GLOBAL HEMP GROUP

A HEALTHIER FUTURE THROUGH SUSTAINABLE BUSINESS STRATEGIES

Global Hemp Group Inc.

Management Discussion and Analysis
Year ended September 30, 2020




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Management's Discussion and Analysis

The following is management's discussion in respect of the results of operations and financial position of Global Hemp Group Inc. (the "Company" or "GHG') for the year ended September 30, 2020. The Company's financial statements have been presented in accordance with International Financial Reporting Standards and are presented in Canadian dollars unless otherwise specified. Additional information, including the above mentioned financial statements, which contain extensive disclosure of the history of the Company are available on SEDAR (www.sedar.com) and at the Company's website (www.globalhempgroup.com)

This MD&A has been prepared effective as of January 28, 2021

Forward Looking Statements

In the interest of providing the shareholders and potential investors of Global Hemp Group Inc. with information about the Company, including management's assessment of the Company's future plans and operations, certain information provided in this MD&A constitutes forward-looking statements or information (collectively, "forward-looking statements"). Forward-looking statements are typically identified by words such as "may", "will", "should", "could", "anticipate", "expect", "project", "estimate", "forecast", "plan", "intend", "target", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Although these forward-looking statements are based on assumptions the Company considers to be reasonable based on the information available on the date such statements are made, such statements are not guarantees of future performance and readers are cautioned against placing undue reliance on forward-looking statements. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties, and other factors which may cause actual results, levels of activity, and achievements to differ materially from those expressed or implied by such statements. The forward-looking information contained in this MD&A is based on certain assumptions and analysis by management of the Company (the "Management") in light of its experience and perception of historical trends, current conditions and expected future development and other factors that it believes are appropriate.

The material factors and assumptions used to develop the forward-looking statements herein include, but are not limited to, the following: (a) the regulatory climate in which the Company operates will continue to be favorable to the Company's business; (b) the continued sales success of the Company's products; (c) the continued success of sales and marketing activities; (d) there will be no significant delays in the development and commercialization of the Company's products; (e) the Company will continue to maintain sufficient and effective production and R&D capabilities to compete on the attributes and cost of its products; (f) the Company's ability to deal with adverse growing conditions (due to pests, disease, fungus, climate or other factors) in a timely and cost-effective manner; (g) there will be no significant reduction in the availability of qualified and cost-effective personnel resources; (h) new products will continue to be added to the Company's portfolio; (i) demand for hemp-based wellness products will continue to grow in the foreseeable future; (j) there will be no significant barriers to the acceptance of the Company's products in the market; (k) the Company will be able to maintain compliance with applicable contractual and regulatory obligations and requirements; (l) there will be adequate liquidity available to the Company to carry out its operations; and (m) superior products do not develop that would render the Company's current and future product offerings undesirable and the Company is otherwise able to minimize the impact of competition and keep pace with changing consumer preferences; and (n) the Company will be able to successfully manage and integrate acquisitions.

The Company's forward-looking statements are subject to risks and uncertainties pertaining to, among other things, revenue fluctuations, nature of government regulations, economic conditions, loss of key customers, retention and availability of executive talent, competing products, common share price volatility, loss of proprietary information, product acceptance, system infrastructure functionality, information technology security, cash available to fund operations, crop risk, availability of capital and, international and political considerations, including but not limited to those risks and uncertainties discussed under the heading "Risk Factors" in this MD&A. The impact of any one risk, uncertainty, or factor on a particular forward-looking statement is not determinable with certainty as these are interdependent, and the Company's future course of action depends on Management's assessment of all information available at the relevant time. Except to the extent required by law, the Company assumes no obligation to publicly update or revise any forward-looking statements made in this MD&A, whether as a result of new information, future events, or otherwise. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on the Company's behalf, are expressly qualified in their entirety by these cautionary statements.

Background & Nature of Business

Global Hemp Group (the "Company" or "GHG") was incorporated on October 30, 2009 in British Columbia, Canada, originally under the name Arris Holdings Inc., and on March 24, 2014 changed its name to Global Hemp Group Inc.

The Company's registered office is #106 – 1169 Mt. Seymour Road, North Vancouver, BC, V7H 2Y4. The Company's common shares are currently traded on Canadian Securities Exchange ("CSE") under the symbol "GHG", on Börse Frankfurt under the symbol "GHG", and on the U.S. OTC Markets under the symbol "GBHPF".

Global Hemp Group is focused on developing a multi-phased strategy to build a strong presence in the industrial hemp industry in the United States. In the first phase of the strategy, the GHG team has gained tremendous experience in the cultivation of hemp and the extraction of cannabinoids. The goal of this first phase was to create a near term revenue stream that would allow the Company to expand and develop successive phases of the strategy. The Company's Oregon Hemp Project is an example of this first phase of the strategy.

The next phase of the strategy, now underway, is what Management has always believed would be by far the most significant segment of the hemp market, the industrial aspects of hemp and the development of value-added industrial products utilizing the processing of the whole hemp plant. This is envisioned in what the Company calls its Hemp Agro-Industrial Zone ("HAIZ"). The HAIZ is an optimization model based on Global Hemp's goal to utilize the exceptional properties of the hemp plant to produce raw materials and value-added products. The HAIZ has been designed to be replicated in any region where there is cultivation of industrial hemp.

Through partnerships, joint ventures, and acquisitions, GHG will build a strategic portfolio of forward-thinking companies that also believe in the disruptive potential of the industrial hemp plant. There are many promising sectors that will be pursued under the HAIZ that utilize the hurd (inner woody core) and fibre. In the near term, the Company will focus on hemp-based building.

Global Hemp Group is committed to sustainability and social responsibility in a theme of "Global Environmental Stewardship" as it pursues opportunities within these sectors. This theme drives the HAIZ concept, in order to secure a solid platform of products and services that are environmentally friendly, while producing consistent ROI for all stakeholders.

Benefits of the HAIZ strategy:

- Economic: The HAIZ was originally conceived at a time when hemp was just making its comeback after 80 years of repression and a continued uncertain regulatory framework. Consequently, markets for most hemp products were rather shallow leading to wide swings in prices. Cannabinoid extraction is typical of such markets and it offered the best opportunity to finance the production of the less visible/attractive hemp products. Over the past two years, the more traditional hemp products (hurd and fibre) have become more established and provide real opportunities. Management expects that the time for these other hemp products has come and will become of central importance in the future of the Company.

- Social: From soil to shelf, the HAIZ concept is based on a collaborative rather than competitive operations model, benefiting all stakeholders throughout the process. From growing of the crops through to the final materials and products, the HAIZ concept promotes cross-sector partnerships, rural development and job creation.

- Environmental**:** Global Hemp Group is committed to environmentally-friendly processes and products, from farm to final consumer. Because of its light weight, transport of hemp intermediate goods is costly and carries a heavy carbon footprint. By concentrating production and processing to a zone adjacent to the farming area, the HAIZ minimizes both adverse economic and environmental effects.

Message from the President

There is no question that hemp can and will impact almost every industry in the global economy as it continues to be legalized worldwide. It has been creating jobs and new business opportunities, as well as stimulating ancillary industries that generate new business for an industry that did not exist just a few short years ago.

Management has always believed that the industrial applications of the hemp plant will be by far the largest and most lucrative over time, even larger than the cannabinoid segment of the market. The roadmap to success in the hemp industry is starting to finally look similar to most other normalized industries as far as regulation and infrastructure. However, we are still blazing new trails and developing breakthrough technologies specific to the hemp industry and will continue to for decades to come.

Initiatives begun in 2020 have provided Global Hemp Group with amazing opportunities for 2021 and beyond. The Colorado Hemp-Agro-Industrial Zone will give GHG an opportunity to become a leader in sustainable eco-friendly hemp-based construction, while generating significant real estate and water assets for the Company, and additional shareholder value from multiple revenue streams. In addition, the Company's R&D team in Mexico is working to generate patented Intellectual Property that can be utilized in Colorado or widely marketed. These are truly exciting times for GHG.

We look forward to keeping you updated on the progress of the Company as we continue to execute on our projects.

Sincerely

Curt Huber
President & CEO

Business Update

Company Shifts Focus to Sustainable Industrial Hemp Applications for 2021

Global Hemp Group has undergone a significant shift in business focus for 2021, transforming the Company from being singularly focused on the cultivation of hemp for cannabinoid extraction, to a Company that will be focused on the industrial aspects of hemp and what will be the largest segment of the hemp market over time. This transformation began in September of last year with the signing of the Exclusive Strategic partnership to develop the Colorado Hemp Agro-Industrial Zone (HAIZ) in northwest Colorado *(see the news release of Sept 16/20 for more detail)*.

The project will be developed under the banner of Innovative Hemp Technologies (IHT). IHT's core objective; to develop "green" and "affordable" homes in a Planned Unit Development (PUD) utilizing hemp-based construction materials to meet historical pent-up demand in the area, which will include develop large scale irrigation and cultivation of industrial hemp and the manufacture of hemp-based construction products and textiles. This will significantly expand the existing +US$40 Million in water rights and infrastructure assets while generating multiple revenue streams for the Company,

Historically hemp projects have struggled as growing hemp and identifying a market to sell to, will not create a successful company. But adding a buyer for your product to the equation and becoming vertically integrated, certainly will. In the case of the Colorado project, a market has been identified with a large scale pent up demand (affordable housing) that hasn't been relieved in several decades, that also has a barrier to entry from others and will be successful without the inclusion of hemp-based building materials, making it an ideal market to enter. By utilizing a campus setting like that of the HAIZ, the Company will efficiently implement these vertically integrated functions (water, agriculture, processing, housing). Proven industry professionals have been engaged to work alongside IHT's management in the areas of agriculture, R&D, manufacturing, and construction to achieve the Company's objectives.

Execution of the HAIZ project will create substantial shareholder value through the incremental introduction of additional (multiple) revenue streams to meet IHT's objectives and set GHG on a path to become a leader in sustainable hemp-based "green" construction in the United States. The Colorado "HAIZ" will become a "showcase" project to demonstrate "green" hemp construction products and technologies for third-party offtake and for replication in other suitable U.S. markets.

With the recent signing of a binding LOI *(see Subsequent Events below for further detail)* to acquire the Preferred Class "A" shares of Western Sierra Resource Corporation (WSRC), GHG will gain control over the strategic water infrastructure assets that will be integral for the development of this project. The resulting alignment of GHG, WSRC and their respective management teams together under one umbrella will result in a stronger, more focused and efficient entity.

The project will leverage the existing water rights and infrastructure to turn "dry land" farming acreage into irrigated land with valuable water rights that can subsequently be used to develop "affordable housing" and high value agricultural crops such as industrial hemp. GHG's vision is to take the hemp grown onsite and convert as much of the conventional building materials used at the project into sustainable, hemp-based building materials for use in the housing development. This project contemplates a 25-year build-out. The luxuries of a long-term project with demonstrably high demand are:

(a) economies of scale;
(b) opportunity to implement learned efficiencies;
(c) opportunity to continually fine-tune product offerings though intimate familiarity with a specific market.
(d) access to new markets stemming from other by-products of the hemp processing, such as fibres and microfibres

These elements combined with predictably increasing prices and diminishing competition over the project term are likely to result in improved profitability year-over-year.

Formation of Research & Development Division

With an 80+ year moratorium on hemp being removed in many parts of the world, a resurgence of R&D for the industrial applications of hemp has begun in earnest. We are now seeing new and innovative products that are utilizing the hurd and fibre of the hemp plant. This will only gain momentum over time as more countries legalize hemp and more people become aware of the properties of hemp.

On September 24, 2020, the Company announced the formation of its R&D Division in Mexico and that Prof. Victor Castaño, Ph.D. would be joining the team as a Key Scientific Advisor and Head of the R&D Division. Research and Development is an important component of Company's business model and its Hemp Agro-Industrial Zone (HAIZ). Setting up in Mexico is timely, now that the country is in the process of legalizing hemp and cannabis. Intellectual Property created through the R&D Division will not only be utilized at the Company's projects, but the goal is to create patented technology that Global Hemp can also widely market.

Prof. Castaño, is a recognized leader in several areas of applied science and technology, and based at the National Autonomous University of Mexico, Mexico's largest university and ranked highly in the world for its research and innovation. He and his team bring to the Division an amazing wealth of knowledge and experience in a number of different disciplines. There are three immediate areas of interest that the team will actively be focused on to develop Intellectual Property that can be patented and implemented in the hemp and/or building industry, and in particular at Company's Colorado Hemp Agro-Industrial Zone:

Environmentally-Friendly Construction Materials – The development underway aims to produce materials that could efficiently replace Medium Density Fiberboard (MDF - made from wood) with hemp-based products that will have improved mechanical, thermal and environmental characteristics.

Nanofertilizers - Nanofertilizers are emerging as a promising alternative to chemical fertilizers in agriculture. The use of nanotechnology opens up a groundbreaking areas of R&D in which the nanostructures allow an increase of up to 20% in plant yield, while diminishing, by orders of magnitude, the use of traditional chemicals and having a positive impact on the environment and the cost of farming.

Enhanced Extraction from Hemp - One of the main properties of hemp is its content of cannabinoids. Prof. Castaño and his team have experience in extraction of essential oils of various plants by using enzymes and microfauna, which represent a truly innovative and green approach to this industry.

The R&D team was further expanded with the addition of Irving Fernandez-Cervantes. On November 27, 2020 the Company announced that it was expanding its hemp R&D efforts in Mexico, with the view that hemp material (hurd and fibre) will become readily available in-country, making it easier to expand the Company's R&D efforts to develop hemp-based environmentally-friendly construction materials.

Mr. Cervantes will be in charge of the preparation and characterization of hemp fiber-reinforced materials for construction applications. His expertise in spectroscopic, chemical and physical characterization of composite materials will be of great relevance in the development of novel, patentable construction materials.

Scio, Oregon Hemp Project

The Scio Oregon Hemp Project is located in the fertile Willamette Valley, approximately 70 miles south of Portland. The Company's 109 acre Joint Venture hemp farm was acquired in 2018 due to its history of hemp cultivation, irrigation infrastructure with sufficient authorized water rights, and a high level of organic matter in the soil, making it ideal for growing hemp. The project operates under the name Covered Bridge Acres Ltd. ("CBA").

The Oregon hemp project is now wholly owned by the Company. On September 28, the Company announced that it had executed an agreement to acquire the 50% interest in the project held by Marijuana Company of America, the Company's Joint Venture partner since the inception of the project in 2018. Consideration paid, US$200,000 in cash and $185,000 in common shares.

2020 in Review - Like many hemp companies in Oregon in 2020, CBA had its share of challenges both specific to the Company, as well as the industry in general. After the passing of the Farm Bill in the end of 2018 which legalized hemp farming in the United States, 2019 brought with it a new enthusiasm for hemp and the hemp industry, which led to surge in new licenses and then a significant oversupply of hemp, resulting in severely depressed prices. Entering 2020 with continuing low prices for CBD biomass and flower, the Scio Team decided to focus on the production of high quality, higher value greenhouse grown CBG (Cannabigerol) flower. This "hand crafted artisanally grown" CBG flower was grown to supply the smokable flower market. The Team grew their own CBG clones and filled the approximately 14,000 square feet of greenhouse space along with a small field test crop. In spite of the ongoing challenges of operating in a Covid-19 environment, the Scio Team was able to continue full operations at the farm by taking all necessary precautions as outlined by the State of Oregon, keeping the harvest of CBG flower on track for an early fall harvest.

Effect of Oregon Wildfires on the 2020 cultivation – In 2020, Oregon experienced some of the most devastating wildfires in its history. While fire did not directly damage the farm, it did however come close enough that the resulting air quality, smoke and ash in the region damaged the CBG hemp crop in the greenhouses and in the field. It was been determined that the plants would need to be replanted in order to have a marketable crop. The farm is currently being prepared for operations in the spring.

Management Changes

Fiscal 2020 saw a number of changes in Management. On May 21, 2020, the Company sadly announced the passing of Charles Larsen, the Company's President and CEO since the inception of the Company. Mr. Larsen was a visionary and pioneer in the hemp industry in the United States, and a strong believer in the disruptive potential of hemp. He will be sorely missed by his colleagues at Global Hemp.

Curt Huber, the Company's current CFO and Director assumed the role of President, CEO and Chairman of the Board. Mr. Huber has been a Director of the Company since 2014 and has been involved in development and day to day operations of the Scio Oregon hemp project since its inception in early 2018. He is an experienced director and senior officer who has been involved in all facets of public companies for more than 30 years in many different sectors, including mining, oil and gas, and technology.

Global Hemp also welcome Sebastian Tang, CPA, to the Company as its new CFO. Mr. Tang has been involved in the accounting and preparation of the Company's financial statements for the past several years and is well acquainted with Global Hemp and its projects. Additionally, Mr. Tang has significant experience in the financial management and planning of publicly listed issuers. He has held executive positions, including CFO and corporate controller in other public and private ventures. Before starting his own firm, he worked in public practice for 7 years, including two years at Ernst & Young, and 8 years in private practice with Hunter Dickinson Inc.

The Company also welcomed Michel Lebeuf Jr, a Partner at the law firm of Dunton Rainville LLP's Montreal office, to the Board of Directors. Mr. Lebeuf practices primarily in securities law, particularly in the areas of institutional and corporate financing, natural resources, fintech, life science, cannabis, as well as in public and private mergers and acquisitions, and represents public issuers, securities brokers, buyers, sellers, bankers, and financial advisors.

Subsequent Events

Expansion of the Hemp Building Team

In order to fortify the Company's in-house hempcrete/hemp building expertise, on October 6, 2020 GHG announced that Gabriel Gauthier, a Master Hemp Builder and pioneer in hemp construction in North America joined the GHG team. Mr. Gauthier will advise on the utilization and application of hemp building materials and hemp construction for the Company's Colorado Hemp Agro-Industrial Zone in northwest Colorado.

Mr. Gauthier has built more than 50 hemp houses in Quebec and Ontario, in addition to renovating over

100 homes using hemp materials. As a result, he has a developed a network of engineers and architects interested in the design of hemp houses.

Mr. Gauthier is also experienced in hemp processing and gained extensive knowledge of hemp construction by training under the guidance of hemp Master Builders in France over a period of three years. In 2005 he built the first hemp house in North America, located east of Montreal, Quebec, in Canada. Mr. Gauthier established a Research and Development division of his own, where he has begun the manufacturing of prefabricated hemp houses, another first in North America.

Closing of Non-Brokered Private Placement

On December 11, 2020 the Company announced the closing of the second and final tranche of a non-brokered private place 51,600,000 units ("Units") at a price of $0.015 per Unit for gross proceeds of $774,000. Each unit is comprised of one common share of the Company and one common share purchase warrant entitling the holder to acquire one additional Common Share at a price of $0.05 per Common Share for a period expiring on September 8, 2023.

The warrants will be listed for trading on the CSE under the symbol GHG.WT after the expiry of the hold period on April 12, 2021.

Global Hemp Group Signs Binding Agreement to Acquire Control Over Strategic Water Infrastructure Assets in Colorado

On January 18, 2021 the Company announced that it has signed a binding Letter of Intent to acquire 19,875,000 Preferred A Class Shares ("WSRC Prefs") of Western Sierra Resource Corporation ("WSRC") in a private, third party transaction, by issuing an identical number of GHG Class B Preferred shares. The resulting acquisition of the WSRC Prefs will give GHG control over WSRC, and specifically its strategic water infrastructure assets that will be an integral part of the Company's Colorado Hemp-Agro Industrial Zone project as originally announced on September 16, 2020. The resulting alignment of GHG, WSRC and their respective management teams together under one umbrella will result in a stronger and more focused and efficient entity.

As part of the contemplated transaction, GHG commissioned an updated valuation on these water assets. Documented historical valuations of the 4,000 acre feet of water rights and associated infrastructure are based on a 2013 and 2015 MAI appraisal and engineering reports, as well as a water law attorney's comprehensive summary of various historic water rights appraisals and their relationship with land values dated March 2017. All of which support a value of US$40,000,000 or higher.

Consulting Agreements and Issuance of Options and Warrants

On January 25, 2021 the Company announced that it had granted stock options to purchase up to 5,300,000 common shares of the Company at an exercise price of $0.055 per share. The options have a term of five years expiring January 25, 2026 and shall vest in immediately.

The Company also announced will issue 9,000,000 common share purchase warrants (each a "Warrant") to the consultants of the Company. Each Warrant entitles the holder to acquire one common share of the Company at a price of $0.055 for a period of five (5) years from the date of issuance. The Warrants were issued pursuant to the terms of consulting agreements entered into by the Company and each of the consultants and each Warrant was issued at a deemed value of $0.055 per Warrant. All Warrants and underlying shares are subject to a four month hold period from the date of issuance. The issuance of the Warrants is subject to the final approval of the CSE.

Terms of the consulting agreements, effective January 25, 2021, the Company to issue 3,000,000 warrants exercisable at the current market price, but in no case less than $0.05. These warrants will be exercisable for a period of five years from the date of issue and will vest six months after issuance. On the one year anniversary of the agreement the Company will issue an additional 4,000,000 warrants with an exercise price based on the previous 10 day VWAP, but in no case less than $0.05. The warrants will have a term of 5 years from the date of the one-year anniversary. On the two year anniversary of the agreement the Company will issue an additional 4,000,000 warrants with an exercise price based on the previous 10 day VWAP, but in no case less than $0.05. The warrants will have a term of 5 years from the date of the two year anniversary. The Company and the Consultants maintain an arm's length relationship.

Warrants issued on the one year and two year anniversaries will vest in each year of issuance as follows:
- 50% of the yearly issuance on date of issuance, and
- the remaining 50% of the yearly issuance after 6 months from date of issuance

Cancellation and Issuance of Options
On January 27, 2021 the Company announced that 2,500,000 previously issued stock options granted to Directors, management and consultants on September 24, 2018 covering 2,500,000 shares have been cancelled. The exercise price of the cancelled stock option agreements was $0.16 per share. The stock options were voluntarily surrendered by the holders for no consideration.

The Company also reported that it has granted new stock options to Directors, management and consultants aggregating 2,500,000 common shares exercisable at a price of $0.06 per share under its stock option plan. The options vest at the date of grant and have a term of five years. None of the options were granted to individuals included in the above cancellation. The issuance of the options is subject to the CSE approval.

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Selected Yearly Information

Selected annual information of the Company in the last three years is as follows:

	2020 $	2019 $	2018 $
Net Loss	1,378,218	2,918,313	1,585,519
Net Loss per share, basic & diluted	0.01	0.02	0.01
Total Assets	2,423,522	1,809,750	2,291,483
Total Long Term Liabilities	-	-	-
Cash Dividend	-	-	-

The losses in fiscal 2018 was mainly due to the initiation of new hemp project in Oregon and new stock option grant and vested on September 24, 2018 ($899,300 share-based compensation expenses were recognized).

The increase in losses in fiscal 2019 compared to fiscal 2018 was mainly due to the increase in the non cash share based compensation from $899,300 in fiscal 2018 to $2,013,148 in fiscal 2019 and impairment of the New Brunswick subsidiary's biological assets of $310,877 and equipment of $95,863.

The decrease in losses in fiscal 2020 compared to fiscal 2019 was primarily due to the decrease in the non-cash share based compensation. In fiscal 2019, there was a larger vesting portion of various grants of options and compensation warrants were recognized as non-cash share based compensation expense.

Selected Quarterly Information

The following table summarizes the results of operations for the Company's eight most recent quarters.

	Quarter Ended							
	30-Sep-20 $	30-Jun-20 $	31-Mar-20 $	31-Dec-19 $	30-Sep-19 $	30-Jun-19 $	31-Mar-19 $	31-Dec-18 $
Revenue	-	-	-	28,875	1,207	-	1381	-
Operating (expenses) recovery	297,078	(38,761)	5,776	(993,872)	722,936	(47,310)	(126,819)	(3,092,888)
Net Income (Loss) from continued operations & net loss	(216,850)	(91,466)	(53,141)	(1,016,761)	660,196	(340,297)	(167,078)	(3,071,134)
Loss per share, basic & diluted	(0.00)	(0.00)	(0.00)	(0.01)	0.00	0.00	0.00	(0.02)

Results of Operations

Year ended September 30, 2020 ("Fiscal 2020") and 2019 ("Fiscal 2019")

Loss for Fiscal 2020 was $1,378,218 (Fiscal 2019 – loss of $2,918,313). The $1,378,218 loss was mainly a combined result of having operating expenses of $729,779 (Fiscal 2019 –$2,546,028), share of loss of joint venture of $481,975 (Fiscal 2019 – profit of $45,603), exchange gain of $268 (Fiscal 2018 – Gain of $3,641), loss on assets held for sale of

$191,444 (Fiscal 2019 - $95,863), loss on settlement of debt of NIL (Fiscal 2019 - $20,295), write-off of biological assets of NIL (Fiscal 2019 - $310,877). Consulting fees of $8,878 (Fiscal 2019 - $253,272), professional fees of $102,722 (Fiscal 2019 - $49,403), loan inducement fee of $25,500 (Fiscal 2019 - $NIL), research and development of $29,180 (Fiscal 2019 - $39,069), trust and filing fees of $31,080 (Fiscal 2019 - $22,621) and share-based compensation of $488,387 (Fiscal 2019 - $2,013,148).

The main reason for the significant drop in the operating expenses in fiscal 2020 compared against 2019 was due to the decrease in non-cash share based compensation. In fiscal 2019, there was a larger vesting portion of various grants of options and compensation warrants were recognized as non-cash share based compensation expense.

The share of loss of joint venture of $481,975 (Fiscal 2019 – profit of $45,603) was mainly from the 50% share of the operating loss of CBA Oregon JV. The significant increase in operating loss of CBA Oregon JV was a result of less-than-optimal sales and the significant drop in the demand and price of the hemp related products in fiscal 2020.

The impairment of the New Brunswick subsidiary's biological assets of $NIL (Fiscal 2019 - $310,877) and loss on assets held for sale related to the farming equipment of $191,144 (Fiscal 2019 - $NIL) were due to the winding down of the New Brunswick operation in fiscal 2020 and the lack of market demand for the obsolete farming equipment.

<u>The Fourth Quarter Ended September 30, 2020 ("2020 Q4") and 2019 ("2019 Q4")</u>

Net income (loss) for 2020 Q4 was $216,850 (2019 Q4 – income of $660,196). The $660,196 net income was mainly a combined result of having operating expense recovery of $297,078 (2019 Q4 –operating expense recovery of $722,936), share of loss of investment in joint venture of $302,500 (2019 Q4 – profit of $54,358), loss on assets held for sale of $191,444 (2019 Q4 - $NIL) and provision for impairment of equipment of $NIL (Fiscal 2019 - $95,863).

Main components of operating expense recovery are the reduction in previously recognized non cash stare based compensation of $424,213 (2019 Q4 – recovery of $1,028,852), consulting fees of $NIL (2019 Q4 - $206,272), and professional fees of $76,476 (2019 Q4 - $26,056). The reduction in previously recognized stock-based compensation of $424,213 is a revised estimate of the assumption for the stock-based compensation recognized during the nine months period ended June 30, 2020. The increase in professional fees was the result of the acquisition of the remaining 50% of the CBA Oregon JV (See Note 6 of the audited financial statements for the fiscal year ended September 30, 2020).

The share of losses of investment in joint venture in 2020 Q4 was a result of the losses incurred from the farming operation of the Oregon joint venture.

The loss on assets held for sale for 2020 Q4 of $191,444 was due to the winding down of the New Brunswick operation in fiscal 2020 and the lack of market demand for the obsolete farming equipment.

As at September 30, 2020, the Company had $16,372 cash (September 30, 2019 - $485,774), $2,358,599 property and equipment (September 30, 2019 - $218,912), accounts payable and accrued liabilities of $677,461 (September 30, 2019 - $421,543), notes payable of $826,426 (September 30, 2019 - $29,002) and $7,118,029 in share capital (September 30, 2010 - $6,691,986).

Liquidity and Capital Resources

Financing of operations has been achieved primarily through equity and debt financing. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they are due. As at September 30, 2020, the Company had a working capital deficit of $1,443,964.

Management realizes that the current liquidity and capital on hands are not sufficient to develop the Company into a viable business. In order to improve the working capital, the Company may further raise capital in the future to finance the Company's operations through equity or debt financing, including related party loan, or through other arrangements including but not limited to joint-venturing.

While the Company believes it will be able to raise additional financing when required, there is no guarantee that the Company can complete equity or debt financings in the future. There are inherent risks associated with the equities market and fluctuations in this market could negatively impact the Company's liquidity and access to capital resources. See the "Risks and Uncertainties" for further discussion of the risks the Company may have.

Proposed Transactions

There are no proposed transactions that may have material impact to the Company.

Outstanding Share Data

As at the date of this MD&A, the Company has the following shares or equities that are convertible to the Company's share capital on a one-to-one basis:

Class A Common Shares	266,960,432
Warrants	106,122,299
Stock Options	26,600,000

Off-Balance Sheet Arrangements

The company does not have off-balance sheet arrangements.

Transactions with Related Parties

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel during the year ended September 30, 2020 and 2019 was as follows:

Key Management Compensation:

Nature of transactions	**Years ended September 30,** **2020**	**2019**
	$	$
Consulting fees	52,051	236,021
Share based compensation	310,106	798,502

Included in accounts payable and accrued liabilities is $128,403 (2019 - $153,750) due to directors and officers for unpaid consulting fees and expense reimbursements. These amounts are unsecured, non-interest bearing with no fixed payment terms.

During the year ended September 30, 2020, the Company incurred consulting fee of $10,000 for the service of the President/CEO (September 30, 2019 - $34,886) and recognized share based compensation of $154,632. A balance of $52,500 was owed to the CEO as at September 30, 2020.

During the year ended September 30, 2020, the Company incurred accounting fee of $6,500 for the service of the CFO (September 30, 2019 - $6,500). A balance of $3,575 was owed to the CFO as at September 30, 2020.

During the year ended September 30, 2020, the Company incurred legal fee of $35,551 (September 30, 2019 - $13,758) for the service of Dunton Rainville LLP, a law firm controlled by Michel Lebeuf, a director newly appointed in May 2020. A balance of $31,078 was owed to the law firm as at September 30, 2020.

During the year ended September 30, 2020, the Company recognized share based compensation of $150,623 to Mr. Paul Perrault, a director of the Company. A balance of $26,250 was owed to the director as at September 30, 2020.

Financial Instruments and Other Instruments

Refer to Notes 3 to the Company's financial statements for the year ended September 30, 2020.

Changes in Accounting Policies including Initial Adoption

Refer to Notes 3 to the Company's financial statements for the year ended September 30, 2020.

Risks and Uncertainties

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. Significant risks of the Company's business include the following:

<u>New Business</u>

Our business is subject to risks inherent in the establishment of a new business enterprise, such as limited historical financial information, limited capital resources and the inability to raise additional funds when required. No commitments to provide additional funds have been made by management or other shareholders.

<u>COVID-19 (Coronavirus)</u>

On March 11, 2020, the current outbreak of COVID-19 (Coronavirus) was declared a global pandemic, which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. As a result, global equity markets and oil prices have experienced significant volatility and weakness. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

<u>Dilution to the Existing Shareholders</u>

The Company is very likely to further issue common stock to raise additional capital. The issuance of additional equity securities by the Company could result in a significant dilution in the equity interests of existing shareholders.

<u>Reliance on Management's Expertise</u>

GHG strongly depends on the expertise of its management team and there is little possibility that this dependence will decrease in the near term. The loss of the services of any member of such team could have a material adverse effect on the Company. GHG does not have any key person insurance in place for management.

Permits and Licenses

The hemp and cannabis industries may require the Company to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that the Company will be able to obtain all necessary permits and licenses that are required to carry out the Company's hemp and cannabis business.

Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other companies in similar line of business. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Financial and Disclosure Controls and Procedures

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company's certifying officers 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.

In connection with Exemption Orders issued in November 2007 and revised in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate under National Instrument ("NI 52-109") (Certification of Disclosure in Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Directors and Officers

Curt Huber	Director, President, and CEO
Michel Lebeuf	Director
Dr. Paul Perrault	Director
Jeffrey Kilpatrick	Director
Sebastian Tang	CFO