CO2 GRO Inc.

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(formerly, BlueOcean NutraSciences Inc.)

Interim Management's Discussion and Analysis

Quarterly Highlights

Three months ended September 30, 2018

November 15, 2018

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INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS
QUARTERLY HIGHLIGHTS
Three months ended September 30, 2018

This interim management discussion and analysis – quarterly highlights ("Interim MD&A") has been prepared based on information available to CO2 GRO Inc. (formerly, BlueOcean NutraSciences Inc.) ("CO2" or the "Company") as at November 15, 2018. This Interim MD&A is based on information available to CO2 and updates disclosure previously provided in the Company's Annual and interim MD&A's, up to the date of this Interim MD&A and should be read in conjunction with the Company's unaudited interim consolidated financial statements and the related notes as at and for the three and nine months ended September 30, 2018 and 2017 (the "Unaudited Interim Consolidated Financial Statements") and the Company's audited consolidated financial statements for the years ended December 31, 2017 and 2016 (the "Audited Consolidated Financial Statements"). Both the Audited Consolidated Financial Statements and the Unaudited Interim Consolidated Financial Statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") and all amounts are expressed in Canadian dollars unless otherwise noted. Other information contained in this Interim MD&A has also been prepared by management and is consistent with the data contained in the Financial Statements. Additional information relating to the Company can be found on SEDAR at www.sedar.com or on the Company's website at www.co2gro.ca.

Management is responsible for establishing and maintaining adequate internal control over the Company's financial reporting.

As the Company is a Venture Issuer (as defined under under *National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings*) ("NI 52-109"), the Company and Management are not required to include representations relating to the evaluation, design, establishment and/or maintenance of disclosure controls and procedures ("DC&P) and/or ICFR, as defined in NI 52-109, **nor has it completed such an evaluation**. Inherent limitations on the ability of the certifying officers to design and implement on a cost-effective bases DC&P and ICFR for the issuer may result in additional risks of quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION AND STATEMENTS

This document contains "forward-looking statements" which may include, but are not limited to, statements with respect to the future financial or operating performance of CO2 or future events related to CO2 which reflect expectations regarding growth, results of operations, performance, business prospects or opportunities or industry performance or trends. These forward-looking statements reflect CO2's current internal projections, expectations or beliefs and are based on information currently available to CO2. Often, but not always, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "intend", "plan", "anticipate", "believe", "predict", "potential", "continue", "budget", "schedule", "estimate", "forecast" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements expressed or implied by the forward-looking statements to differ materially from those anticipated in such statements. Such factors include, among others: general business, economic, competitive, political and social uncertainties; changes in project parameters as plans continue to be refined; changes in labour costs and other costs of materials, equipment or processes to operate as anticipated; accidents, labour disputes and other risks and delays in obtaining governmental approvals or financing or in the completion of research and development activities. Although CO2 has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this Interim MD&A and, unless otherwise required by applicable securities laws, CO2 disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

General

CO2 GRO Inc. was incorporated under the provisions of the Business Corporations Act (Ontario) on September 17, 2010. At its Annual and Special Meeting held on March 26, 2018 (the "**2018 ASM**"), the shareholders of the Company approved, among other items, the Company's name-change from BlueOcean NutraSciences Inc. to CO2 GRO Inc. As of April 18, 2018, the Company commenced trading on the TSX Venture Exchange ("**TSXV**") under its new trading symbol, "**GROW**".

Dissolved CO_2 plant-production platform: As of late 2017, CO2 GRO's sole focus is commercializing its patent-protected CO_2 gas infusion technology license and its patent-pending US PTO CO_2 foliar spray, both of which form the Company's Dissolved CO_2 plant-production platform. Prior to the 4th quarter of 2017, the Company was a producer and marketer of natural specialty shrimp and algal oil products that formed Co2 GRO's 3 other business platforms pursuant to a license agreement signed in October 2014.

The registered and head office of the Company is located at 40 King Street West, Suite 5800, Toronto, Ontario, M5H 3S1.

The Unaudited Interim Consolidated Financial Statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities as they fall due in the normal course of business for the foreseeable future.

The Unaudited Interim Consolidated Financial Statements have been prepared in accordance with *International Accounting Standards ("IAS") 34* 'Interim Financial Reporting' using accounting policies consistent with the IFRS issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). They consolidate the accounts of the Company and all its subsidiaries. The Company has the following inactive, wholly-owned subsidiaries: Pure Polar Canada Inc. (formerly, Solutions4CO_2 Technologies Inc.), CO2 GRO (US) Inc., BlueOcean Shrimp Products Inc. (formerly, S4CO2 Services Inc.), Asta NutraSciences Inc. (formerly, S4CO2 Manufacturing Inc.), BlueOcean Algae Inc. (formerly, Solutions4CO_2 (SJVB) Limited) and Solutions4CO_2 USA, Inc., 70717 Newfoundland and Labrador Limited and its virtually inactive wholly-owned subsidiary, Pure Polar Labs Inc. All intercompany transactions, balances and unrealized gains and losses from intercompany transactions are eliminated on consolidation.

The Unaudited Interim Consolidated Financial Statements were authorized for issuance by the Board of Directors of the Company on November 15, 2018.

Financial condition

As at September 30, 2018, the Company had assets totaling $803,788 and a shareholders' deficit of $291,112. This compares with assets of $606,770 and a shareholders' deficit of $373,862, as at December 31, 2017.

During the quarter ended September 30, 2018, the Company's net assets increased by $52,635, the result of an increase in assets of $211,442, offset by an increase in liabilities of $158,807. The increase in assets was the result of an increase in cash of $76,323 (cash used in operations of $360,029 offset by cash provided from financing activities of $436,352), increases in HST recoverable of $154,804, offset by decreases prepaid expenses of $19,685.

The increase in liabilities of $158,807, resulted from decreases to accounts payable and accrued liabilities of $23,346, offset by increases in amounts due to related parties of $178,820 and straight-line, non-cash, interest expense of $3,333.

Corporate

Operational update

During the third quarter of 2018, the following activities took place:

- Three cannabis dissolved CO2 foliar spray grow trials were press released. Buds from the dissolved CO2 plants and buds from the no CO2 gassing control group plants were analyzed by SGS Canada Labs, an accredited Health Canada Company. Speed to plant maturity of 28%-33% and bud yield increases of 20-22% were very consistent for the three different strains grown. However, the THC content in the indica buds shot up 75% over the control group bud THC levels versus 20-22% greater for the sativa and hybrid strains.

- The Company received a favorable response from the Canadian Food Inspection Agency ("**CFIA**") that the Company's CO2 gas and water mixing technology "does not create a supplement" and "does not fall under the Purview of the Canada Fertilizer Act and Regulations". This allows all Canadian food and non-food plant food growers to use dissolve CO2 Foliar Spray other than Licensed Producers ("**LPs**") of Canadian Cannabis. LPs are bound under Bill C45 to not use any foliar spray with supplements or additives. The Company has filed an exemption request from CMC Compliance Issues and Response Section of the Cannabis Legalization and Regulation Branch for its dissolving CO2 foliar spray technology. The Company believes that its dissolved CO2 rich natural water is still natural water as also concluded by the CFIA. Natural water is allowed by this Health Canada CMC Branch for LPs to foliar spray on their cannabis cuttings at minimum.

- As of September 30, 2018, there were two pepper grow trials underway in Michigan and various micro green grow, manually at a commercial aeroponics grower and at St Cloud State U (SCSU), which is fully automated and various micro green grow trials with one limited tomato grow trial. The Company replicated its 2013 University of Guelph's best successful lettuce-grow trial results of 100% over CO2 gassing in Q3, 2018. Two Q3, 2018 scientific studies at St Cloud State using CO2 foliar spray were press released that concluded 400% additional chlorophyll and 800% additional CO2 conductance (transfer) can be created using dissolved CO2 foliar spray coating leaf surface area over CO2 gassing. Also press released was that the top of a romaine leaf surface area is essentially as effective absorbing dissolved CO2 as the bottom of a romaine leaf where most leaf stoma (pores) reside that intake CO2 gas.

- As of September 30, 2018, the Company had 20 CO2-grow trial reps reporting to the Company's VP of Operations. All sales reps remain on zero retainers with 100% commissions paid only upon commercial installations of dissolving CO2 equipment. A project engineer (half time) and a full-time bio-scientist will be joined by Dr. Matt Julius who will be acting Chief Science Officer effective January 1, 2019 as was announced. The Company's confirmed, likely and conditional client list grew to 70 companies expressing interest to trial dissolved CO2 foliar spray, indoors or outdoors.

Changes to outstanding CO2 securities

Issuance of shares for debt

During 2017, various members of management (the "**Management Group**") were tasked with restarting the Company's dissolved CO_2 plant-production platform (the **"Restart"**) without the use of Company cash or resources. The non-compensated Management Group and the Company agreed on the principal terms of the Restart and further agreed that compensation to the Management Group for success, would be made with the issuance of CO2 Gro shares equal to 24% of the outstanding and issued common shares after the issuance. The value of the shares was determined at $0.25. The number of shares required to be issued was calculated at 12,989,199 (the "**Management Shares**") and valued at $3,247,300. In August 2018, these Management Shares were issued.

Issuance of shares for services

From July 1, 2018 to the date of this MD&A, the Company issued 68,321 common shares with a fair value of $10,000 to the Company's CFO pursuant to a shares-for-services agreement. See *Related-party transactions and balances* section of this MD&A.

Issuance of options

From July 1, 2018 to the date of this MD&A, the Company issued 225,000 options to a participant of the Company's stock option plan (the "Plan"). The options have an exercise price of $0.35 each and expire on August 15, 2019. The grant-date fair value of the issued option was estimated at $27,000 using the Black-Scholes option pricing model using the following assumptions: Risk-free interest rate of 2.06%, volatility rate of 194.27%, maturity of 1 year and underlying share price of $0.21.

Exercise of options

From July 1, 2018 to the date of this MD&A, 407,142 options with varying maturity dates and exercise prices, were exercised raising proceeds of $55,750. The corresponding number of common shares were issued and the fair value of the issued shares equaling $42,317, was transferred from contributed surplus to capital stock

Exercise of warrants

From July 1, 2018 to the date of this MD&A, 8,475,149 warrants with varying maturity dates and exercise prices, were exercised raising $1,633,160. An equal number of common shares were issued with the fair value of $421,751 of the exercised warrants being transferred from warrants to capital stock.

Expiry of warrants

30,000 warrants with a maturity dates of April 28, 2018, expired unexercised.

Issuance of shares for services

A total of 41,128 common shares with a fair value of $6,000 were issued to a company controlled by CO2's CFO as partial settlement for services rendered during the quarter (see related-party transactions and balances, below).

Related-party transactions and balances

The unaudited interim consolidated financial statements include balances and transactions with directors and/or officers of the Company and/or corporations related to or controlled by them. These transactions are measured and recorded at their exchange amounts, being the amounts agreed to by the related parties.

Key management includes those individuals having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly. Key management includes the directors, chief executive officer, chief financial officer and vice president. Related-party compensation paid or payable to key management is detailed below:

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3 months ended	September 30, 2018	September 30, 2017
	$	$
Compensation to key management	-	56,250
Consulting fees to key management	23,513	41,250
Legal fees to key management	19,563	1,890
Share-based payments	5,167	29,560

As at September 30, 2018, $283,773 (December 31, 2017 - $139,877) is owed to officers or directors of the Company or entities controlled by them.

Included in consulting fees to key management above, 40,151 (3 months) and 106,798 (9 months) common shares of the Company, with a fair value of $6,000 and $16,000, respectively, were issued to a company controlled by CO2 GRO's CFO (note 10 (v)). The shares were issued pursuant to a shares-for-services agreement with the Company's CFO, wherein $2,000 per month is settled with the issuance of shares.

As at September 30, 2018, the balance of prepaid expenses includes $10,000 paid to a company controlled by the Company's CFO pursuant to an amendment to the management services agreement.

Outstanding securities

As at the date of this Interim MD&A, the Company has the following securities outstanding:

Security	Number outstanding
Common shares	63,288,615
Options	3,154,198
Warrants	12,623,946
Finder's and Corporate Finance Warrants	583,391