GREEN SCIENTIFIC LABS HOLDINGS INC.

(FORMERLY PROMINEX RESOURCE CORP.)

MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2021

(Amounts Expressed in United States Dollars Unless Otherwise Stated)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF GREEN SCIENTIFIC LABS HOLDINGS INC. (FOREMERLY PROMINEX RESOURCE CORP.)

This management discussion and analysis ("**MD&A**") of the financial condition and results of operations of Green Scientific Labs Holdings Inc. (formerly Prominex Resource Corp.) ("**GSL**" or, the "**Company**") is for the year ended December 31, 2021. It is supplemental to, and should be read in conjunction with, the Company's audited consolidated financial statements and the accompanying notes for the years ended December 31, 2021 and 2020.

All amounts in this discussion are expressed in United States dollars ("**USD**") unless otherwise indicated.

DATE OF MD&A

This MD&A is dated May 2, 2022.

INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

The Company follows IFRS standards unless otherwise set out in the consolidated financial statements.

FORWARD-LOOKING INFORMATION

Certain statements in this MD&A are "forward-looking statements." Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, our commercialization plans and other future conditions. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be "forward-looking statements." In some cases, you can identify forward-looking statements by terminology such as "may," "might," "will," "should," "expect," "seek," "endeavor," "anticipate," "plan," "estimate," "believe," "intend," "predicts," "estimates" or the negative of these terms or comparable terminology. Forward looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks, uncertainties and assumptions, which would cause actual results or events to differ materially from those presently anticipated. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

A number of factors could cause actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements including those factors as set out under "Risk and Uncertainties" in this MD&A. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements contained in this MD&A. These factors should be considered carefully and prospective investors should not place undue reliance on these forward looking statements. Although the forward-looking statements contained in this MD&A are based upon what the Company currently believes to be reasonable assumptions, it cannot assure that actual results, performance or achievements will be consistent with these forward-looking statements. New risks and uncertainties may emerge from time to time. Except as required by law, the Company does not have any obligation to advise any person if it becomes aware of any inaccuracy in or omission of any forward-looking statement, nor does it intend, or assume any obligation, to update or revise these forward-looking statements to reflect new events or circumstances.

Historical statements contained in this document regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. In this regard, certain financial information contained herein has been extracted from, or based upon, information available in the public domain and/or provided by the Company. In particular, historical results of the Company should not be taken as are MD&A that such trends will be replicated in the future. No statement in this document is intended to be nor may be construed as a profit forecast.

DESCRIPTION OF BUSINESS

Company overview

The Company was incorporated under the Companies Act (British Columbia) on April 29, 1980. The head office of the Company is located at 4001 SW 47th Avenue, Suite 208 Davie, Florida 33314 and provides hemp and marijuana testing services in Florida and Arizona in the United States. The common shares of the Company, which have been redesignated as Class A subordinate voting shares ("Subordinate Voting Shares") are traded on the Canadian Securities Exchange ("CSE") under the stock symbol "GSL".

GSL is a leading hemp and cannabis testing laboratory that operates testing facilities in Davie, Florida (the "**FL Facility**") and Phoenix, Arizona (the "**AZ Facility**"), which provide analytical testing services to state-licensed cannabis and hemp growers, product formulators, processors, distributors and retailers. GSL holds a certified marijuana testing laboratory ("**CMTL**") license (issued by the State of Florida Department of Health Office of Medical Marijuana Use) and has obtained ISO-17025:2017 certification. GSL provides a variety of testing services for the hemp and cannabis industry participants, including tests for cannabinoid content (potency), terpene content, water activity, moisture content, pesticides, residual solvents, heavy metals, filth and foreign material, and microbiological contaminants.

Principal services

GSL provides a variety of testing services for hemp and cannabis industry participants. GSL employs a diverse array of tests, lab equipment and analytical instrumentation to safely and accurately test cannabis and hemp and derivative products to identify and/or quantify cannabinoid and terpene content and the presence of certain compounds and materials, including those that might endanger consumer health (such as pesticides, microbial contamination and heavy metals). Currently, GSL offers the following tests:

- **Cannabinoid Profile**
  Detecting and quantifying the presence of cannabinoids including THC, CBD, CBDA, CBN and THCA among others.
- **Terpenoid Profile**
  Detecting and quantifying over 35 of the most common and abundant terpenes by gas chromatography flame ionization detection.
- **Microbiological Analysis**
  Testing for the germination of microorganisms such as bacteria and fungi using polymerase-chain reaction technology and methods.
- **Pesticide Analysis**
  To identify trace amounts of chemical pesticides, fungicide, and plant growth regulator residues in dried flower and concentrates.
- **Residual Solvent Analysis**
  Detecting the presence of solvents, impurities, and/or other added odorants and chemicals.
- **Mycotoxin Analysis**
  Identifying and quantifying traces of mycotoxins.
- **Moisture Analysis**
  Using the latest moisture analyzing equipment and methodologies to assess moisture content.
- **Foreign Materials**
  Visual inspection followed by magnification.
- **Heavy Metal Analysis**
  Heavy metals are screened by inductively coupled plasma mass spectrometry technology, which allows identification and quantification of heavy metals such as lead, mercury, arsenic, and cadmium.

Reverse Takeover transaction

On November 15, 2021, the Company completed a reverse takeover transaction (the "RTO") pursuant to which the Company acquired Green Scientific Labs, LLC ("GSL LLC"), a limited liability company formed on April 19, 2018 under the Delaware Limited Liability Company Act. GSL LLC is a leading cannabis and hemp testing laboratory that operates a Certified Marijuana Testing Laboratory licensed testing lab facility in Davie, Florida which provides analytical testing services for state licensed cannabis and hempy growers, product formulators, processors, distributors and retailers. The RTO constituted a reverse takeover of the Company by GSL LLC for accounting purposes and the business of the amalgamated entities became the business of the Company. In connection with the closing of the RTO, the Company's name changed to Green Scientific Labs Holdings Inc. and also implemented a dual share class structure consisting of Subordinate Voting Shares and Class B multiple voting shares ("Multiple Voting Shares"). At closing of the RTO, there were 14,701,745 Subordinate Voting Shares and 64,972 Multiple Voting Shares issued and outstanding. Each Subordinate Voting Share carries one vote per share and each Multiple Voting Share carries one hundred votes per share. The Multiple Voting Shares is not listed for trading on the CSE but may be converted into Subordinate Voting Shares in certain circumstances. The Subordinate Voting Shares started trading on the CSE on November 22, 2021.

Concurrent Financing

In connection with the RTO, on November 12, 2021, GSL LLC completed a non-brokered private placement of 1,176,416 subscription receipts (the "Subscription Receipts") at a price of USD$3.85 per Subscription Receipt for aggregate gross proceeds of USD$4,529,200 (the "Concurrent Financing"). Immediately prior to the completion of the RTO, each Subscription Receipt automatically converted into one unit of GSL LLC (a "Unit"), each Unit consisting of one GSL LLC membership interest ("GSL Unit") and one GSL Unit purchase warrant (each a "Unit Warrant") and, immediately thereafter, pursuant to the RTO (a) each such GSL Unit was exchanged for either one Subordinate Voting Share or 1/100 of a Multiple Voting Share and (b) each Unit Warrant was exchanged for one share purchase warrant of the Company (each a "Warrant"). Each Warrant entitles the holder thereof to purchase either one Subordinate Voting Share or 1/100 of a Multiple Voting Share at a price of USD$4.50 for a period of 36 months following the Closing Date, provided that if the trading price of the Subordinate Voting Shares on the CSE is greater than CAD$8.50 for ten consecutive trading days, the Company may accelerate notice of such acceleration is given to holders of Warrants.

COVID-19

During March, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. The continued spread of COVID-19 nationally and globally could have an adverse impact on our business, operations and financial results, including through disruptions in our testing activities and supply chains and sales channels, as well as a deterioration of general economic conditions. While the impacts of the COVID-19 pandemic, including government measures to limit the spread of COVID-19, adversely affected our operations during the years ended December 31, 2021 and 2020, the impact was not material to our results of operations. However, given the uncertainties associated with the COVID-19 pandemic, including those related to disruptions to the global and local economies due to related stay-at-home orders, quarantine policies and restrictions on travel, trade and business operations, we are not able to estimate the future impact of the COVID-19 pandemic on our business, financial condition, results of operations, and/or cash flows. The uncertain nature of the impacts of the COVID-19 pandemic may continue to affect our results of operations in future fiscal periods.

SELECTED ANNUAL INFORMATION

	For the years ended December 31, 2021 $	December 31, 2020 $
Revenue	7,591,326	6,096,339
Materials and consumables used	(2,089,362)	(1,799,710)
Sales, general and administration	(7,477,898)	(3,311,835)
Depreciation and amortization	(1,245,980)	(759,953)
Stock-based compensation	(613,600)	(480,000)
Non-operating expenses		
Finance cost	(555,221)	(841,221)
RTO transaction	(4,144,838)	-
Transaction cost	(27,425)	-
Gain on change in fair value of derivative liabilities	33,312	253,324
Loss on conversion of convertible debentures	(197,440)	-
Provision for expected credit losses	(14,107)	(77,626)
Gain on loan forgiveness	189,639	-
Other income	27,552	10,000
Net loss and comprehensive loss	(8,524,042)	(910,682)
Basic and diluted loss per share	(0.75)	(0.09)

	As at December 31, 2021 $	December 31, 2020 $
Total assets	17,423,203	4,402,436
Current liabilities	3,025,811	1,750,957
Working capital	4,253,304	(839,285)
Non-current liabilities	5,099,252	2,163,055
Cash dividends declared	Nil	Nil

RESULTS OF OPERATIONS

For the year ended December 31, 2021 compared to the year ended December 31, 2020

Revenue

Revenue was $7,591,326 for the year ended December 31, 2021, compared with $6,096,339 for the year ended December 31, 2020, an increase of $1,494,987, or 25%. The increase in revenue is due to an increase in revenue generated from testing services provided to the cannabis market subsequent to the Company's obtainment of the CMTL license in July 2020.

Operating expenses

Materials and consumables used was $2,089,362 for the year ended December 31, 2021, compared with $1,799,710 for the year ended December 31, 2020, representing an increase of $289,652, or 16% primarily resulting from increased revenues related to the Company obtaining the CMTL license in July 2020.

Sales, general and administrative expenses was $7,477,898 for the year ended December 31, 2021, compared with $3,311,835 for the year ended December 31, 2020, representing an increase of $4,166,063, or 126% primarily resulting from (i) higher travel expenses to support the construction and build out of new facilities; (ii) higher employee wages and benefits from increased headcount as the Company added to its management team to facilitate execution of its national expansion strategy; and (iii) increased expenses related to the AZ Facility which in Q4 2021, was still in the process of construction, facility build-out, qualification, and licensing for its opening in Q1 2022. In 2021, the Company continued to execute its established business plans of enhancing its geographic footprint by opening new testing laboratory facilities in Arizona, New Jersey, Michigan and Illinois. In addition, a one-off cash performance bonus of $400,000 were awarded to two directors of the Company upon successful completion of the RTO and private placement. No such balance was noted in prior years.

Non-operating expenses

Non-operating expenses increased significantly from $655,523 for the year ended December 31, 2020 to $4,688,528 for the year ended December 31, 2021, representing an increase of $4,033,005, or 615%. This is primarily due to the increase in RTO transaction expense of $4,144,838 incurred by the Company to obtain listing status on the CSE. No such balance was noted in prior year.

Net Loss

The Company's net loss was $8,524,042 for the year ended December 31, 2021, compared with net loss of $910,682 for the year ended December 31, 2020, representing an increase in net loss of $7,613,360. The increase in net loss was primarily due to (i) increase in RTO transaction expense in Q4 2021 for the completion of the RTO and obtaining listing status on the CSE; (ii) increase in operating expenses in 2021 as the Company continued to increase its headcount and focus on its national expansion strategy; (iii) increased expenses incurred in qualifying, licensing, and opening of the AZ Facility in early Q1 2022. In addition, the Company recorded share-based compensation of $613,600 for the year ended December 31, 2021, compared with $480,000 incurred for prior year, representing an increase of $133,600, or 28% primarily resulting from the issuance of 260,000 Subordinate Voting Shares to two directors as performance bonus. The Subordinate Voting Shares are fair valued at $2.36 each for an aggregate amount of $613,600.

LIQUIDITY AND CAPITAL RESOURCES

As of December 31, 2021, the Company had total current liabilities of $3,025,811 (compared to $1,750,957 as at December 31, 2020) and cash and cash equivalents of $5,184,166 (compared to $154,076 as at December 31, 2020) to meet its current obligations. As of December 31, 2021, the Company had a positive working capital of $4,253,304 (compared to a working capital deficit of $839,285 as at December 31, 2020).

The Company has a recent history of profitable operations and expects to generate adequate cash to fund its business operations. However, it will be necessary for the Company to arrange for additional financing to meet its on-going growth initiatives, which include facility build-out, expansion and improvements. Management believes it will be able to raise equity capital as required in the long term, but recognizes the risks attached thereto. There can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing may be favorable.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Related parties are defined as management and members of the Corporation and/or members of their immediate family and/or other companies and/or entities in which a board member or senior officer is a principal owner or senior executive. Other than disclosed elsewhere in the consolidated financial statements, related party transactions and balances are as follows:

	December 31, 2021 $	December 31, 2020 $
Short-term compensations	965,538	247,520
Share-based compensations	613,600	-
	1,579,138	**247,520**

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Significant judgments, estimates, and assumptions that have the most significant effect on the amounts recognized in the financial statements are described below.

(i) Estimated useful lives of property and equipment and intangible assets

Depreciation of property and equipment and amortization of intangible assets are dependent upon estimates of useful lives which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

(ii) Fair value of derivative liabilities

Management uses the multinomial lattice model to calculate the fair value of derivative liabilities. Use of this method requires management to make assumptions and estimates about the Company's unit price, the risk-free rate, the probability of an event of default for the instruments, alternative financing, and capital raising events to take place, and the expected volatility of the Company's unit or share price. In making these assumptions and estimates, management relies on historical market data.

(iii) Fair value of share-based payments and warrants

Management uses the Black-Scholes option-pricing model to calculate the fair value of share-based payments and warrants. Management considers factors that knowledgeable, willing market participants would consider when selecting the appropriate valuation model to apply. Use of this method requires management to make assumptions and estimates about the share price on the measurement date, expected useful life of the instruments, expected dividends, the risk free rate (based on government bonds), the expected volatility of the Company's share price (based on weighted average historical volatility of comparable companies adjusted for changes expected due to publicly available information) and the probabilities of certain events occurring. In making these assumptions and estimates, management relies on historical market data. The inputs to the model are subject to estimate and changes in these inputs can materially impact the estimated fair value of these instruments. The fair value reported may not represent the transaction value if these options or warrants were exercised/exchanged at any point in time.

(iv) Lease liabilities

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised. The Company has several lease contracts that include extension options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. The Company included the renewal period as part of the lease term for leases of office and laboratory because there will be a significant negative effect on operations if a replacement asset is not readily available.

When the Company recognizes a lease, the future lease payments are discounted using the Company's incremental borrowing rate. This significant estimate impacts the carrying amount of the lease liabilities and the interest expense recorded on the consolidated statements of loss and comprehensive loss.

(v) Expected credit losses

In calculating the expected credit loss on financial instruments, management is required to make a number of judgments including the probability of possible outcomes with regards to credit losses, the discount rate to use for time value of money and whether the financial instrument's credit risk has increased significantly since initial recognition.

(vi) Going concern risk assessment

The assessment of the Company's ability to continue as a going concern, meet its liabilities for the ensuing year, involves significant judgment based on expectation of future events that are believed to be reasonable under the circumstances.

(vii) Deferred tax assets

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. Changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in the provision for income taxes.

(viii) Reverse takeover transaction

The determination of the accounting acquirer and control, determination of whether the acquired entity is a business, fair value of the consideration transferred and fair value of the identifiable assets and liabilities assumed requires making certain estimates and assumptions.

CHANGES IN ACCOUNTING POLICIES

The IASB has issued several new standards and amendments that will be effective on various dates. The listing below is of standards, interpretation and amendments issued which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective. The impact on the Company is currently being assessed.

Amendment to IAS 1, Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current: In January 2020, the IASB issued amendments to paragraphs 69-76 of IAS 1 to clarify the requirements for classifying liabilities as current or non-current. The amendments specify that the conditions which exist at the end of a reporting period are those which will be used to determine if a right to defer settlement of a liability exists. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective January 1, 2022, with early adoption permitted. The amendments are to be applied retrospectively. The implementation of this amendment is not expected to have a significant impact on the Company.

IFRS 3 – Business Combinations ("IFRS 3") was amended. The amendments introduce new exceptions to the recognition and measurement principles in IFRS 3 to ensure that the update in references to the revised conceptual framework does not change which assets and liabilities qualify for recognition in a business combination. An acquirer should apply the definition of a liability in IAS 37 – rather than the definition in the Conceptual Framework – to determine whether a present obligation exists at the acquisition date as a result of past events. For a levy in the scope of IFRIC 21, the acquirer should apply the criteria in IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. In addition, the amendments clarify that the acquirer should not recognize a contingent asset at the acquisition date. The amendments are effective for annual periods beginning on January 1, 2022 and the implementation of this amendment is not expected to have a significant impact on the Company.

IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors was amended. The amendment introduces the definition of an accounting estimate and sets criteria to help entities distinguish changes in accounting estimates from changes in accounting policies. The amendment is effective for annual periods beginning on or after January 1, 2023 and changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted. The implementation of this amendment is not expected to have a significant impact on the Company.

FINANCIAL INSTRUMENTS

Please refer to Note 19 – financial instruments and financial risk management in the consolidated financial statements for the years ended December 31, 2021 and 2020 for discussion and disclosure.

EQUITY

The Company's authorized share capital consists of an unlimited number of Subordinate Voting Shares and unlimited number of Multiple Voting Shares. As at the date thereof, please see the table below for information regarding outstanding share capital of the Company.

Subordinate Voting Shares	14,782,345
Multiple Voting Shares (1)	64,166
Options	76,500
Warrants (2)	1,216,416
Fully diluted share capital	**22,531,861**

(1) Each Multiple Voting Share is convertible 100 Subordinate Voting Shares.
(2) Consisting 1,176,416 warrants and 40,000 advisor warrants. The advisor warrants entitle the holders to purchase one unit, comprised of one Subordinate Voting Shares and one Subordinate Voting Share purchase warrant.

SUBSEQUENT EVENTS

N/A

RISK AND UNCERTAINTIES

There are a number of risks that may have a material and adverse impact on the future operating and financial performance of the Company. These include risks that are widespread risks associated with any form of business. While most risk factors are largely beyond the control of the Company and its directors, GSL will seek to mitigate the risks where possible. Among others, the Company is subject to the following risks and uncertainties:

- The United States federal government has not legalized cannabis.
- The success of the business strategy of the Company, depends on the legality of the cannabis industry in the United States, which is subject to risk of regulatory or political change.
- The Company is engaged in activities considered illegal under United States federal law.
- Banks may refuse to provide banking services to businesses involved in the cannabis industry due to the present state of the laws and regulations governing financial institutions in the United States.
- The Company is subject to risk of civil asset forfeiture because the cannabis industry remains illegal under U.S. federal law.
- The Company has limited operating history and uncertainty of future revenues;
- The Company may lack access to U.S. bankruptcy protections and other bankruptcy risks because the cannabis industry remains illegal under U.S. federal law.
- The Company relies on obtaining and retaining licenses and permits for the testing of cannabis and hemp.
- There may be unknown additional regulatory fees and taxes that may be assessed in the future as a result of new special taxes or fees imposed on businesses in the cannabis industry in the United States.
- Delays in enactment of new state or federal regulations could restrict the ability of the Company to reach strategic growth targets.
- The Company is subject to applicable anti-money laundering laws and regulations in the United States.
- The risk of insurance coverage not being available for certain risks or that the cost of insurance or bonding is too cost prohibitive to maintain.
- Reliable data on the cannabis industry is not available.

- The Company is subject to change in laws and regulations federally and in each state in which it operates.
- Inconsistent public opinion and perception of the cannabis industry may hinder market growth and state adoption.
- The cannabis industry in the United States presents substantial risks and uncertainty.
- The Company is dependent on the operations, assets and financial health of its subsidiaries.
- Projections about the operations of the Company, including projections regarding the cost and timelines to complete business objectives and the anticipated growth of the Company's business and its services are subject to uncertainty.
- The market in which the Company operates is competitive and fast moving and may become even more competitive. The Company may have difficulty forecasting future demand and competitive conditions.
- The risks inherent in the nature of the cannabis testing industry.
- The Company may become party to unforeseen litigation which could adversely affect its business.
- The Company's success depends on its ability to attract and retain clients and customers of its testing services.
- The risks associated with any future acquisitions or dispositions.
- The Company is reliant on the FL Facility.
- The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls.
- The Company is moving into the expansion stage from an early development stage. The Company may ultimately be unable to succeed in its expansion strategy.
- The uncertainty that the Company will be able to legally enforce its agreements, including agreements material to the Company, due to the illegality of cannabis at a federal level.
- The Company will require further funding to execute its expansion strategy.
- The Company cannot guarantee with certainty the use of proceeds from capital raisings.
- The performance of the Company will depend heavily on its ability to retain, and recruit, the services of management and skilled personnel.
- The Company relies on the expertise of its directors and officers, and any departures may impair the Company's business.
- The business premises of the Company's operating locations may be targets for security risks.
- The cannabis testing industry is a relatively new and emerging industry, as is the cannabis industry in general.
- Synthetic products may compete with organic cannabis and hemp use and products.
- There are risks associated with well-capitalized entrants developing large-scale operations.
- The risk of unfavorable publicity or consumer perception of the cannabis industry.
- The Company cannot be certain that procedures undertaken, and safeguards implemented, in order to help ensure the reliability of its financial reports will ensure that the Company will maintain adequate control over financial processes and reporting.
- The prior operational performance of the Company is not indicative of the future operating results.
- The risks associated with environmental and employee health and safety regulations.
- The risk of any significant interruption or negative change in the availability or economics of the supply chain for key inputs.
- The Company's ability to maintain and enhance trade secret protection over its existing and potential proprietary techniques and processes.
- The Company may be subject to fraudulent or illegal activity by employees, contractors and consultants.
- The Company is not assured that competitors will not develop similar technology, business methods or that the Company will be able to exercise its legal rights.
- The Company is susceptible to operational, financial and information security risks resulting from cyber-attacks and/or technological malfunctions.
- There exists the possibility for an officer and director to be in a position of conflict.
- The Company may be exposed to infringement or misappropriation claims by third parties.
- The Company may be unable to continually innovate and increase efficiencies.
- The Company does not anticipate paying any dividends in the foreseeable future.
- The Company may be affected by a number of operational risks and may not be adequately insured for certain risks.
- The Company's business activities will rely on newly established and/or developing laws and regulations in the states in which it operates.

- Volatile global financial and economic conditions may negatively affect the Company's operations.
- The risks related to an outbreak of a global pandemic (including COVID-19).

For a more detailed description of the various risks associated with the Company, refer to the Company’s Listing Statement available on SEDAR at www.sedar.com, which should be reviewed in conjunction with this document.