholders. If adequate funds are not available, the Company may be required to delay, limit or eliminate some or all of its proposed operations. The Company believes it has sufficient capital to meet its cash needs for the next twelve months.

6. Transactions with Related Parties

Shared office expenses

The Company, Minco Silver, Minco Capital Corp. ("Minco Capital"), and Minco Base Metals Corporation ("MBM") have certain directors and management in common. These four companies share certain offices and administrative expenses.

During the three months ended September 30, 2020, the Company incurred \$49,842 (2019 - \$2,400) to Minco Capital for reimbursement of shared office expenses and rent for the head quarter in Vancouver and incurred \$12,270 (2019 - \$Nil) to Minco China for reimbursement of shared office rent in Beijing, China. During the three months ended September 30, 2020, the Company also incurred \$114,142 (2019 - \$Nil) to MBM for reimbursement of labour, travel and other expenses in China.

Key management compensation

Key management includes the Company's directors and senior management. During the three months ended September 30, 2020 and 2019, the following compensation was charged by the key management.

	Three months ended September 30,	
	2020	2019
	\$	\$
Senior management remuneration	105,335	93,804
Directors' fees	3,000	1,500
Share base compensation	61,200	-
Total	169,535	95,304

Due to related parties

As at September 30, 2020 and June 30, 2020, the Company's amount payable to related parties are as follow:

	As at September 30, 2020	As at June 30, 2020
	\$	\$
MBM, for labor and equipment purchase	-	495,837
Minco Capital, for reimbursement of the shared expenses	-	458
Minco Silver, for reimbursement of the shared expenses	-	125,805
A company owned by the CEO, for service fees	-	55,026
Due to the president for expenses reimbursement	9,766	8,936
Total due to related parties	9,766	686,062

Amounts due to related parties are unsecured, non-interest bearing and without specific terms of repayment.

Participated in the Company's private placement

MBM and a person related to the Company's President participated in the Company's convertible note financing closed on October 20, 2020 and the Company received an aggregate of \$2,400,000 of convertible debt subscription received in advance during the three months ended September 30, 2020.

Trust arrangements

The Company has been purchasing substantial amount of machinery, equipment, and construction parts from suppliers in China for its facilities in Oregon, USA. In order to facilitate such purchases, the Company entered into a trust agreement with Minco International Mining Consulting Co. Ltd. ("Minco International"), MBM's wholly owned subsidiary registered in China, for holding the Company's \$1,000,000 in an exclusive bank account in China. Minco International processed all of the purchase orders, shipment, payments in China and provided related labours on behalf of the Company. During the three months ended September 30, 2020, Minco International charged service fees of \$16,154. As at September 30, 2020, the amount held by Minco International is \$874,331.

In 2019, the Company entered into a trust agreement with Beijing Zhongjia Kailong Technology Development Co. Ltd. ("Zhongjia"), a Chinese registered entity controlled by a brother of the Company's CEO, for holding the Company's \$1,500,000 in Zhongjia bank account. Zhongjia processed the Company's equipment purchases in China on behalf of the Company. As at September 30, 2019, the amount held by Zhongjia on behalf of the Company was \$260,171. Such fund was fully used subsequent to September 30, 2019.

7. Outstanding Share Data

As at the date of this MD&A, the Company has 62,583,353 common shares and 3,520,000 stock options outstanding.

8. Off-Balance Sheet Arrangements

The Company does not have off-balance sheet arrangements.

9. Internal Controls over Financial Reporting

The management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's financial statements.

The management of the Company has filed the Venture Issuer Basic Certificate on SEDAR at www.sedar.com. In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

9.1. Changes in Internal Controls over Financial Reporting

NI 52-109 also requires Canadian public companies to disclose any changes in ICFR during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, ICFR. No material changes were made to internal controls in the three months ended September 30, 2020.

10. Financial Instruments

The Company's activities exposed to varying degrees of financial risks, including but not limited to market risk, foreign exchange risk, interest rate risk, credit risk and liquidity risk. Risk management activities are carried out by management, who identifies and evaluates the financial risks.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is the risk of liquidity of cash of \$2,743,730 as at September 30, 2020 (June 30, 2020 - \$1,810,931). As the Company's policy is to limit cash holdings to instruments issued by major Canadian banks, or investments of equivalent or better quality, the credit risk related to cash is considered by management to be negligible.

Significant management estimates are used to determine the allowance for doubtful accounts. The Company considers the probability of default on a specific account basis, which involves assessing whether there was a significant increase in credit risk. Indicators include actual or expected changes in the debtor's ability to pay based on information that is available each reporting period, monitoring past due accounts and other external factors. The Company believes that its allowance for doubtful accounts is sufficient to reflect the related credit risk associated with the Company's accounts receivable. The Company monitors the credit quality of the customers it deals with on an ongoing basis.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. The Company's primary exposure to liquidity risk from financial instruments is its need to meet accounts payable and accrued liabilities obligations of \$166,257 at September 30, 2020 (June 30, 2020 - \$309,722). The Company did maintain sufficient cash balances to meet these needs at September 30, 2020.

Foreign exchange gain (loss)

The functional currency of the Company is the Canadian dollar and the functional currency of its subsidiaries is US dollar. Most of the foreign currency risk is related to US dollar funds held by the Company and its subsidiaries. Therefore, the Company's net earnings are impacted by fluctuations in the valuation of the US dollar in relation to the Canadian dollar.

The Company does not hedge its exposure to currency fluctuations. The Company has completed a sensitivity analysis to estimate the impact that a change in foreign exchange rates would have on the net gain or loss of the Company.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have liabilities exposed to variable interest rate. As such the interest rate risk is considered minimum.

Fair Value of Financial Instruments

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 Company's cash and cash equivalent are Level-1 financial assets and does not have Level 2 and Level 3 financial instruments.

The Company does not have instruments measured at fair value. Fair values of financial instruments not measured at fair value approximate their carrying value due to their short-term nature. The following table summarizes the carrying value of financial instruments as at September 30, 2020 and June 30, 2020:

	September 30, 2020	June 30, 2020
Financial assets, amortized cost:	\$	\$
Cash	2,743,730	1,810,931
Other receivables	1,978	276,016
Financial liabilities, amortized cost:		
	166,257	309,722
Customer advance	-	-
Due to related parties	9,766	686,062
Lease obligations, current	171,589	172,201
Lease obligations, non-current	3,006,352	3,113,058
Convertible debt subscription received in advance	4,198,600	-

11. Contractual Obligations, Commitments and Contingency

The Company's undiscounted contractual obligations as at September 30, 2020 are lease agreements in connection with shared offices and operation facilities and their approximate timing of payment are as follows:

	< 1 year	1-3 years	4-5 years	> 5 years	Total
	\$	\$	\$	\$	\$
Due to related parties	9,766	-	-	-	9,766
Leases	416,752	758,015	732,481	3,231,209	5,138,457
	426,518	758,015	732,481	3,231,209	5,148,223

The Company has been notified of a third-party legal claim, relating to a contract with a customer. However, in the opinion of the management, this claim is without merit and no provision has been made for it in the accounts.

12. Forward Looking Statements

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements.

These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guaranteeing of future performance. Forward-looking statements in this MD&A include statements involving known and unknown risks and uncertainties such as general economic and business conditions, change in foreign currency exchange rates, and other factors, including but not limited to our evaluation of the impacts of the adoption of International Financial Reporting Standards. Since forward looking statements address future events and conditions, by their nature, they involve inherent risks and uncertainties. Therefore, actual results may be materially different from those expressed or implied in such statements. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. HempNova Lifetech Corp. has no intention and undertakes no obligation to update or revise any forward-looking statements to reflect new events or circumstances, whether written or oral that may be made by or on the Company's behalf.