

Trusted Brand 2016 Inc.

MANAGEMENT'S DISCUSSION & ANALYSIS FOR PERIOD ENDED September 30, 2018

The following discussion and analysis should be read in conjunction with the September 30, 2018 condensed interim financial statements and the December 31, 2017 audited financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). Additional information regarding the Corporation is available on SEDAR at www.sedar.com. The financial statements and financial data contained in this discussion and analysis is presented in accordance with IFRS.

All dollar figures included therein and in the following discussion analysis are quoted in Canadian dollars unless otherwise noted.

DATE

This MD&A is dated November 20, 2018 and is in respect of the period ended September 30, 2018. The discussion in this management's discussion and analysis focuses on this period.

FORWARD LOOKING INFORMATION

The following discussion and analysis provides information that management believes is relevant to the assessment and understanding of the Corporation statements herein contain forward-looking statements relating to the operations or to the environment in which we operate, which are based on our operations, forecasts, and projections. Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties and assumptions, and actual results may differ materially from those anticipated in these forward-looking statements. The risks include those outlined under the "Risk Factors and Uncertainties" section of this MD&A and elsewhere in the Corporation's public disclosure documents.

DESCRIPTION OF TRUSTED BUSINESS AND OVERALL PERFORMANCE

Trusted Brand 2016 Inc. ("Trusted" or the "Corporation") was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on March 4, 2016. The Corporation is a Capital Pool Company ("CPC") as defined pursuant to Policy 2.4 of The TSX Venture Exchange (the "Exchange"). The Corporation proposes to identify and evaluate corporations, business or assets for acquisition and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder and regulatory approval. There is no assurance that the Corporation will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or de-list the Corporation's shares from trading. The Corporation has been evaluating various business opportunities that could become its Qualifying Transaction (as such term is defined in Exchange policies).

The Board of Directors has approved the grant of 101,200 options that have an exercise price of \$0.40 per Common Share. The Corporation has determined that exemptions from the various requirements of the TSX Venture Exchange Policy 5.9 are available for the grant of these Options. The Options are subject to TSX Venture Exchange acceptance and are expected to be granted at a future date when the Corporation is out of black out.

On May 30, 2018 the Company has entered into a non-binding letter of intent (the "LOI") with TheraCann International Benchmark Corporation, an arm's length private company (the "TheraCann"). TheraCann is focused in the business of developing and implementing proprietary solutions for production, quality and traceability in regulated cannabis operations. Pursuant to the terms of the LOI, the Corporation, subject to entering into a definitive agreement (the "Transaction Agreement"), has agreed to combine with TheraCann by way of share exchange, merger, amalgamation, arrangement, or other similar form of transaction (the "Transaction"). The Transaction is an arm's length transaction and, when completed, may be considered to be the Qualifying Transaction for the purposes of the

TSX Venture Exchange Inc. (the "Exchange"). The Corporation has requested its common shares ("Shares") to be halted by the Exchange pending review of the materials for the Transaction.

SELECTED FINANCIAL INFORMATION

Selected Quarterly Statement of Operations Data

	September 30, 2018		June 30, 2018		March 31, 2018	
Expenses	\$	19,403	\$	15,248	\$	13,585
Net loss for the period	\$	(19,403)	\$	(15,248)	\$	(13,585)
Basic loss per share	\$	(0.00)	\$	(0.00)	\$	(0.00)

	December 31, 2017		September 30, 2017		June 30, 2017		March 31, 2017	
Expenses	\$	24,550	\$	3,496	\$	23,282	\$	77,137
Net loss for the period	\$	450	\$	(3,496)	\$	(23,282)	\$	(77,137)
Basic loss per share	\$	0.00	\$	(0.00)	\$	(0.01)	\$	(0.04)

	December 31, 2016		September 30, 2016		June 30, 2016		March 31, 2016	
Expenses	\$	193,343	\$	1,770	\$	3,265	\$	3,625
Net loss for the period	\$	(193,343)	\$	(1,770)	\$	(3,265)	\$	(3,625)
Basic loss per share	\$	(1.00)	\$	(0.00)	\$	(0.00)	\$	(0.00)

Variances in net loss by quarter will reflect overall corporate activity and factors which do not recur each quarter, such as interest income on fluctuating cash balances, professional and regulatory fees related to evaluation of potential Qualifying Transactions.

RESULTS OF OPERATIONS

During period ended September 30, 2018 the Corporation incurred a loss of \$19,403 (2017 - \$23,282). The loss primarily relates to professional fees of \$19,372 (2017 - \$19,148) incurred during the evaluation of various business opportunities, and general and administrative expenses.

OUTSTANDING SHARE DATA

Common Shares

As at September 30, 2018 and the date of this MD&A, the Corporation had 3,962,900 (2017 – 3,962,900) common shares issued and outstanding.

Pursuant to an escrow agreement dated as of May 3, 2016 among the Corporation, Computershare Trust Company of Canada and certain shareholders of the Corporation, 1,819,200 common shares, being issued and outstanding common shares prior to the completion of the initial public offering, plus shares acquired by principals pursuant to the initial public offering, have been deposited in escrow. Upon the Corporation completing a Qualifying Transaction, as defined in Policy 2.4 of the Exchange, common shares held pursuant to the escrow agreement shall be released as to 10% of the total escrowed shares immediately following the issuance of the bulletin of the Exchange announcing final acceptance of the Qualifying Transaction and 15% of the total escrowed shares shall be released every six months commencing six months following the initial release.

ARBITRARY SHARE DATA

Common Shares issued upon the exercise of the Agent's options are restricted such that only 50% of the issued shares on exercise of such options may be sold prior to the Corporation completing a Qualifying Transaction.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2018, the Corporation had net working capital of \$324,760 (December 31, 2017 - \$372,997) comprised of cash less accounts payable and accrued liabilities, which management considers being sufficient for the Corporation to meet its ongoing obligations.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has no off-balance sheet arrangements.

FINANCIAL INSTRUMENTS

The Corporation, as part of its operations, carries financial instruments consisting of cash. It is management's opinion that the Corporation is not exposed to significant credit, interest, or currency risks arising from these financial instruments except as otherwise disclosed.

FAIR VALUE

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Corporation classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.
- Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
- Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The fair value of cash in trust is determined on level 1 inputs. The carrying amount of cash in trust approximates their fair value due to the short-term maturities of these items.

CREDIT RISK

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Corporation believes it has no significant credit risk.

LIQUIDITY RISK

The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2018, the Corporation had a cash balance of \$325,123 (December 31, 2017 - \$365,923) to settle future obligations.

MARKET RISK

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Corporation has no market risks.

CRITICAL ACCOUNTING ESTIMATES

This MD&A is based on the financial statements which have been prepared in accordance with IFRS. The preparation of the financial statements requires that certain estimates and judgments are based on

historical experience and on various other assumptions that are believed to be reasonable under the circumstances.

The accounting estimates for share based payments is based on the Black-Scholes option valuation model which was developed for use in estimating the fair value of traded options which were fully tradable with no vesting restrictions. This option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Since the Corporation from those of traded options and since changes in the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

RISK FACTORS AND UNCERTAINTIES

The business risk factors applicable to the Corporation have not materially changed since the prospectus dated June 13, 2016 and filed on www.sedar.com on September 9, 2016.

CAPITAL RISK MANAGEMENT

The Corporation defines capital as total equity which was \$324,760 at September 30, 2018 (December 31 2017 - \$372,997). Its principal source of cash is from the issuance of common shares. The Corporations capital management objectives are to safeguard its ability to continue as a going-concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in a business or assets.

The Corporation 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 Corporation may attempt to issue new shares.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or business for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Corporation. These restrictions apply until the completion of a Qualifying Transaction.

OUTLOOK

The Corporation is currently working towards completing its proposed Qualifying Transaction with the targeted private company.

OTHER INFORMATION

The policies of the Exchange prohibit CPC's from carrying on formal investor relations activities. Corporate communications and investor inquiries are handled by the directors and officers of the Corporation. Additional information about the corporation is available on SEDAR at www.sedar.com.