AGRICANN SOLUTIONS CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE PERIOD ENDED SEPTEMBER 30, 2023

The purpose of this Management Discussion and Analysis (MD&A) is to explain management's point of view regarding the past performance and future outlook of AgriCann Solutions Corp. ("AgriCann", "ASC", or the "Company").

This report intends to complement and supplement the unaudited financial statements and the related notes thereon (the "financial statements") as well as important trends and risk affecting the Company's financial performance and should be read in conjunction with the financial statements and the accompanying notes for the period ended September 30, 2023.

All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). All dollar amounts are expressed in Canadian dollars, unless otherwise specified.

Additional information regarding the Company is available on SEDAR+ at www.sedarplus.ca.

On December 13, 2022, at the request of the Board of Directors to assist with the efficient audit of the annual audited financial statements, as recommended by the previous and prospective replacement auditors, the Company changed the end of its reporting period from December 31 to March 31. Amounts presented as at and for the year ended March 31, 2023 are for a 15-month period. Comparative figures are for a 12-month period. Consequently, comparative amounts for the consolidated statement of loss and comprehensive loss, consolidated statement of changes in equity, consolidated statement of cash flows and related notes are not entirely comparable.

The MD&A is prepared as of November 29, 2023.

FORWARD-LOOKING INFORMATION

Inherent in forward-looking statements involve known and unknown risks, and factors may include, but are not limited to: unavailability of financing, changes in government regulation, general economic condition, general business conditions, limited time being devoted to business by directors, escalating professional fees, escalating transaction costs, competition, fluctuation in foreign exchange rates, competition, stock market volatility, unanticipated operating events and liabilities inherent in industry.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, the following assumptions: that there is no material deterioration in general business and economic conditions; that there is no unanticipated fluctuation of interest rates and foreign exchange rates; that the supply and demand for, deliveries of, and the level and volatility of commodity prices develop as expected; that the Company receives regulatory and governmental approvals as are necessary on a timely basis; that the Company is able to obtain financing as necessary on reasonable terms; that there is no unforeseen deterioration in the Company's activity costs; that the Company is able to continue to secure adequate transportation as necessary for its exploration activities; that the Company is able to procure equipment and supplies, as necessary, in sufficient quantities and on a timely basis; that exploration activity timetables and capital costs for the Company's planned projects are not incorrectly estimated or affected by unforeseen circumstances; that costs of closure of various operations are accurately estimated; that there are no unanticipated changes to market competition; that the Company's estimates in relation to its natural resource interests are within reasonable bounds of accuracy and that the geological, operational and price assumptions on which these are based are reasonable; that no environmental and other proceedings or disputes arise; and that the Company maintains its ongoing relations with its employees, consultants and advisors.

Readers are cautioned that the foregoing list of important factors and assumptions is not exhaustive. Forward-looking statements and non-IFRS performance measures are not guarantees of future performance. Events or circumstances could cause the Company's actual results to differ materially from those estimated or projected and expressed in, or implied by, these forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise, except as may be required under applicable laws.

The forward-looking statements contained herein are based on information available as of November 29, 2023.

NON-IFRS PERFORMANCE MEASURES

The Company uses non-IFRS performance measures that are not recognized or defined under IFRS. The non-IFRS performance measures are used by management to access the financial and operational performance of the Company. They may include, but not limited to include gross margin before fair value adjustments.

COMPANY OVERVIEW

Company Background

AgriCann Solutions Corp. (the "Company") was incorporated under the laws of British Columbia on

December 14, 2014 as a wholly owned subsidiary of The Valens Company (VLNS-TSX) ("Valens"), a Canadian public company, acquired by SNDL Inc. (SNDL-NASD) on January 17, 2023.

On March 2, 2015 at Valens' Special Meeting of shareholders, Valens shareholders unanimously voted to approve a statutory plan of arrangement (the "POA") under the Business Corporations Act (British Columbia). On March 5, 2015, in accordance with the POA, the spin-off of the Company from Valens was granted final court approval. Effective March 12, 2015, the Company became a reporting issuer in British Columbia and Alberta and was no longer a subsidiary of Valens. Pursuant to the terms of the POA, the Company distributed 3,615,641 common shares to Valens shareholders of record who received one common share in the capital of the Company for every twenty-five common shares held in the capital of Valens.

The Company operates through its wholly owned subsidiary Craft Nurseries Canada, Inc. ("CNC") located at a greenhouse facility in the Okanagan Valley of British Columbia. CNC was incorporated federally on January 22, 2019 and registered in British Columbia on May 8, 2019. The Company completed the acquisition of CNC on June 4, 2021 pursuant to a share exchange with CNC's shareholders.

On October 20, 2023, the Company closed on a definitive Share Exchange Agreement ("SEA") with Newline Ventures Inc. ("Newline"), which was formally approved by votes cast at AgriCann's April 17, 2023 AGM for the acquisition of Newline, creation of a new control person, and establishment of a Long-Term Incentive Plan ("LTIP Awards") (refer to the Company's Information Circular dated March 13, 2023 filed under the Company's profile on SEDAR+ available at www.sedarplus.ca). The closing of the SEA facilitates the Company's corporate expansion with an operational facility with superior licensing, logistics and expansion capabilities.

In consideration for the acquisition of 100% of the shares of Newline, AgriCann paid to the Newline shareholders $3,947,000 (the "Purchase Price") satisfied through the payment of $165,000 in cash and the issuance of 37,825,182 AgriCann common shares from treasury at a deemed price of $0.10 per AgriCann Common Share (the "Consideration Shares"). The Consideration Shares, as well as a finder's fee of 794,329 shares to an arms-length consultant, were deposited with an escrow agent on the closing date pursuant to the terms of escrow and pooling agreements. Original Newline shareholders committed 18,240,012 Consideration Shares to the establishment of AgriCann's LTIP Awards program, in which key members of AgriCann's current executive team participate, subject to the terms of escrow and pooling agreements that include certain performance criteria.

The registered head office of the Company is located at 650 West Georgia Street, Suite 2110, Vancouver, British Columbia, V6B 4N8, Canada.

Key Corporate Highlights

CNC, situated in Lake Country and Vernon, B.C., stands as an emerging cannabis nursery operation establishing a significant presence in Canada. Our core mission revolves around supplying the cannabis industry with distinctive cannabis cultivars, rooted cannabis clones, ready-to-flower cannabis plants, and mother stock genetics as essential starting materials for licensed producers nationwide.

While our journey began with a strategic focus on curating a unique catalog of premium and exotic cannabis cultivars, our vision has evolved since January 2023. We have expanded our strategic objectives to encompass a more diversified approach, including the strategic acquisition of Newline to enable the execution of a vertically integrated business model, bolstering our team with seasoned industry experts, and fostering key international partnerships.

In Q2 2023, the management team achieved the following milestones:

- **Strategic Acquisition:** ASC entered into a definitive agreement to acquire Newline Ventures Inc., a move designed to enable the Company's enhanced business model. This strategic acquisition is expected to expand ASC's operations by adding cultivation, processing, and a medical sales license. It positions ASC to enter new segments of the cannabis industry, enhancing the Company's growth prospects and creating value for our stakeholders.
- **Capital Raise:** ASC arranged a non-brokered private placement to raise capital. The funds raised are being allocated towards capacity expansion and bolstering general working capital. This strategic capital infusion supports ASC's ambitious growth plans and fortifies its financial position.
- **Strategic Partnership:** CNC forged a strategic partnership agreement with Klonetics Plant Science. Leveraging Klonetics' expertise in tissue culture and plant science, CNC is positioned to outsource the production of clones and starter plants, enabling the Company to focus on its core strength of curating new genetics cultivars. This partnership streamlines operations, enhances efficiency, and allows us to focus more of our core competencies.
- **BC's Direct Delivery Program:** Anticipating the acquisition of Newline Ventures, ASC secured approval to participate in BC's Direct Delivery program. This program provides a streamlined distribution channel, allowing ASC to deliver consumer packaged goods directly to retailers across British Columbia. This strategic advantage reinforces ASC's presence in the BC market.
- **Market Expansion:** ASC through Newline completed preparations for its first delivery of cannabis products into the OCS, Ontario's sole distributor into Canada's largest market. This milestone opens significant opportunities for ASC to reach a broader customer base and increase market share.
- **Online Portal Development:** Initiated the development of an online portal that serves multiple purposes: Showcases engaging content for our consumer brands, provides valuable information to consumers, facilitates the wholesale ordering process for BC retailers through Direct Delivery, and streamlines the supply chain to enhance the customer experience.
- **EU-GMP Cultivation Testing:** CNC initiated cultivation testing with a EU-GMP partner, aiming to test our genetics in their facility with the goal of producing finished cannabis flower for the European market. This strategic move represents a significant step toward international expansion and diversification of revenue sources.
- **Cannabis 2.0 License Application:** ASC initiated the awarding of a Cannabis 2.0 license at Newline Ventures, enabling the Company to manufacture and distribute concentrates, edibles, vapes, topicals, and other cannabis derivative products. This license broadens ASC's product offerings and positions the Company to tap into the growing market for cannabis derivatives.

Financial Summary

1. During the current period, the Company had a net loss from operations of $837,520 of which $289,750 were from consulting and management fees, $177,881 were related to salaries and $114,857 to non-cash share-based compensation. Management attributes the net loss to the increase in consulting, salaries, and management fees incurred to strengthen the management team in

execution of its go-to-market strategy following the pending close of the acquisition of Newline Ventures.
2. The loss and comprehensive loss for the period was $873,677 which includes net interest expense of $36,157.

CORPORATE OUTLOOK

Our corporate outlook remains firmly anchored with a forward-thinking strategy geared toward growth and operational excellence. We are embarking on a journey to achieve and solidify a position as a leader in the cannabis industry, with an unwavering commitment to leverage our extensive genetic library and enhance CNC's reputation as a go-to cannabis nursery for high-demand cultivars. Our strategic initiatives are designed to take our vision to the next level. At the forefront of this transformation is our launch as a vertically integrated business through the Newline facility.

The foundation of our strategy centers on this pivotal move towards vertical integration, not only representing a substantial expansion of our service offerings but also underscoring our dedication to providing exceptional customer experience. Through this integration, we aim to seamlessly connect all facets of our operations, from genetics curation to manufacturing, enabling us to cater comprehensively to the evolving needs of valued customers.

Below we detail specifics of our vertical integration strategy and how it aligns with our broader objectives. While we acknowledge the challenges faced particularly in Q3/Q4 2022, these were valuable learning experiences that paved the way for a proactive reboot. The resulting initiatives not only safeguard against the recurrence of past issues but positions us on a robust platform for controlled and scalable expansion.

Over the next 12 months, the management team is focusing on the following strategic objectives:

- **Vertical Integration**: We are progressing towards a vertically integrated business model, allowing us to diversify our service offerings and cater more comprehensively to customer needs. This integration will enhance our operational efficiency and customer satisfaction.
- **Market Expansion**: Building on the strategic acquisition of Newline Ventures Inc. completed on October 20, we are poised to expand our operations significantly. This acquisition positions us to enter new segments of the cannabis industry, creating value for our stakeholders and bolstering our growth prospects.
- **Streamlined Distribution**: Leveraging the approval to participate in BC's Direct Delivery program, we will streamline our distribution channels, improving customer convenience and enhancing our market share in British Columbia.
- **Strategic Partnerships**: We will continue to seek strategic alliances with industry leaders to pool resources, drive innovation, and maintain a competitive edge in the market. Our partnership with Klonetics Plant Science is a prime example of this strategy, streamlining our operations and enhancing efficiency.
- **Genetic Pipeline Innovation**: We are committed to innovating our genetic pipeline through breeding initiatives and strategic collaborations. This ensures that we remain at the forefront of market trends and continue to provide unique cultivars that cater to evolving customer preferences.
- **Relationship Building**: Strengthening our established relationships with key suppliers, retailers, and stakeholders is essential to maintaining operational efficiency, ensuring supply chain resilience, and

expanding our market reach.

- **Customer Service Enhancement**: We will streamline our order-fulfillment processes to enhance customer service experiences, reinforcing our reputation for quality and reliability.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE ("ESG")

The Company has considered ESG in its strategic objectives and plans to implement ESG strategies which may include the identification of ESG opportunities and quantifying the impacts of the ESG initiatives deployed in the Company.

At CNC, the greenhouse buildings locally source organic dirt, soil, and nutrients for micropropagation. CNC's greenhouse is designed to maximize the amount of natural light needed for the cannabis plants thereby allowing CNC to reduce the amount of electrical power consumption.

At this time, the Company has not identified which financial and non-financial Key Performance Indicators ("KPIs") it will measure and anticipates it will be able to identify some KPIs in due course.

UNCERTAINTY DUE TO COVID-19

The duration and full financial effects of the COVID-19 pandemic is unpredictable at this time, as are the measures taken by governments, companies, and others to attempt to address the spread and impact of COVID-19. Any estimate of the length and severity of these developments is therefore subject to significant uncertainty, and accordingly estimates of the extent to which COVID-19 may materially and adversely affect the Company's operations, financial results and condition in future periods are also subject to significant uncertainty. In the current environment, the assumptions and judgements made by the Company are subject to greater variability than normal, which could in the future significantly affect judgments, estimates and assumptions made by management as they relate to potential impact of COVID-19 and could lead to a material adjustment to the carrying value of the assets or liabilities affected. The impact of current uncertainty on judgments, estimates and assumptions extends, but is not limited to, the Company's valuation of its long-term assets, including the assessment for impairment and impairment reversal. Actual results may differ materially from these estimates.
As a result of the COVID-19 pandemic, the Company took action to protect its employees, contractors, and the communities in which it operates, and has taken the opportunity to materially write down various capitalized assets.

BRAND PORTFOLIO

The Company's brand portfolio has evolved from strictly being a genetic supplier, to vertically integrating our model and offering Consumer Packaged Goods to retailers across Canada.

• Craft Nurseries is our original brand that focuses on the supply of premium genetics to licensed cultivators across Canada.

Consumer Packaged Goods:

• Micro-Cult: Our flagship brand that will deliver good quality cannabis products at competitive prices. The brand symbolizes our support for Micro-Cultivators across Canada, helping bridge the gap between their limited drops and consumers who are looking for fresh, craft-grown product. Micro-Cult will also be the name of our online platform where we launch engaging consumer facing content and facilitate the ordering process for retailers via the BC Direct Delivery channel.

• Canadian Loud: Our premium label of cannabis products, focused on delivering only the highest quality finished goods. In parallel to Micro-Cult, any finished flower that meets the criteria of Canadian Loud gets re-positioned from Micro-Cult into our Canadian Loud label. The flower input criteria for this brand are characterized by heavy-hitting smoke that checks all the boxes, including flavor, potency, presentation, and smooth smoke.

SALES CHANNELS

Craft Nurseries Canada Inc.

Craft Nurseries is our inhouse genetic supplier focused on delivering genetics B2B to cultivators, processors, and other nurseries across Canada. With our most recent strategic partnership with Klonetics, it opens us to international markets to supply our genetics to cultivators in the EU, Israel, and Australia.

Newline Ventures Inc.

With a focus on delivering consumer packaged goods to retailers across Canada, our initial channels of distribution are through BC Direct Delivery to service retailers across British Columbia, and through the OCS to service retailers across Ontario. Further, we will be facilitating wholesale broker transactions with larger B2B customers domestically throughout Canada, as well as looking to establish international demand to areas such as Europe, Israel, and Australia.

Operating Results - Six months ended September 30

		For the six months ended September 30		
		2023		2022
Revenue	**$**	**3,118**	**$**	-
Cost of sales		**21,411**		-
Gross margin before fair value of biological assets		**(18,292)**		-
Unrealized (loss) gain on changes in fair value of biological assets		**-**		-
Gross Margin		**(18,292)**		-
Operating expenses		**(819,228)**		(555,671)
Net (loss) from operations		**(837,520)**		(555,671)
Other (income) expense				
Accretion expense		**-**		20,772
Interest expense		**36,157**		62,654
Net loss and comprehensive loss	**$**	**(873,677)**	**$**	(639,097)
Loss per common share				
Basic and fully diluted	$	**(0.01)**	**$**	(0.04)

Operating Expenses

Operating expenses from continuing operations (excluding non-cash items such as accretion, amortization, depreciation, & share based payments) for the period ended September 30, 2023 increased to $819,228 over the prior period.

- $289,750 was attributed to the management team comprising of the CEO, COO, CFO, and Executive Chairman of the Board;
- General & administrative expenses increased to $183,261 as a result of resuming operations at CNC;
- Salaries increased to $177,881; and
- Non-cash share-based compensation increased to $114,857.

Summary of Quarterly Results

	Q2 23 **$**	**Q1 23** **$**	**Q5 23** **$**	**Q4 22** **$**	**Q3 22** **$**	**Q2 22** **$**	**Q1 22** **$**	**Q4 21** **$**
Revenue	247	2,871	9,339	81,589	67,337	-	-	37,890
Cost of Sales	1,009	20,403	143,739	60,536	25,142	-	-	118,005
Gross Margin before fair value adjustments (1)	(760)	(17,532)	(134,400)	21,053	42,195	-	-	(80,115)
Net change in fair value of biological assets	-	-	364	(26,758)	26,758	-	-	(22,217)
Gross Margin	(760)	(17,532)	(134,036)	(5,705)	68,953	-	-	(102,332)
Operating expenses	(396,163)	(423,065)	(321,238)	(277,994)	(233,074)	(300,333)	(255,337)	(744,042)
Net loss from operations	(396,923)	(440,597)	(455,275)	(283,699)	(164,121)	(300,333)	(255,337)	(846,374)
Other income (expenses)	(22,463)	(13,694)	(2,213,622)	(33,023)	(27,696)	(37,249)	(46,264)	(91,880)
Net loss from continuing operations	(419,396)	(454,291)	(2,668,896)	(316,722)	(191,817)	(337,582)	(301,601)	(937,894)

(1) Gross margin before fair value adjustments is a non-IFRS performance measure. Refer to Non-IFRS Performance Measures note for further details

Liquidity

The table below summarizes the Company’s cash flows for the period ended September 30, 2023 and March 31, 2023.

	September 30, 2023	March 31 2023
Net cash flows used in operating activities	(351,897)	(1,293,065)
Net cash flows used in investing activities	(95,092)	(329,941)
Net cash flows from financing activities	554,226	1,693,171
Net cash (outflows)	107,237	70,165
Cash and cash equivalents	179,951	72,714

The Company’s ability to generate revenue to cover operating expenses may require cash flow from other capital resources until CNC operations reach positive cash flow. There can be no assurance that the Company will be able to do so.

Other than as set forth herein, there are no expected fluctuations in the Company's liquidity, considering demands, commitments, events, or uncertainties.

The Company does not currently have any liquidity risks associated with financial instruments other than periodic demand loans from its existing insiders, executives and directors.

The Company expects to continue accessing working capital for its operations and to generate additional sales at CNC. The Company expects to meet liquidity needs as required through equity or debt financing(s).

There are no balance sheet conditions or income or cash flow items that may affect the Company's liquidity other than as already discussed herein.

There are currently no defaults or arrears by the Company.

Capital Resources

There are no known trends or expected fluctuations in the Company's capital resources, including expected changes in the mix and relative cost of such resources.

On May 18, 2021 the Company closed a private placement of 6,000 $100 Convertible Debentures for proceeds of $600,000. Insiders directly or indirectly subscribing for these CDs include Tim Tombe ($250,000) and Robert van Santen ($250,000). On May 20, 2022 the entire issue plus accrued interest was converted into $0.25 Units, resulting in the issue of 2,520,000 common shares in the capital of the Company and 1,260,000 full Warrants each of which entitle the holder to purchase one (1) additional Share for $0.50 at any time for twenty-four (24) months, at which time the Warrants will expire.

On June 10, 2021, the Company completed acquisition of CNC by issuing 3,876,260 common shares of the Company to the shareholders of CNC.

On September 30, 2021, the Company completed a non-brokered private placement of 83,333 common shares at the price of $0.60 per share, for proceeds of $50,000, incurring no share issuance costs.

On November 5, 2021, the Company issued 2,431,000 common shares pursuant to the conversion of convertible debentures issued November 6, 2020 for gross proceeds of $607,750.

On May 20, 2022, the Company issued 2,520,000 common shares pursuant to the conversion of the convertible debentures that were issued on May 18, 2021 for gross proceeds of $630,000.

During the fifteen-months ended March 31, 2023, loans of $528,038 which are due on demand and interest bearing at 15% per annum, were advanced to the Company from related parties.

On February 8, 2023, the Company raised gross proceeds of $370,203 through a Rights Offering to holders of common shares of the Company and the issuance of 18,515,091 common shares.

On February 14, 2023, the Company issued 2,210,000 common shares to settle the service fees in shares of $221,000.

On February 28, 2023, the Company settled debt of $1,741,882 and issued 17,207,500 common shares in exchange.

In the period ended September 30, 2023, loans of $605,342 were advanced to the Company which are due on demand

and interest bearing at 15% per annum. These loans were advanced from related parties.

Off Balance Sheet Arrangements

As at September 30, 2023 the Company had no off-balance sheet arrangements.

Transactions with Related Parties

Key management personnel include persons having the authority and responsibility for planning, directing and controlling the actions of the Company as a whole. Key management of the Company are the executive management team and directors of the Company.

Remuneration to the Company's directors and other key management personnel for the period ended September 30, 2023, and the year ended March 31, 2023 are as follows:

	September 30,2023 $	March 31, 2023 $
Key Management	289,750	608,445
Share-based compensation	114,857	208,359

For the period September 30, 2023, the Company has accounts payable and accrued liabilities consisting of $194,336 (March 31, 2023: $43,002) to various directors, officers and related companies.

Advances from Related Parties:

During the period ended September 30, 2023, Agilis Capital Corp, a company owned by the former Chief Executive Officer and current director, made advances of $246,525 to the Company. The advances are due on demand and interest bearing at 15% per annum. The Company accrued interest expense of $11,617 during the period ended.

During the period ended March 31, 2023, Agilis Capital Corp., a company owned by the former Chief Executive Officer and current director, made advances of $127,048 to the Company. The advances are due on demand and interest bearing at 15% per annum. The Company accrued interest expense of $33,683 during the year.

On February 14, 2023, the Company settled accumulated advances made by Agilis Capital Corp. along with unpaid interest expense, totalling $288,000, for 2,880,000 common shares at price of $0.10 per share.

During the period September 30, 2023, 0768390 B.C. Ltd., a company owned by the Company's former Chief Operating Officer and current director, made advances of $335,000 to the Company. Advances are due on demand and interest bearing at 15% per annum. The Company accrued interest expense of $12,200 during the period ended.

During the year ended March 31, 2023, 0768390 B.C. Ltd., a company owned by the Company's former Chief Operating Officer and current director, made advances of $400,990 to the Company. The advances are due on demand and interest bearing at 15% per annum. The Company accrued interest expense of $86,123 during the year.

On February 14, 2023, the Company settled accumulated advances made by 0768390 B.C. Ltd., along with unpaid interest expense, totalling $596,000, for 5,960,000 common shares at price of $0.10 per share.

Transactions with Related Parties

Newline Ventures Inc.

During the period ended September 30, 2023, the Company advanced $27,299 to Newline Ventures Inc., a company that was acquired subsequent to September 30, 2023. The advances are due on demand, and do not bear any interest.

0768390 B.C. Ltd.

On September 6, 2019, the Company leased properties from 0768390 B.C. Ltd (a company owned by the former Chief Operating Officer and current director) and expires September 30, 2027. The monthly rent for such property is $5,840.

During the year ended March 31, 2023, the Company incurred expenditures in purchases and operating expenses from 0768390 B.C. Ltd in the amount of $142,029, which are in the normal course of operations and at the exchange amount.

Agilis Capital Corp.

During the period ended September 30, 2023, Agilis Capital Corp. (a company owned by the former Chief Executive Officer and current director) incurred operating expenses in the amount of $2,868 (2023: $17,975), which are in the normal course of operations and at the exchange amount.

1229818 BC Ltd.

During the year period September 30, 2023, 1229818 BC Ltd. (a company owned by the former Chief Operating Officer and current director) incurred expenditures in purchase and operating expenses in the amount of $nil (2023: $8,130), which are in the normal course of operations and at the exchange amount.

Prime Pillars Management Corp.

During the period ended March 31, 2023, Prime Pillars Management Corp. (a company owned by the Chief Executive Officer) incurred expenditures in purchase and operating expenses in the amount of $19,868 (2023: $17,467), which are in the normal course of operations and at the exchange amount.

Rights Offering

During the year ended March 31, 2023, key management and companies controlled by key management, directors and major shareholders participated in a Rights Offering, whereby each Company shareholder received the right to purchase a pro-rata allocation of additional shares within a specific period, at a discount to the market price. The company effectively gave all shareholders a chance to increase their exposure to the Company's stock at a discount price. Upon closing of the Rights Offering, the Company issued to Related Parties 8,440,000 common shares under the basic subscription privilege and issued 6,790,000 common shares under the additional subscription privilege, at a price of $0.02 per common share for $304,600.

Consulting Agreements

During the year ended December 31, 2019, the Company entered into a consulting agreement with a company controlled by the former Chief Executive Officer and director of the Company for consulting services at a cost of $180,000 per annum. Billing during the year ended March 31, 2023 was $165,000 (2021: $5,250), which reflects the periodical part-time nature of the position as well as the Company's financial position, with the officer waiving his fees. The term of the agreement is indefinite. On January 1, 2022, the officer of the Company reduced his consulting fees from $180,000 to $60,000 per annum. On July 1, 2022, the original consulting fees were reinstated back to $180,000 per annum and effective March 1, 2023, were again waived in their entirety.

If the agreement is terminated without cause, the Company is required to pay a lump sum equal to (a) six months' base fees if terminated within the first 12 months from the commencement date of the agreement; (b) 12 months' base fees if terminated in the second 12 months from the commencement date; or (c) 18 months' base fees if terminated after 24 months from the commencement date. Should the Company be subject to a change in control and the consultant terminates its engagement as a consequence of the change in control, the Company must pay an amount equal to one year's base fees and the bonus paid for that previous year.

Effective August 1, 2021, the Company entered into a consulting agreement with a company controlled by the Chief Financial Officer ("CFO") of the Company for consulting services at a cost of $150,000 per annum. Billings during the period ended September 30, 2022 was $75,000 (2023: $150,000).

Effective September 1, 2021, the Company entered into a consulting agreement with a company controlled by the former Chief Operating Officer ("COO") of the Company for consulting services at a cost of $180,000 per annum. Billings during the period ended September 30, 2022 was $Nil (2023: $180,000). The former COO resigned effective April 15, 2023 but remains a director.

Effective October 15, 2021, the Company entered into a consulting agreement with a company controlled by the current Chief Executive Officer ("CEO") of the Company for consulting services at a cost of $120,000 per annum. Billing during the period ended September 30, 2023 was $60,000 (2023: $120,000).

Effective April 15, 2023, the Company entered into a consulting agreement with a company controlled by the current Chief Operating Officer ("COO") of the Company for consulting services at a cost of $120,000 per annum. Billing during the period ended September 30, 2023 was $60,000 (2023: $120,000).

Critical Accounting Policies and Estimates

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period.

Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, compensation, and recognition of deferred tax amounts. Some of the judgements, estimates and assumptions are as follows:

1) Biological Assets

The determination of the fair value of biological assets requires the Company to make a number of estimates, including estimating the stage of growth of the cannabis plants up to the point of sale, shipping costs, selling costs, and sales prices.

2) Estimated Useful Lives of Property, Plant and Equipment

Amortization of property, plant and equipment requires estimates of useful lives, which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

3) Impairment of Non-Financial Assets

The Company evaluates each asset or cash generating unit every reporting period to determine whether there are any indications of impairment. If any such indication exists, which is often judgmental, a formal estimate of the recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. In the case of goodwill, an impairment test is performed on an annual basis regardless of whether there are any indicators of impairment. The recoverable amount of an asset or cash generating group of assets is measured at the higher of fair value less costs to sell and value in use. The evaluation of asset carrying values for indications of impairment includes consideration of both external and internal sources of information. The fair value less costs to sell is based on an independent valuation conducted near the end of the fiscal year. Given that the major non-financial assets were acquired near the end of the fiscal period, and the estimated future cash flows from these assets is subject to management estimates and budgets which, are highly sensitive to actual future performance.

4) Business Combinations

Business combinations require the Company to make assumptions and estimates to determine the fair value of the identifiable assets acquired and liabilities assumed. The Company also makes estimates in the measurement of the fair value of consideration transferred where the fair value of the shares transferred is not readily available. These assumptions and estimates have an impact on the assets and liabilities recognized in the consolidated statement of financial position, including goodwill which is measured as the excess of the consideration transferred over the fair value of the assets acquired and liabilities assumed.

5) Convertible debentures

The convertible debentures are compound financial instruments that may be accounted for separately by their components, a financial liability and an equity instrument. The convertible debentures may be converted to ordinary shares at the option of the holder. The liability component of the convertible debenture is initially recognized at fair value of a similar liability that does not have an equity conversion option, and subsequently measured at amortized cost using the effective interest method. The residual amount is accounted for as an equity instrument at issuance. Upon conversion, the financial liability and equity components is reclassified to equity.

6) Going concern

Management has applied judgements in the assessment of the Company's ability to continue as a going concern when preparing its consolidated financial statements for the year ended March 31, 2023. Management prepares the consolidated financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management considered a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing. As a result of the assessment, material uncertainty exists that may cast doubt of the Company's consolidated financial statements.

The management determined there were no critical accounting estimates.

New Accounting Standards Not Yet Adopted

At the date of preparation, a number of standards and interpretations have been issued, which are not yet effective. The Company considers these new standards and interpretations are either not applicable to the Company's operations or are not expected to have a material impact on the Company's consolidated financial statements.

Financial Instruments

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI, are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Cash is measured at FVTPL. Trade receivable is measured at amortized cost.

Impairment

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period. In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities

Financial liabilities are designated as either: (i) FVTPL; or (ii) amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable and accrued liabilities, due to related parties and convertible debentures are measured at amortized cost.

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of resource properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as shareholders' equity (deficiency).

The Company relies on the equity markets to fund its activities. Current financial markets are very difficult, particularly for the cannabis sector, and there is no certainty with respect to the Company's ability to raise capital. The Company will continue to assess new assets and seek to acquire an interest in such assets if it feels there is sufficient economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management.

Outstanding Share Data

The Company is authorized to issue an unlimited number of common and preferred shares with no par value.

Issued Shares:

	Share Capital Number	Amount ($)
Share issued on incorporation, December 14, 2014	1	1
Share returned to treasury	(1)	(1)
Shares issued pursuant to plan of arrangement	3,615,641	352
Balance, December 31, 2015	3,615,641	352
Shares issued to settle debts	4,500,000	22,824
Balance, December 31, 2018	8,115,641	23,176
Shares issued for cash	1,488,857	415,231
Balance, December 31, 2020	9,604,498	438,407
Shares issued to acquire Craft Nurseries Canada	3,876,260	1,085,353
Shares issued from convertible debentures	2,431,000	660,477
Shares issued for cash	83,333	50,000
Balance, December 31, 2021	15,995,091	2,234,237
Shares issued from convertible debentures	2,520,000	684,545
Debt for share settlement	17,207,500	1,741,882
Shares issued from share based compensation	2,210,000	221,000
Shares issued from rights offering	18,515,091	370,302
Share issuance costs	-	(21,803)
Balance, March 31, 2023	56,447,682	5,230,163
Shares issued from subscriptions	1,150,000	115,000
Balance September 30, 2023	57,597,682	5,345,163

On December 14, 2014 the Company issued one share at $1 per common share to Valens, its former parent company. This incorporator share was cancelled upon completion of a Plan of Arrangement (the "POA") between the Company and Valens.

Effective March 12, 2015, the Company became a reporting issuer in British Columbia and Alberta and was no longer a subsidiary of Valens. Pursuant to the terms of the POA, the Company distributed 3,615,641 common shares, whereby each Valens shareholder of record received one common share in the capital of the Company for every twenty-five common shares held in the capital of Valens.

On November 2, 2016, the Company issued 4,500,000 common shares to settle debts of $22,824.

On November 28, 2019, the Company closed a non-brokered private placement to raise $415,231 (net of $1,649 share issuance costs), through the issue of 1,488,857 common shares.

On June 4, 2021, the Company issued 3,876,260 common shares to CNC shareholders to acquire 100% of the company.

On September 30, 2021, the Company closed a non-brokered private placement to raise $50,000 through the issue of 83,333 common shares.

On November 5, 2021, the Company issued 2,431,000 common shares pursuant to the conversion of convertible debentures issued November 6, 2020 for gross proceeds of $607,750.

On May 20, 2022, the Company issued 2,520,000 common shares pursuant to the conversion of the convertible debentures issued May 20, 2021 for gross proceeds of $630,000.

As at December 31, 2022 the Company had 18,515,091 common shares outstanding.

On February 8, 2023, the Company raised $370,203 through a rights offering to holders of common shares of the Company and the issuance of 18,515,91 common shares.

On February 27, 2023, the Company settled various loans, indebtedness, and outstanding obligations totaling $1,941,750 with the issuance of 19,417,500 common shares.

On September 8, 2023, the Company issued 1,150,000 common shares at a subscription price of $0.10 per share totaling $115,000.

Stock Options

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

During the year ended December 31, 2021, the Company granted 480,000 options to the current CEO of the Company with a contractual life of two years pursuant to the consulting service agreement entered. The Company recorded $150,000 (2021: $25,000) in share-based compensation based on the fair value of service determined. Pursuant to the same consulting service agreement, the Company granted 1,000,000 stock options on January 15, 2022. Options granted have an exercise price of $0.50 per share and are exercisable for a period of one year and three quarters from the date of grant, with 250,000 Options vesting on the grant date and then 125,000 options every three months after over their respective term. The fair value of the share options granted was calculated using the Black-Scholes options-pricing model with the following assumptions:

	2023
Stock price	$0.10
Risk free interest rate	3.03%

Dividend yield	0%
Expected life (years)	5
Expected volatility	97.87%
Forfeiture rate	0%

Total share-based compensation expense for CEO stock options for the period ended September 30, 2023 was $60,000.

On August 8, 2022 the Company granted 1,175,000 incentive stock options to key management of the Company and employees of its subsidiary to purchase up to 1,175,000 Common Shares of the Company as part of its compensation and retention procedures. Options granted have an exercise price of $0.50 per share and are exercisable for a period of four years from the date of grant as to 1,000,000 Options, three years as to 175,000 Options, with Options vesting evenly at the end of each three-month period over their respective terms. The fair value of the share options granted was calculated using the Black-Scholes options-pricing model with the following assumptions:

	2023
Stock price	$0.10
Risk free interest rate	3.03%
Dividend yield	0%
Expected life (years)	3-4
Expected volatility	105.08%-107.70%
Forfeiture rate	0%

Total share-based compensation expense for key management and employees for the period ended September 30, 2023 was $114,857 (2023: $22,899).

	Number of options	Exercise Price	Exercisable
Balance – December 31, 2021	480,000	$0.50	350,000
Granted	2,175,000	$0.50	914,063
Balance – March 31, 2023	2,655,000	$0.50	1,264,063
Granted	-	-	-
Balance – September 30, 2023	2,655,000	$0.50	1,264,063

The weighted average remaining contractual life of the options is 1.95 years (2023: 2.18 years) and the weighted average exercise price of the options is $0.50 (2023: $0.50).

Stock Warrants

	Number of warrants	Exercise Price	Expiry Date
Granted	1,260,000	$0.50	May 19, 2024
Balance – March 31, 2023	1,260,000	$0.50	
Granted	-	-	
Balance – September 30, 2023	1,260,000	$0.50	

The weighted average exercise price of the warrants is $0.50 (2021: $0.50).

Subsequent Events

On October 20, 2023 the Company closed the non-brokered private placement (the "Offering") announced in its news release on July 28, 2023, as amended on September 7, 2023. The Company issued 10,342,361 units of the Company ("Units") at a price of $0.10 per Unit, for aggregate gross proceeds of $1,034,236. Each Unit is comprised of one common share in the capital of the Company (a "Share") and one Share purchase warrant (a "Warrant"). Each Warrant will entitle the holder thereof to acquire one additional share (a "Warrant Share") at a price of $0.20 per Warrant Share for a period of 24 months from the closing date of the Offering.

The Company will be entitled to accelerate the expiry date of the Warrants to the date that is 21 days following the date the Company issues a news release announcing that the published closing price of the Common Shares on such exchange and/or market as the Shares may trade from time to time, has been equal to or greater than $0.30 for ten consecutive trading days after the hold period on the Common Shares has expired. All securities issued in connection with the Offering will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation, or as required by a stock exchange as part of any listing application.

Insiders of the Company participated under the Offering for $549,236.10 representing 5,492,361 Units. Such participation would be considered a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). Such participation is expected to be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101.

On October 23, 2023 the Company closed on a definitive Share Exchange Agreement ("SEA") with Newline Ventures Inc. ("Newline"), which was formally approved by votes casted at AgriCann's April 17, 2023 AGM for the acquisition of Newline, creation of a new control person, and establishment of a Long-Term Incentive Plan ("LTIP Awards") (refer to the Company's Information Circular dated March 13, 2023 filed under the Company's profile on SEDAR+ available at www.sedarplus.ca). The closing of the SEA will allow AgriCann's corporate expansion into an operational facility with superior licensing, logistics and expansion capabilities.

In consideration for the acquisition of 100% of the shares of Newline, AgriCann paid to the Newline shareholders $3,947,000 (the "Purchase Price"), which was satisfied through the payment of $165,000 in cash and the issuance of 37,825,182 AgriCann common shares from treasury at a deemed price of $0.10 per AgriCann Common Share (the "Consideration Shares"). The Consideration Shares, as well as a finder's fee of 794,329 shares to an arms-length consultant, was deposited with an escrow agent on the closing date pursuant to the terms of escrow and pooling agreements. Current Newline shareholders have committed 18,240,012 Consideration Shares to the establishment of AgriCann's LTIP Awards program, in which key members of AgriCann's current executive team will participate, subject to the terms of the escrow and pooling agreements, that include certain performance criteria.

Risk Factors

Many factors could cause the Company's actual results, performance and achievements to differ materially from those expressed or implied by the forward-looking statements and forward-looking information, including without limitation, the following factors, and should be reviewed in detail by all readers:

• The Company may be adversely affected by significant outbreak or threat of outbreaks of viruses or other infectious diseases or similar health threats, including the continued and ongoing outbreak of COVID-19 nationally and globally, which could disrupt our processing activities, supply chains and sales channels, and result in a reduction in supply of, or demand for, the Company's products as a result of travel restrictions, work refusals by and mandatory accommodations for employees, changing demand by consumers, mass quarantines, confinements, lock-downs or government-imposed closures in Canada or internationally, which could adversely impact materially the company's business, operations or financial results;

• The Company's convertible debt and informal credit facility as provided from insiders could expose the Company to risks that its cash flows may become insufficient to satisfy required payments of principal and interest, the risk of increased interest rates as certain of the Company's borrowings could be at variable rates of interest, and enforcement risk in the event of default;

• Regulatory scrutiny of the Company's industry may negatively impact its ability to raise additional capital;

• The Company's ability to process, store and sell cannabis in Canada is dependent upon licenses from Health Canada which are subject to ongoing compliance and reporting requirements;

• The activities of the Company are subject to regulation by governmental authorities, particularly Health Canada, and post-acquisition of RAM and VPC, the Marijuana Enforcement Department in Denver Colorado;

• The Company's ability to recruit and retain management, skilled labour and suppliers is crucial to the Company's success;

• The Company and its wholly-owned subsidiary have limited operating histories;

• The Company has a history of net losses, may incur significant net losses in the future and may not achieve or maintain profitability;

• The adult-use cannabis industry is encountering price compression, which may adversely impact the Company's profitability. In addition, such price compression, as well as, or together with, oversupply of certain types of inventory in the industry, may result in the Company incurring additional impairment losses on inventory in the event the cost of our inventory exceeds its net realizable value. The continuing evolution of these market conditions represent ongoing uncertainties that may affect the Company's future financial results;

• Even if its financial resources are sufficient to fund its current operations, there is no guarantee that the Company will be able to achieve its business objectives. The continued development of the Company may require additional financing and there can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company;

• There is potential that the Company will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and manufacturing and marketing experience than the Company;

• The Company believes the cannabis industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of the cannabis produced. Consumer perception of the Company's products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of cannabis products. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favorable to the cannabis market or any particular product, or consistent with earlier publicity;

• The products of the Company's wholly-owned subsidiary could be subject to the recall or return of their products for a variety of reasons. If a product recall or return should happen, the Company could be required to incur unexpected expenses and divert management attention and could see harm caused to its image and product sales decline. In addition, as result of the product recall or return, the Company and its wholly-owned subsidiaries could face increased operational scrutiny by Health Canada or other regulatory agencies, requiring further management attention and potential legal fees and other expenses;

• Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition and operating results of the Company;

• The Company is largely reliant on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the cannabis industry in Canada. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company;

• The Company's ability to implement and maintain internal controls over financial reporting and disclosure and procedures;

• The Company may engage in acquisitions or other strategic transactions or make investments that could result in significant changes or management disruption;

• The Company could fail to integrate acquired companies into the business of the Company;

• Completed acquisitions, strategic transaction or investments could fail to increase shareholder value;

• The Company may become party to litigation, mediation and/or arbitration from time to time in the ordinary course of business which could adversely affect its business;

• There can be no assurance that an active and liquid market for the common shares will be established or maintained and an investor may find it difficult or impossible to resell any securities of the Company;

• Rapid destabilization of global economic conditions, including as a result of the COVID-19 pandemic, may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets;

• The expansion into international operations will result in increased operational, regulatory and other risks;

• The cannabis industry is in its early stages of development and the Company, and their competitors, may seek to introduce new products in the future. In attempting to keep pace with any new market developments, the Company may need to expend significant amounts of capital in order to successfully develop and generate revenues from new products or services introduced by the Company, and additional regulatory approvals from government agencies and any other applicable regulatory authorities, which may take significant amounts of time. The Company may not be successful in developing effective and safe new products, bringing such products or services to market in time to be effectively commercialized, or obtaining any required regulatory approvals, which, together with any capital expenditures made in the course of such product development and regulatory approval processes, may have a material adverse effect on the Company;

• The Company's operations may depend, in part, on how well it and its suppliers protect networks, equipment, information technology systems and software against damage from a number of threats, including, but not limited to, natural disasters, intentional damage and destruction, fire, power loss, hacking, computer viruses, vandalism and theft. The Company's operations may also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses;

• The cannabis business is subject to several risks that could result in damage to or destruction of properties or facilities or cause personal injury or death, environmental damage, delays in production and monetary losses and possible legal liability. It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company;

• The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company; and,

• The Company's directors and officers may serve as directors and officers or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the Canada Business Corporations Act ("CBCA") in dealing with conflicts of interest. These provisions state, where a director/officer has such a conflict, that the director/officer must at a meeting of the Board, disclose his interest and refrain from voting on the matter unless otherwise permitted by the CBCA. In accordance with the laws of Canada, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

Nature of the Securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

Approval

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors of the Company has approved the financial statements and the disclosure contained in this MD&A.

Canadian Securities Administrators National Instrument 51-109

The Chief Executive Officer and Chief Financial Officer, in accordance with National Instrument 52-109 ("NI 52-109"), have both certified that they have reviewed the financial report and this MD&A (the "Filings") and that, based on their knowledge having exercised reasonable diligence, (a) the Filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made with respect to the period covered by the filings; and (b) the financial report together with the other financial information included in the Filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the Filings.

The Company's internal controls over financial reporting ("ICFR") are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's management is responsible for establishing and maintaining adequate ICFR for the Company. Management, including the CEO and CFO, does not expect that the Company's ICFR will prevent or detect all errors and all fraud or will be effective under all future conditions. A control system, no matter how well designed, is subject to inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable, but not absolute, assurance that the control objectives will be met with respect to financial statement preparation and presentation.

CSA National Instrument 52-109 requires the CEO and CFO to certify that they are responsible for establishing and maintaining ICFR for the Company and that those internal controls have been designed and are effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. The CEO and CFO are also responsible for disclosing any changes to the Company's internal controls during the most recent period that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting. There have been no significant changes in the Company's internal controls during the quarter ended September 30, 2021 that have materially affected, or are likely to materially affect, the Company's internal control over financial reporting.

Pursuant to NI 52-109, the Company has currently limited the scope of the design of and assessment DCP and ICFR to exclude controls, policies and procedures over entities acquired by the Company not more than 365 days before the end of the financial period. The recently acquired entity is CNC (acquired June 10, 2021).

DIRECTORS AND OFFICERS

Robert van Santen – *Executive Chairman/Director*
Adam Sancewicz – *Chief Executive Officer*
Bobby Athwal – *Chief Operating Officer*
Dome Duong – *Chief Financial Officer and Director*
Tim Tombe – *Director*
Chris MacPherson – *Director*

OTHER REQUIREMENTS

Additional disclosure of the Company's technical reports, material change reports, news releases and other information can be obtained on SEDAR at www.sedar.com.

On Behalf of the Board,

AgriCann Solutions Corp.

"Robert van Santen"	*"Dome Duong"*	*"Chris L. MacPherson"*
Robert van Santen Director	Dome Duong Director	Chris L. MacPherson Director