MUSTGROW BIOLOGICS CORP.

(Formerly Duport Capital Ltd.)

Management's Discussion and Analysis

For the Year Ended December 31, 2019

General

This management discussion and analysis of financial position and results of operations ("**MD&A**") is prepared as at April 28, 2020 and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2019 and related notes of MustGrow Biologics Corp. (formerly Duport Capital Ltd.) (the "**Company**"or **"Duport"**). The audited consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("**IFRS**") issued by the International Accounting Standards Board ("**IASB**") and interpretations of the IFRS Interpretations Committee ("**IFRIC**").

Management is responsible for the preparation and integrity of the Company's consolidated financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and MD&A, is complete and reliable.

All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted. This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Company is available for viewing on SEDAR at www.sedar.com.

Description of Business

On March 13, 2018 the Company completed a three-cornered amalgamation (the "**Amalgamation**") pursuant to an amalgamation agreement between the Company, MPT Mustard Products & Technologies Inc. ("**MPT**") and 102023826 Saskatchewan Ltd. ("**Subco**"). Pursuant to the terms of the amalgamation agreement the Company acquired all of the issued and outstanding MPT common shares and MPT common share purchase warrants in exchange for the Company's common shares and common share purchase warrants and MPT and Subco amalgamated pursuant to the provisions of *The Business Corporations Act* (Saskatchewan). The Company issued one common share for every two MPT common share and one warrant for every two MPT warrants, for aggregate consideration of 10,454,154 common shares (post-consolidation) of the Company and 1,289,837 warrants of the Company being issued to the MPT shareholders and warrant holders.

On March 29, 2018 the Company changed its name to MustGrow Biologics Corp.

On January 1, 2020, the Company and its wholly owned subsidiary, MPT, amalgamated and continued operations as MustGrow Biologics Corp.

The Company was previously a business development services company.

The Company is now a publicly traded (CSE: MGRO) (OTC: MGROF) agricultural biotech company focused on providing natural science-based biological solutions for high value crops, including fruit & vegetable and cannabis cultivation. MustGrow has designed and owns a United States EPA-approved organic solution that uses the mustard seed's natural defense mechanism to protect plants from pests and diseases. 110 independent tests have been completed, validating MustGrow's safe and effective signature products. This product, in granule format, is EPA-approved across all key U.S. states as a fertilizer and pesticide (currently limited to fertilizer in California) and is designated by Health Canada's PMRA (Pest Management Regulatory Agency) as a fruit & vegetable bio-pesticide and fertilizer. MustGrow has now concentrated a liquid format to be applied through standard drip or spray equipment, improving functionality and performance features.

Share Issuances

On February 19, 2018, Duport issued 14,429,654 shares then on March 12, 2018, completed a 3.3:1 share consolidation, resulting in a total of 6,098,888 number of shares outstanding immediately before the Amalgamation.

On March 13, 2018, the Company issued 10,454,454 common shares pursuant to the Amalgamation. The Amalgamation was deemed to be a reverse takeover of the Company by MPT. Accordingly, for accounting purposes, MPT was deemed to issue 6,098,888 shares to acquire the Company. On March 13, 2018, the Company issued 1,289,837 warrants (each to purchase one common share) pursuant to the Amalgamation. 789,837 such warrants had exercise prices of $1.00 to $1.20 per share and expired between June and September 2018. 500,000 of such warrants have an exercise price of $0.30 per share and expire July 10, 2022.

On March 20, 2018, the Company completed an issuance of 6,720,000 units (the "Unit Offering") consisting of one common share and one warrant to purchase one common share at $0.35 per share (the "Unit"). Issue price was $0.25 per Unit. Proceeds net of issuance costs were $1,463,530. The Company issued 6,720,000 warrants pursuant to the Unit Offering. Each warrant entitles the holder to purchase one common share at $0.35 per share until March 19, 2020.

Pursuant to the Unit Offering on March 20, 2018, the Company issued 537,600 unit warrants to intermediaries as compensation for Unit placement. Each warrant entitles the holder to purchase one Unit at $0.25 per Unit until March 19, 2020.

On October 30, 2018, the Company issued 1,400,000 Share Warrants to a financial advisor in exchange for services. Such warrants have an exercise price of $0.35, expire March 20, 2020 and vest 50% immediately and 50% on March 1, 2019.

On December 17, 2018, the Company issued 2,200,000 options to directors, officers and consultants of the Company. Such options had an exercise price of $0.25, a contractual life of five years and were vested 25% immediately and 25% on each of the next three anniversaries of issuance.

The Company completed a private placement of common shares and issued 1,662,533 shares on March 12, 2019 and 50,000 shares on March 13, 2019, in the aggregate amount of 1,712,533 shares, at $0.70 per common share for gross proceeds of $1,198,773 (the “March 2019 Private Placement”). Net proceeds after share issuance costs were $1,151,532.

On July 17, 2019, the Company issued 250,000 options to a director of the Company. Such options had an exercise price of $0.32, a contractual life of five years and were vested 25% immediately and 25% on each of the next three anniversaries of issuance.

On December 10, 2019, the Company completed a private placement of 11,139,879 units (the “2019 Unit Offering”) consisting of one common share and one-half warrant to purchase one common share. Issue price was $0.35 per unit. Proceeds, net of cash issuance costs, were $3,689,557. Intermediaries that placed the 2019 Unit Offering received 534,986 warrants. All warrants issued pursuant to the 2019 Unit Offering have an exercise price of $0.50 per share and a two-year term.

Selected Annual Information

	2019 $	2018 $	2017 $
Revenue	0	2,000	2,102
Net loss	1,518,038	1,893,377	197,564
Net loss per share, basic and diluted	0.06	0.09	0.02
Assets	4,092,666	534,278	15,925
Non-current financial liabilities	382,271	709,950	669,710
Cash dividends per share	0	0	0

Due to a lack of funding, the Company had limited research, development and corporate activity in 2017. Following the Unit Offering in March 2018, the Company had the financial resources to increase corporate activity, resulting in increased net losses in 2018 and 2019.

Results of Operations, Cash Flows and Financial Position

For the years ended December 31, 2019 and 2018, the Company incurred losses of $1,518,038 and $1,893,377, respectively. The net loss for the year ended 2018 includes non-cash listing fees of $885,983, which if excluded, results in an increase in net loss in 2019 compared to 2018. This increase was due to increased product development, business development and investor relations activities in 2019.

Limited product sales were made in 2018 and 2017.

Due to a lack of funding, MPT had limited expenditures in 2017 and focused on sustaining operations and restructuring to facilitate new funding opportunities. Specifically, MPT was focused on restructuring its debt obligations and working toward a potential transaction with Duport Capital Corp. which the Company believes will enhance its ability to raise capital to fund operations in the future. The loss for 2017 includes a non-cash gain on extinguishment of debt of $116,937.

Following the Unit Offering in 2018, the Company incurred administrative, corporate communications and professional fees related to preparation of a non-offering prospectus (**"Prospectus"**) for the purpose of providing full public disclosure pursuant to the Company's application to list its common shares on the Canadian Securities Exchange. No securities were offered pursuant to the Prospectus. The Company's common shares commenced trading on the CSE on July 10, 2019.

Cash used in operating activities for the years ended December 31, 2019 and 2018 was $1,352,513 and $968,347, respectively. The increase in 2019 was primarily due to expenses related to increased product development, business development and investor relations activities.

Cash provided by financing activities for the years ended December 31, 2019 and 2018 was $4,873,997 and $1,468,520, respectively. In 2019, the Company received $1,151,532 related to the March 2019 Private Placement, $68,908 related to exercise of warrants and $3,653,557 related to the 2019 Unit Offering. In 2018, the Company received $1,463,530 related to the Unit Offering.

Total assets increased to $4,092,666 at December 31, 2019 from $534,278 at December 31, 2018 due to the increase in cash resulting from the March 2019 Private Placement and the 2019 Unit Offering less cash used to fund increased operations.

Total liabilities increased to $1,061,475 at December 31, 2019 from $1,019,832 at December 31, 2018 primarily due to the accretion in the value of long-term debt.

Selected Quarterly Information

The following selected financial data has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements. All dollar amounts are in Canadian dollars.

Quarter Ended	Revenue $	Income (loss) for the period $	Income (loss) per Share (Basic & Diluted) $
December 31, 2019	0	(485,972)	(0.02)
September 30, 2019	0	(409,891)	(0.02)
June 30, 2019	0	(337,345)	(0.01)
March 31, 2019	0	(284,830)	(0.01)
December 31, 2018	2,000	(280,778)	(0.01)
September 30, 2018	0	(223,156)	(0.01)
June 30,2018	0	(176,678)	(0.01)
March 31, 2018	0	(1,212,765)	(0.10)

Net losses for the past eight quarterly periods have steadily increased due to increased product development, business development and investor relations activities.

The loss for the three months ended March 31, 2018 includes non-cash listing fees of $885,983 resulting from the Amalgamation.

Financial Condition, Liquidity and Capital Resources

The Company's working capital at December 31, 2019 was $3,413,462 including cash of $4,028,813. The Company does not generate positive cash flows. The Company is reliant on equity financing or shareholder loans to provide the necessary cash to acquire or participate in an active business. There can be no assurance that equity financings will be available to the Company in the future that will be obtained on terms satisfactory to the Company.

The Company has not entered into any off-balance sheet arrangements.

Related Party Transactions

During the year ended December 31, 2019, the Company incurred consulting fees and office rent of $424,505 (2018 – $217,613) to companies controlled by directors and officers of the Company.

During the year ended December 31, 2019, stock-based compensation related to stock options issued to directors and officers of the Company totaled $120,572 (2018 – $54,283).

As at December 31, 2019 there was $9,310 accrued and payable to directors and officers of the Company (December 31, 2018 – $11,613).

As at December 31, 2019 and 2018 there was $205,734 owing to a related party, which is a shareholder of the Company. The amount is unsecured, non-interest bearing and payable seven days following the substantial sale of all of the assets of the Company. Notwithstanding, the Company intends to repay the amount when cash flow permits and therefore classifies the amount as a current liability. There are no restrictions on prepayment nor any prepayment penalty.

Financial Instruments and Risk Management Fair Values

The fair values of cash and equivalents, receivables, trade payables and long-term debt approximate their fair values because of their nature and relatively short maturity dates or durations. The long-term debt is valued using a discounted cash flow model taking into consideration the current market interest rate of interest with similar term to maturity and the Company's current credit quality. As at December 31, 2019, the fair value of the long-term debt is $755,825 (December 31, 2018 - $709,950).

(a) Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

(b) Financial Instrument Risk Exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks.
The Board approves and monitors the risk management process.

Credit Risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash and receivables. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The receivables consist primarily of tax receivables due from federal government agencies. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. Such fluctuations may be significant, but the Company is not currently subject to any such risks in a material way.

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(b) Foreign currency risk

The Company is not exposed to any material foreign currency risk on fluctuations in exchange rates.

(c) Price risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Contingencies

The Company is not aware of any contingencies or pending legal proceedings as of the date of this MD&A.

Additional share information

As at December 31, 2019 the Company had outstanding:

(i) 36,325,084 common shares;

(ii) 14,544,551 warrants convertible into shares;

(iii) 2,450,000 stock options convertible into shares; and

(iv) 527,970 warrants convertible in to Units consisting of one share and one warrant to purchase one share at $0.35.

Subsequent Events

On January 1, 2020, MustGrow Biologics Corp. completed an amalgamation with its wholly owned subsidiary MPT Mustard Products & Technologies Inc. The amalgamated company will continue under the name MustGrow Biologics Corp.

In March, 2020 the Company executed an amendment to the Saskatchewan Minister of Agriculture Loan which changed the due date from February 1, 2020 to March 1, 2022. All other terms were unchanged.

Subsequent to year end, the outbreak of the Coronavirus disease ("COVID-19") has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. The duration and impact of the COVID-19 outbreak is not known at this time, nor is the efficacy of the government and central bank monetary and fiscal interventions designed to stabilize economic conditions. As a result, it is not possible to reliably estimate the length and severity of these developments or the impact on the financial position and financial results of the Company in future periods.

Disclaimer

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. It should be read in conjunction with all other disclosure documents provided by the Company, which can be accessed at www.sedar.com. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented herein.

Cautionary Statement on Forward Looking Information

Certain statements contained in this document constitute "forward-looking statements". Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressly stated or implied.