



Management's Discussion and Analysis of Financial Condition and Results of Operations as at August 29th, 2019.

The following is management's discussion and analysis ("MD&A") of AMP German Cannabis Group Inc. (the "Company" or "AMP") financial condition and results of operations for the six months ended June 30th, 2019, and should be read in conjunction with the unaudited condensed consolidated financial statements and related notes for the same reporting period. The MD&A will also outline the economic operating conditions and how these influence AMP German Cannabis Group's business activities.

All references herein refer to the unaudited condensed consolidated financial statements and related notes for the six months ended June 30th, 2019, and except where otherwise indicated, all financial information is expressed in Canadian dollars ("C\$"). Unless otherwise indicated, reference to the "Company" or "AMP" means AMP German Cannabis Group and its subsidiaries. The financial year is the calendar year. Reference to a "fiscal year" means the Company's year commencing on January 1st of that year and ending on December 31st of that year. For example, fiscal 2019, means the period beginning January 1st, 2019, and ending December 31st, 2019. Reference to "reported quarter" means the six calendar months commencing on January 1st of that year and ending on June 30th of that year. In addition, reference will be made to "Notes", which refers to the Notes to the Unaudited Condensed Consolidated Financial Statements. References to Statements of "Financial Position", "Income or Loss" and "Cash Flows, refers to Condensed Consolidated Interim Statements of Financial Position, Comprehensive Income (Loss) and Cash Flows, respectively.

Forward-Looking Statements

This document contains forward-looking statements. The Company's representatives may also make forward-looking statements orally from time to time.

Statements in this document that are not historical facts, including statements about the Company's beliefs and expectations, recent business and economic trends constitute forward-looking statements. Forward-looking statements include, without limitation, statements regarding the outlook for future operations, forecasts of future revenue and expenditures, market conditions, specifically the Canadian and German stock markets or other business plans. Forward-looking statements include statements regarding the intent, belief or current expectations of the Company, primarily with respect to the results of operations, financial position or cash flows of the Company.

The statements are based on current plans, estimates, and projections and are subject to change. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, and the Company undertakes no obligation to update publicly any changes in light of new information or future events.

Shareholders and potential investors are cautioned that any such forward-looking statements are not guarantees and involve risks and uncertainties, and that actual results may differ from those in the forward-looking statements as a result of various factors such as general economic and business conditions particularly in North America and Europe, including changes in interest rates, actions by government authorities in Canada, Germany or the European Union, including changes in government regulation, political conditions in Europe and future decisions by the Company's directors or officers in response to changing conditions, the ability to execute prospective business plans and misjudgments in the course of preparing forward-looking statements.

Material factors and assumptions underlying the Company's expectations regarding forward-looking statements include, among others: the ability of the Company to obtain financing on acceptable terms, that the Company will be able to maintain appropriate levels of liquidity in order to make investments when attractive opportunities arise, stability in the global economic environment particularly in Canada and Germany and broadly in regard to North America and the European Union, and Canadian and German interest rates and that interest rates and foreign exchange rates, particularly in regard to the Canadian dollar and Euro ("€"), will not vary materially from current levels.

The status of the equity markets in Canada and Germany, in particular, the TSXV and the Frankfurt Stock Exchange, may affect the financial performance of the Company. In addition, as the Company's cash and assets are held in €s and to a lesser extent in \$s high

annual inflation in Germany, the European Union and Canada may affect the financial performance and condition of the Company. A majority of the Company's assets have an economic interest in Germany. Therefore the fluctuation between the \$ and the € may affect financial performance. The economic health of the economies of Germany and the European Union may also affect the financial performance of the Company.

Shareholders and potential investors are advised that these cautionary remarks expressly qualify in their entirety all forward-looking statements attributable to the Company or persons acting on its behalf contained in this MD&A. This forward-looking statement dated August 29th, 2019 references CSA Staff Notice 51-330 Guidance regarding the Application of Forward-Looking Information Requirements under National Instrument 51-102 Continuous Disclosure Obligations dated November 20th, 2009. The Company will review its forward-looking statement when it files its third-quarter financial results for the nine months ending September 30th, 2019.

Investor Highlights

- Approved to be listed on the Canadian Securities Exchange with the first day of trading on September 4th, 2019;
- Name change to AMP German Cannabis Group Inc. from Chinook Tye Industry Limited;
- Closed Series A private placement, raising \$1.5-million;
- Signed supply agreement for EU-GMP medical cannabis with Canadian supplier; and
- Entered into partnership with German pharmaceutical consulting firm to provide EU-GMP audit services.

Corporate Overview

AMP German Cannabis Group Inc.

AMP German Cannabis Group is an investment company focused on investing in businesses that supply or advance the development of the European medical cannabis industry, with a focus on the German market. The Company's medical cannabis investment portfolio consists of 100% interest in AMP Alternative Medical Products GmbH ("AMP Germany"), based in Erfurt, Germany, and AMP Alternative Medical Products Switzerland GmbH ("AMP Switzerland"), based in Zug, Switzerland.

The Company's common shares will begin to trade on the Canadian Securities Exchange ("CSE") on September 4th, 2019, and delist from the TSX Venture Exchange ("TSXV") on September 3rd, 2019. The Company's CSE trading symbol is "XCX" and its Frankfurt Stock Exchange trading symbol is "C4T" with new ISIN number CA00176G1028. The Company is a reporting issuer in the Canadian provinces of British Columbia, Alberta, Ontario and Québec.

AMP Alternative Medical Products GmbH ("AMP Germany")

AMP Germany is based in Erfurt, Germany and is the Company's main wholly-owned investment subsidiary. AMP Germany imports EU-GMP certified cannabis from Canada and sells it to pharmaceutical wholesalers in Germany who supply pharmacies in Germany permitted to dispense medical cannabis prescribed by German physicians.

European Union - Good Manufacturing Practices ("EU-GMP") certification is an internationally recognized system, which ensures that pharmaceutical goods, including medical cannabis, meet the highest consumer health and safety standards. All medical cannabis imported into or produced in Germany are regulated by EU-GMP and must be certified by a German state.

Despite Canada being the second largest exporter of EU-GMP cannabis to Germany, Canadian licensed producers of cannabis production and operating standards do not meet EU-GMP standards and must be upgraded to receive EU-GMP certification from a German state before cannabis can be exported to Germany. To date, fewer than ten Canadian licensed producers have received EU-GMP certification for exportation to Germany.

Suppliers of EU-GMP medical cannabis that AMP Germany enters into supply agreements with will go through the, "AMP EU-GMP Certification Protocol Program", which ensures the supplier will meet the EU-GMP pharmaceutical quality and consistency standards required to export to Germany. Under the AMP EU-GMP Certification Protocol Program, AMP provides EU-GMP gap analysis, audit, logistical, transportation and other related services for exportation of medical cannabis to Germany. Once a supplier passes an audit, AMP arranges for EU-GMP inspection and certification by the applicable state authorities in Germany that issue the necessary import permits and certify foreign producers that intend to export into Germany. After a supplier has obtained EU-GMP certification from the applicable authorities, AMP and the supplier will arrange for the necessary permits to export medical cannabis to Germany.

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AMP Germany has entered into a memorandum of understanding and is in discussions for further agreements for the purchase of EU-GMP certified cannabis for import into Germany from Canada with several early and late-stage applicants to become Canadian Licensed Producers. AMP Germany anticipates entering into supply contracts with Canadian Licensed Producers during the second half of 2019, and with early and late-stage applicants to become Canadian Licensed Producers in 2020.

AMP Alternative Medical Products Switzerland GmbH (“AMP Switzerland”)

AMP Switzerland is a wholly-owned investment subsidiary of the Company based in Zug, Switzerland and its business is to develop supply agreements for CBD cannabis cultivated in Switzerland and import into Germany once applicable laws permit such transactions. In Switzerland it is legal to cultivate cannabis with CBD and THC <1.0%.

Non-Core Assets

The Company is liquidating its investment portfolio under its former investment policy and investing the proceeds in the European medical cannabis industry under its new investment policy. The Company held \$1.6-million in non-core investments as of June 30, 2019 (unaudited).

Corporate Filings

The Company files reports and other information on the System for Electronic Document Analysis and Retrieval (“SEDAR”) in Canada at www.sedar.com. The Company’s website is www.amp-eu.com

Result of Operations

Summary of Quarterly Results

The following selected financial data as reported by the Company for the past eight business quarters have been summarized from the Company’s unaudited quarterly financial statements and are qualified in their entirety by reference to and should be read in conjunction with such financial statements.

	2019		2018				2017	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
	(In thousands, except per share amounts)							
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loss	\$ (796)	\$ (393)	\$ (593)	\$ (71)	\$ (61)	\$ (70)	\$ (141)	\$ (42)
Loss per share, basic and diluted	\$ (0.06)	\$ (0.05)	\$ (0.06)	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.01)	\$ (0.01)

Summary of Reported Period Results

For the six months ended June 30th, 2019.

The following analysis of AMP operating results for the six months ended June 30th, 2019, includes a comparison to the corresponding comparative period ended June 30th, 2018.

During the reported period, operating revenue income was immaterial. Going forward, through its investment subsidiaries and partnerships, AMP plans to generate revenue from the importation of EU-GMP medical cannabis to Germany from Canada and other countries.

During the reported period, expenses increased to \$1.2-million from \$131,810 due largely to higher general and administration expenses. The Company has hired a President and CEO in addition to European managers resulting in higher consulting and management fees. In addition, the Company opened offices in Canada and Europe resulting in higher rent and office and supplies costs. Corporate governance and public company expenses also increased modestly during the reported period due to a larger board of directors and activity. The Company recognized share-based compensation expenses of \$58,850 related to the issuance of stock options during the reported period. Share-based compensation was valued using the Black-Scholes valuation model and represents a non-cash expense. AMP incurred a foreign currency translation accounting adjustment of \$103,759 on foreign operations. Gains or losses from foreign currency translation differences on foreign operations are non-cash accounting adjustments included in comprehensive income (loss).

The Company reported a loss for the period of \$1.2-million, or a loss of \$0.11 per share, compared to a loss of \$131,654, or \$0.01 per share, for the corresponding comparative period.

Summary of Reported Period Results

For the three months ended June 30th, 2019

The following analysis of the Company's operating results for the three months ended June 30th, 2019, includes a comparison to the corresponding, comparative three months ended June 30th, 2018.

Income was immaterial. General and administration costs totaled \$698,445, compared to \$51,442 in the prior year period. The loss for the reported quarter was \$796,299, compared to a loss of \$61,421 in the corresponding period. Basic and diluted loss per common share was \$0.06 compared to a loss of \$0.01, respectively, for the reported quarters.

Transactions Between Related Parties

AMP has a related party relationship with its subsidiaries, with shareholders who own more than 10% of the shares of the Company, executive officers and the Company's directors.

During the reported period, the Company paid directors and management fees of \$241,969 (2018 - \$10,250) to directors of the Company and paid or accrued professional fees of \$19,725 (2018 - \$6,300) to its Chief Financial Officer's consulting company for accounting services.

Historically, the Company has not had management agreements with its executive officers or directors, nor had the Company had any formal objectives, criteria or analysis for determining or assessing compensation.

The Company now has several executive officers, each devoting a significant amount of time to the affairs of the Company and, as such, the compensation paid by the Company to its executives will increase going forward. The Company expects to enter into management agreements with its key executives. The Company further expects to grant bonuses and additional stock options to its executives and directors as compensation will largely be based on an incentive philosophy linked to achieving business results and creating shareholder value. The Company is implementing this change in order to position itself to attract and retain executive management in Germany and if needed, other areas of Europe.

The Company expects it will establish a compensation committee with formal objectives and policies, including performance goals and objectives.

The Company's Statement of Executive Compensation on Form 51-102F6V for the year ended December 31st, 2018, is filed on SEDAR. Prior to the Company granting 1,020,000 Options in May 2019, the Company had not granted any stock options since 2013.

Included in accounts payable at June 30th, 2019, is \$33,000 owing to two officers of the Company for directors, management and accounting fees.

Liquidity and Capital Resources

Working Capital

The following analysis of the Company's liquidity and capital resources for the six months ended June 30th, 2019, includes a comparison to the corresponding comparative six months ended June 30th, 2018.

The Company's principal sources of capital are its available cash and public financing. At June 30th, 2019, AMP had assets of \$2.8-million consisting of cash holdings of \$1-million, long-term investments of \$210,165 and a \$1.4-million investment loan receivable.

Total liabilities increased to \$770,286 at June 30th, 2019 compared \$412,147 at year-end due to borrowings against its venture capital loan facility and higher trade and other payables from increased business activity in Germany and Canada, totaling \$358,635.

Shareholder equity increased to \$2-million compared to \$1.9-million at year-end due largely the Series A private placement financing.

Cash flow

The statement of cash flows shows the structure of and changes in cash for the reported year and is broken down into operating activities, investing activities and financing activities.

AMP generated \$1-million in cash to hold \$1.1-million in cash at the end of the reported period. Operating activities used cash of \$963,415 largely from operating expenses for the development of AMP Germany, while investing activities generated \$528,500 in cash from investment loan receivable repayments. AMP's financing activities generated \$1.5-million in cash from the Series A \$1.5-million private placement through the issuance of 10-million shares at \$0.15 per share and \$147,036 from drawdowns against the venture capital loan facility.

Share Outstanding Data

As of June 30th, 2019, the Company had 20,217,796 common shares outstanding.

Dilutive securities include 1,020,000 incentive stock options and 240,228 warrants to purchase common shares at an exercise price of \$0.15 per share, expiring on May 8th, 2020, and December 12th, 2019, respectively.

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