

MUSTGROW BIOLOGICS CORP.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023

General

This management's discussion and analysis of financial position and results of operations ("**MD&A**") is prepared as at November 29, 2023 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2023 and related notes of MustGrow Biologics Corp. ("**MustGrow**" or the "**Company**"). The unaudited condensed interim 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.

Management is responsible for the preparation and integrity of the Company's 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.

History and Description of Business

On March 13, 2018 the Company completed a three-cornered 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 shares 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.

On May 7, 2020, the Company formed a wholly owned subsidiary, MustGrow Biologics Colombia S.A.S. to pursue market opportunities in South America. On November 10, 2021, the Company announced that the Company's South American product development program would transition to its collaborator, Sumitomo

Corporation. Accordingly, the Company's subsidiary was no longer required and MustGrow Biologics Colombia S.A.S. was wound up on March 31, 2022.

The Company is a publicly traded (TSXV: MGRO; OTCQB: MGROF; FRA: OCO) agricultural biotechnology company focused on the development and commercialization of natural biological technologies and products from mustard seed for sustainable agriculture markets. The objectives of these biological technologies and products are (i) to provide a natural, sustainable alternative to banned and/or restricted synthetic chemicals and fertilizers; (ii) for use in organic production; and (iii) to help improve overall soil health. These biological technologies and products include applications in the Biocontrol, Soil Amendment and Biofertility markets.

Biocontrol

In the Biocontrol market, the Company has designed and owns a United States ("U.S.") Environmental Protection Agency ("EPA") approved biopesticide that uses the mustard seed's natural defense mechanism to protect plants from soil-borne microbial diseases and pests. Approximately 150 independent tests have been completed, validating the Company's safe and effective technology. This technology, in granule format, is EPA-approved across all key fruit & vegetable growing U.S. states (excluding California) as a biopesticide and is designated by Health Canada's Pest Management Regulatory Agency ("PMRA") as biopesticide. The Company has now developed a new concentrated format for Biocontrol, branded as TerraMG™, to be applied through injection, standard drip or spray equipment, designed to improve functionality and performance features. Discussion with the EPA for regulatory approval for TerraMG™ is on-going.

In Biocontrol, the MustGrow technology is a platform technology with multiple applications (collectively, "Biocontrol" applications), including:

- **Preplant Soil Biofumigation** – to treat soil-borne diseases and pests for multiple crops, including fruit, vegetables, and potentially others;
- **Bioherbicide** – to treat unwanted plant growth using a unique mode of action, for potential use in organic agriculture and home and garden markets, as well as agriculture markets in jurisdictions where glyphosate is out of favor or has been banned; and
- **Postharvest Food Preservation** – to suppress sprouting and treat disease and pathogens, for potential use in storage and food preservation markets (fruit and vegetables, bulk grain, shipping containers and food borne pathogens).

Soil Amendment and Biofertility

The Company is also has registration some U.S. states and is developing an organic soil amendment technology, under the brand name TerraSante™, and formulating potentially new biofertility technologies customized for particular soil applications (respectively the "Soil Amendment" and "Biofertility" applications and technologies). The Soil Amendment technology and products, in mixable form, contains nutritious plant proteins and carbohydrates that feed soil microbes, potentially improving beneficial microbial activity and ensuring long-term sustainable soil health. These targeted micro-communities are shown to work to improve nutrient availability, which can potentially increase plant vigor and yields, while also reducing plant stress. TerraSante™ has the potential to improve crop nutrient uptake and, hence, overall crop performance.

MustGrow is initially pursuing TerraSante™ branded registrations in the U.S. for Soil Amendment applications, which will be followed by new formulations and brands targeting the Biofertility markets. The Soil Amendment and Biofertility products will utilize multiple technologies derived from novel plant-based extracts from mustard and potentially other sources.

Operations

MustGrow is developing and commercializing natural biological technologies and products from mustard seed for the Biocontrol, Soil Amendment and Biofertility markets for sustainable agriculture. The objective of these biological technologies and products is to provide a natural, sustainable alternative to banned and/or restricted synthetic chemicals and fertilizers, for use in organic production, and to help improve overall soil health.

The research, development and regulatory pathway for Biocontrol pesticides and herbicides typically begins with laboratory work that verifies that the active ingredient and formulation will have the desired neutralizing effect on the pest of interest in a controlled environment, at small scale. This laboratory phase may take one to two years and cost up to approximately \$100,000. If these results are positive, the trial work can proceed to a greenhouse environment where the scale is larger, but conditions remain controlled in the confines of the greenhouse. Validation in the greenhouse phase may take one to two years and cost approximately \$100,000 to \$500,000. If these results are positive, the next step would be to test the technology in "real world" conditions in field trials. These trials are conducted on the crops and pests of interest in typical, commercial growing environments. These are larger scale and more expensive trials that will typically span a growing season or longer and test different application methods and rates. In order to achieve regulatory approval for commercial use of a new biological pesticide/technology, additional safety and efficacy trials will be required as determined by the pertinent regulatory agency (for example, the EPA in the U.S. and the PMRA in Canada). This phase of product development may cost approximately \$1 million to \$5 million or more and take two to three years to complete. In addition, registration in other foreign jurisdictions may cost approximately \$10 million to \$15 million and take three to seven years to complete.

While the research and development costs and timelines for Soil Amendment and Biofertility applications mirror that for Biocontrol pesticides and herbicides, the time and cost for regulatory trials and approvals is anticipated to be much less.

The Company's product development model emphasizes collaboration with industry participants who have resources and experience in pesticide technology commercialization. Typically, industry partners will conduct trials at their own expense. Therefore, it is unlikely that the Company would bear the entire cost associated with product development on its own and would be able to access the know-how, research, development and regulatory expertise of industry participants.

On August 4, 2021, the Company announced that it entered into an exclusive evaluation and option agreement with Sumitomo Corporation to evaluate the Company's technology for its efficacy and commercial potential. Pursuant to the agreement, the Company granted Sumitomo Corporation, amongst other things, the intellectual property rights for testing and the option to acquire exclusive rights to MustGrow's Biocontrol technology for preplant soil fumigation, bioherbicide and postharvest food preservation for potatoes, and bananas in North, Central, and South America.

On December 14, 2021, the Company announced an expansion of the Sumitomo Corporation collaboration program to include development work in Mexico, Peru and Chile, across multiple crops and

applications. The Company and Sumitomo Corporation also commenced regulatory work in multiple countries across South and Central America in addition to the ongoing EPA registration process in the United States.

On January 21, 2022, the Company announced that it entered into an exclusive evaluation and option agreement with Bayer AG ("**Bayer**") to evaluate the Company's technology for its efficacy and commercial potential. Pursuant to the agreement, the Company granted Bayer, amongst other things, the intellectual property rights for testing and the option to acquire exclusive rights to MustGrow's Biocontrol technology for pre-plant soil fumigation, bioherbicide, postharvest and food preservation for potatoes in Europe, Asia Pacific, Middle East and Africa.

On April 20, 2022, the Company announced that it entered into an exclusive evaluation and option agreement with Janssen PMP, a division of Janssen Pharmaceutica NV, one of the Janssen Pharmaceutical companies of Johnson and Johnson ("**Janssen PMP**"). Pursuant to the agreement, the Company granted Janssen PMP the exclusive right to test the Company's Biocontrol technologies for postharvest storage preservation of fruits and vegetables globally, excluding grains, potatoes, bananas and shipping container fumigation (the "**Field**"). The Company also granted to Janssen PMP an option to obtain an exclusive license to commercialize technology in the Field.

On July 20, 2022, the Company announced that it entered into an exclusive marketing and distribution agreement with NexusBioAg in the Canadian canola and pulse crops for the Company's mustard-based biopesticide technology. This agreement continues and extends previous research performed by NexusBioAg, further advancing the technology through the development process.

On August 16, 2022, the Company announced that it extended the exclusive evaluation and option agreement with Sumitomo Corporation, originally announced on August 4, 2021. Over the span of the initial option period, Sumitomo Corporation's evaluation efforts demonstrated positive levels of efficacy utilizing MustGrow's technology in comparison to certain synthetic chemical standards. These positive tests, conducted across the Americas, resulted in the parties' desire to extend the term of the exclusive evaluation and option agreement. During the extension period, Sumitomo Corporation plans to continue to drive all field development, regulatory and market assessment work necessary for commercialization. Pursuant to the extension agreement, MustGrow received USD 500,000 (\$641,200), which was recorded as deferred revenue.

On November 9, 2022, the Company announced that the TSX Venture Exchange ("**TSXV**") approved the Company's application to list its common shares on the TSXV. The Company's common shares commenced trading on the TSXV on November 11, 2022. The Company also voluntarily delisted its common shares from the Canadian Securities Exchange at the close of the market on November 10, 2022.

On March 8, 2023, the Company announced growth of its global patent portfolio from 23 to 84 patent files in the past three years. Of the 84 patent files, 62 have been issued, an increase from 18 issued patents three years ago.

On April 18, 2023, the Company announced that it will pursue opportunities in the Soil Amendment and Biofertility marketplaces, focusing on soil and soil microbiome health, nutrient and water use efficiencies, and plant yields.

On May 23, 2023, the Company and Janssen PMP, a division of Janssen Pharmaceutica NV, announced an extension to their global partnership.

On June 5, 2023, the Company announced an agreement with Bio Ag Product Strategies to develop and commercialize Soil Amendment and Biofertility technologies in the U.S., including TerraSante™.

On June 13, 2023, the Company announced completion of initial commercial run-rate production via a third-party contract manufacturer.

On September 6, 2023, the Company and Janssen PMP announced a significant expansion to their existing agreement, announced April 20, 2022, to test and develop MustGrow's biological mustard plant-based technologies for certain postharvest food preservation storage applications globally.

On October 31, 2023, the Company announced receipt of organic compliance certification from the USDA National Organic Program for its TerraSante™ crop fertilizer and soil amendment technology. TerraSante™ is now OMRI listed in the following Generic Material Listings: NOP: Plant Extracts, Class: Crop Fertilizers and Soil Amendments.

On November 7, 2023, the Company announced that Health Canada's Pest Management Regulatory Agency ("PMRA") approved commencement of large-scale field trials via NexusBioAg's 2024 BioAdvantage Trials Program ("BAT Program"). NexusBioAg is partnered with MustGrow to provide TerraMG™ to Canadian farmers, upon PMRA registration, as a preplant soil treatment for diseases affecting canola and pulse crops.

On November 15, 2023, the Company announced receipt of the Washington State Department of Agriculture Fertilizer Registration Certificate. This certificate allows the Company to commence sales of its TerraSante™ crop fertilizer and soil amendment product in Washington State.

The Company's technology pipeline is presented below and describes, for each application, the stage of development and the steps to reach regulatory approval, which will facilitate commercial sales. Please refer to the discussion under the "Technology Pipeline and Market Opportunities" section of the Company's Annual Information Form ("AIF") dated April 27, 2023 available under the Company's Issuer Profile on SEDAR at www.sedar.com.

Technology Pipeline

	APPLICATIONS	TARGET	ESTIMATED MARKET SIZE / LOSS	PROOF OF CONCEPT Laboratory	EARLY R&D Greenhouse	ADVANCED R&D Field Trials	REGISTRATION Pre-Launch	Partner
Soil Applied	Soil Amendment & Biofertility							
	TerraSante™	Preplant Soil Conditioner for Healthier Soil	US\$3.5 Billion Estimated Global Market Size					TerraSante™ Registration work ongoing in the US and Canada
	Biofertilizers	Preplant Soil Biofertilizers for yield enhancement	US\$2.6 Billion Estimated Global Market Size					Formulation work
	Soil Biocontrol							
	TerraMG™	Fusarium, Botrytis, Verticillium, Rhizoctonia, Pythium, Phytophthora, Sclerotinia, Aphanomyces, Clubroot Disease, Nematodes, etc.	US\$1.3 Billion Estimated Global Market Size in Fruit & Vegetable					TerraMG™ Registration work ongoing in multiple countries Sumitomo Corporation Bayer NexusBioAg
	Bioherbicide	Natural Herbicide	US\$35 Billion Estimated Global Market Size					Formulation work on new extract Sumitomo Corporation Bayer
Non-soil Applied	Postharvest Biocontrol & Food Preservation							
	Storage: Potato, Fruit & Vegetable	Sprouting, diseases and pests	US\$1.5 Billion Estimated Global Market					Janssen R&D Sumitomo Corporation Bayer
	Storage: Bulk Grain*	Mycotoxins and pests	US\$15 Billion Estimated Global Loss					Seeking Partners
	Storage: Shipping Containers*	Diseases and pests	US\$2 Billion Estimated Global Market Size					Seeking Partners

* Literature shows AITC has application in these areas.

Source: Globenewswire, Statista, Fortune Business, Polaris Market Research, 3rd Party Ag Market Researcher, MustGrow estimates.

Financing Activities

During the nine months ended September 30, 2023, the Company issued 417,034 common shares for proceeds totaling \$95,750 on the exercise of share units and stock options.

During the year ended December 31, 2022, the Company issued 1,875,000 common shares for proceeds totaling \$653,750 on the exercise of warrants and stock options.

Results of Operations

Revenue in 2022 came from sales of CannaPM™. In view of limited potential, the Company ceased sales of CannaPM™ in 2022.

For the three and nine months ended September 30, 2023, the Company incurred losses of \$1,859,866 and \$4,107,591 compared to \$2,132,955 and \$4,564,121 in the corresponding periods in 2022. The variation from year to year was driven primarily by the expense levels presented in the table below.

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Research and development	\$ 97,298	\$ 199,765	\$ 670,860	\$ 382,705
Regulatory	124,967	23,037	225,970	85,683
Corporate communications	68,486	47,029	177,730	125,599
Transfer agent, filing and exchange	64,242	56,647	214,290	241,553
Office and administration	232,549	301,090	742,624	856,875
Marketing and promotion	114,508	152,956	412,351	487,556
Patent expenses	72,676	82,285	290,358	280,052
Professional fees	118,003	238,408	321,307	693,891
Stock-based compensation	1,018,732	1,106,947	1,217,019	1,487,921
	<u>\$ 1,911,461</u>	<u>\$ 2,208,164</u>	<u>\$ 4,272,509</u>	<u>\$ 4,641,835</u>

Research and development expenses include:

- Costs related to identification and extraction of biopesticide, soil amendment, biofertility and bioherbicide compounds from mustard seed, and formulation of these compounds into biologic technologies and products ("**Process Development**");
- Testing of these technologies, assessing soil health and impact on various microbial diseases, pests and weeds in laboratory, greenhouse and field settings ("**Trials**"); and
- Fees paid to technical experts assisting with management of Process Development and Trials.

Research and development expenses increased in 2023 as the Company increased process development activities.

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Process development	\$ 49,652	\$ 90,946	\$ 536,635	\$ 182,147
Trials	11,755	72,701	24,136	112,617
Management	35,891	36,118	110,089	87,941
	<u>\$ 97,298</u>	<u>\$ 199,765</u>	<u>\$ 670,860</u>	<u>\$ 382,705</u>

Regulatory expenses include renewal fees for existing product registrations and fees paid to expert consultants working with regulatory bodies to achieve registration of the Company's technology.

Corporate communications expenses consist of fees paid to consultants to provide, amongst other services, the following:

- Educating investors and the general public about the Company's products and technology; and
- Communications with shareholders and financial market participants relating to the Company's products and technology trials.

Corporate communications expenses increased in 2023 due to increased communications with industry driven by the increase in the Company's research and development activity.

Transfer agent, filing and exchange fees were higher in 2022 due to fees related to the preparation and filing of the Company's base shelf prospectus.

The primary components of office and administration expenses are as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Management compensation	\$ 218,597	\$ 225,791	\$ 669,847	\$ 685,884
Rent	11,826	15,560	40,298	52,374
Travel	-	37,056	1,461	77,822
Office expenses and other	2,126	22,683	31,018	40,795
	\$ 232,549	\$ 301,090	\$ 742,624	\$ 856,875

Marketing and promotion expenses include trade shows, travel, content and materials development and dissemination and consulting fees paid to market development representatives.

Professional fees include legal, audit and tax services.

Stock-based compensation is a non-cash expense, relates primarily to issuance of share units and was higher in 2022 due to issuance of warrants and stock options in the 2022 period.

Cash Flows and Financial Position

Cash used in operating activities for the nine months ended September 30, 2023 and 2022 was \$2,945,195 and \$2,329,971, respectively. Overall cash expense levels in the 2023 and 2022 periods were comparable, but the 2022 period contained deferred revenue of \$913,700, which reduced cash used in operating activities for the 2022 period.

Cash provided by financing activities for the nine months ended September 30, 2023 and 2022 was \$95,750 and \$633,750, respectively, related to exercise of warrants and options.

Total assets decreased to \$4,337,545 at September 30, 2023 from \$7,134,382 at December 31, 2022 due to cash used to fund operations.

Total liabilities decreased to \$1,893,321 at September 30, 2023 from \$1,895,336 at December 31, 2022.

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.

Quarter Ended	Revenue \$	Income (loss) for the period \$	Income (loss) per Share (Basic & Diluted) \$
September 30, 2023	0	(1,895,866)	(0.04)
June 30, 2023	0	(1,201,309)	(0.02)
March 31, 2023	0	(1,046,415)	(0.02)
December 31, 2022	0	(1,008,277)	(0.02)
September 30, 2022	1,308	(2,132,955)	(0.04)
June 30, 2022	3,721	(1,421,512)	(0.03)
March 31, 2022	1,450	(1,009,655)	(0.02)
December 31, 2021	0	(1,095,520)	(0.02)

The Company is not currently subject to seasonality fluctuations and the variation in loss for the quarterly periods reflects increased or decreased levels of research, technology development and corporate activity.

Financial Condition, Liquidity and Capital Resources

The Company's working capital at September 30, 2023 was \$2,799,282 including cash of \$4,166,738. The Company does not generate positive cash flows. The Company is reliant on equity financing to provide the necessary cash to acquire or participate in an active business. There can be no assurance that equity financings, on terms satisfactory to the Company, will be available to the Company in the future.

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

Related Party Transactions

During the three and nine months ended September 30, 2023, the Company incurred consulting fees and office rent of \$230,424 and \$698,001 (2022 – \$230,291 and \$699,384) to companies controlled by directors and officers of the Company.

During the three and nine months ended September 30, 2023, stock-based compensation related to Stock Options and Share Units issued to directors and officers of the Company totaled \$987,500 and \$1,124,921 (2022 – \$1,060,175 and \$1,311,504).

At September 30, 2023 there was \$28,613 accrued and payable to companies controlled by directors and officers of the Company (December 31, 2022 – \$33,227).

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 with similar term to maturity and the Company's current credit quality. As at September 30, 2023 and December 31, 2022, the fair value of the long-term debt was \$759,334.

(a) Financial Risk Management

The board of directors of the Company (the "**Board**") has the 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 obligations. 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

Interest rate risk is the risk that the future cash flows or fair value of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to cash flow risk because there is no variable interest paid on debt outstanding. The Company is not currently exposed to fair value risk because the fair value of its cash deposits and debt do not vary with changes in interest rates.

(b) Foreign currency risk

The Company conducts certain of its operations in U.S. dollars and is limited to a small number of purchases in U.S. dollars which are recorded at the spot rate at the date of the transaction. As of September 30, 2023, the Company held U.S. dollar cash of \$73,491 (December 31, 2022 – \$357,594).

(c) Equity price risk

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's earnings are not currently exposed to price risk, however equity market fluctuations and conditions may impact the Company's ability to raise equity capital. The Company closely monitors the stock market to determine the appropriate course of action to be taken by the Company.

Changes in IFRS Accounting Policies and Future Accounting Pronouncements

The following accounting standards were adopted by the Company at January 1, 2023:

Amendments to IAS 1 in January 2020, IAS issued Classification of Liabilities as “Current” or “Non-current”.

The narrow scope amendments affect only the presentation of liabilities in the statement of financial position and not the amount or timing of its recognition. The amendments clarify that the classification

of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the right to defer settlement by at least 12 months. That classification is unaffected by the likelihood that an entity will exercise its deferral right. The amendments were effective for annual reporting periods beginning on or after January 1, 2023 and are applied retrospectively. There was no material impact from adopting these amendments on the condensed interim consolidated financial statements.

Amendments to IAS 8 In February 2021, IASB issued Definition of Accounting Estimates.

The amendment replaces the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty.” The amendment provides clarification to help entities to distinguish between accounting policies and accounting estimates. The amendments were effective for annual reporting periods beginning on or after January 1, 2023. There was no material impact from adopting these amendments on the condensed interim consolidated financial statements.

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 September 30, 2023 the Company had outstanding:

- (i) 50,076,271 common shares;
- (ii) 951,459 deferred share units convertible into common shares;
- (iii) 177,035 restricted share units convertible into common shares;
- (iv) 1,490,304 warrants convertible into common shares; and
- (v) 3,650,000 stock options convertible into common shares;

Risks and Uncertainties

The Company is subject to all of the business risks and uncertainties associated with any early-stage enterprise, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources, and lack of revenues. Its main technologies have yet to reach commercialization stage. Certain factors, including but not limited to the ones described in its AIF, could materially affect the Company's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Company.

Please refer to the discussion of forward-looking statements and information under the heading "Forward-Looking Statements" located at the beginning of the Company's AIF filed on SEDAR under the Company's issuer profile, as well as the discussion of risks and uncertainties set out under the heading "Risk Factors", located within the Company's AIF filed on SEDAR. The reader should carefully consider these risks as well as the information disclosed in the Company's audited annual financial statements, and

other publicly filed disclosure regarding the Company, available on SEDAR (www.sedar.com) under the MustGrow's issuer profile.

COVID-19 Pandemic

The outbreak of COVID-19 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.

Although much of the global economic system has been returning to normalized levels in the periods since 2020, there may be some occasional challenges and hurdles impacting various regions and over different time frames. The extent to which COVID-19 will continue to impact the Company's business, including its operations and the market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the outbreak and the actions taken to contain or treat the coronavirus outbreak. 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.

As at September 30, 2023, MustGrow does not believe COVID-19 has a continuing impact on liquidity. MustGrow continues to assess the global situation related to COVID-19 and its impact on its workforce, sales forecasts and operating conditions going forward, including certain remote working conditions. Given the emergence of new COVID-19 variants and the introduction of numerous vaccines, it remains uncertain how COVID-19 will impact global economic activities and MustGrow's future results. MustGrow may, in the future, seek to raise additional capital or debt and this activity may be affected by the impacts of COVID-19, but it is not possible to determine the potential impact at this time.

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.