BLUEBERRIES MEDICAL CORP.

(FORMERLY CDN MSOLAR CORP.)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended March 31, 2019

Notice of No Auditor Review of Interim Financial Statements

The accompanying unaudited condensed interim financial statements have been prepared by management and approved by the Board of Directors.

The Company's external auditor has not performed a review of the interim financial statements for the period ending March 31, 2019.

BLUEBERRIES MEDICAL CORP.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(unaudited)

(Expressed in Canadian Dollars)	**March 31, 2019**	**December 31, 2018**
Assets		
Current Assets		
Cash and cash equivalents	**3,766,958**	412,405
Short term investments	**895,671**	-
Other receivables	**85,785**	1,415
Prepaids	**61,976**	-
	4,810,390	413,820
Non-Current Assets		
Advances towards property plant and equipment [Note 7]	**2,459,136**	-
Property plant and equipment [Note 8]	**148,700**	155,217
Intangible assets [Note 9]	**1,292,149**	1,298,240
Other non-current assets [Note 10]	**6,682**	-
Total Assets	**8,717,057**	1,867,277
Liabilities and shareholders' equity		
Current Liabilities		
Trade accounts payable and other accounts payable	**634,706**	244,971
Employee benefits	**46,523**	68,406
Related Party Debt [Note 16]	**-**	429,504
	681,229	742,881
Non-Current Liabilities	**-**	**-**
Total Liabilities	**681,229**	742,881
Shareholders' equity		
Share Capital [Note 11]	**10,107,532**	1,664,738
Warrants [Note 12]	**3,555,212**	-
Shares to be issued [Note 12]	**28,000**	-
Contibuted surplus [Note 13]	**513,424**	-
Accumulated other comprehensive loss	**(241,523)**	(4,689)
Deficit	**(5,926,817)**	(535,653)
Total Shareholders' equity	**8,035,828**	1,124,396
Total liabilities and shareholders' equity	**8,717,057**	1,867,277

Related party transactions [Note 16]

Commitments [Note 18]

Subsequent Events [Note 20]

See accompanying notes to the interm condensed consolidated financial statements

BLUEBERRIES MEDICAL CORP.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF LOSS AND COMPREHENSIVE LOSS
For the three months ended March 31, 2019
(unaudited)

(Expressed in Canadian Dollars)	**March 31, 2019**
Expenses	
Pre-operating expenses	**(108,522)**
General and administrative expenses	**(443,909)**
Investor relations	**(277,753)**
Business development	**(22,512)**
Depreciation and amortization [Note 8 and 9]	**(12,916)**
Share based compensation [Note 13]	**(513,424)**
Listing expense [Note 6]	**(4,004,312)**
Other income (expense)	**2,269**
Foreign exchange gain (loss)	**(10,085)**
Profit (Loss) before income tax	**(5,391,164)**
Current and deferred income tax	**-**
Net loss	**(5,391,164)**
Other Comprehensive Income (Loss)	
Foreign Currency Translation Adjustment	**(236,834)**
	(236,834)
Comprehensive loss	**(5,627,998)**
Loss per share - basic and diluted [Note 14]	(0.06)
Weighted average number of shares outstanding	90,098,083

See accompanying notes to the interm condensed consolidated financial statements

BLUEBERRIES MEDICAL CORP.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(unaudited)

(Expressed in Canadian Dollars)	**Common Shares**	**Share Capital** [Note 11]	**Warrants** [Note 12]	**Shares to be issued** [Note 12]	**Contributed Surplus** [Note 13]	**Accumulated Other Comprehensive Loss**	**Deficit**	**Total**
Balance at incorporation on September 5, 2018	-	-	-	-	-	-	-	-
October 3, 2018 founder shares issued	52,000,000	875,000						875,000
Share issuance costs		(1,987)						(1,987)
October 10, 2018 Seed Financing	7,000,000	350,000						350,000
Share issuance costs		(3,075)						(3,075)
October 11, 2018 Standalone Financing	5,000,000	444,800						444,800
Share issuance costs		-						-
Other comprehensive income (loss)						(4,689)		(4,689)
Net loss			-		-		(535,653)	(535,653)
Balance at December 31, 2018	64,000,000	1,664,738	-	-	-	(4,689)	(535,653)	1,124,396

	Common Shares	**Share Capital** [Note 11]	**Warrants** [Note 12]	**Shares to be issued** [Note 12]	**Contributed Surplus** [Note 13]	**Accumulated Other Comprehensive Loss**	**Deficit**	**Total**
Balance at December 31, 2018	64,000,000	1,664,738	-	-	-	(4,689)	(535,653)	1,124,396
Shares issued pursuant to the Transaction [Note 6]	7,392,772	3,548,531						3,548,531
Shares issued for subscription receipts	35,230,000	5,296,049						5,296,049
Share issuance costs		(780,805)						(780,805)
Warrants issued for subscriptions			3,511,451					3,511,451
Warrant issuance costs			(517,699)					(517,699)
Warrants issued as finder fee			674,479					674,479
Warrants exercised	665,000	379,019	(113,019)					266,000
Shares to be issued				28,000				28,000
Share based compensation					513,424			513,424
Other comprehensive income (loss)						(236,834)		(236,834)
Net loss			-	-	-		(5,391,164)	(5,391,164)
Balance at March 31, 2019	107,287,772	10,107,532	3,555,212	28,000	513,424	(241,523)	(5,926,817)	8,035,828

See accompanying notes to the interm condensed consolidated financial statements

BLUEBERRIES MEDICAL CORP.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended March 31, 2019

(unaudited)

(Expressed in Canadian Dollars)	**March 31, 2019**
Cash flows related to the following activities:	
Operating activities	
Net loss from continuing operations	**(5,391,164)**
Adjustment for:	
Depreciation and amortization [Note 8 and 9]	**12,916**
Share based compensation [Note 13]	**513,424**
Interest on related party debt	**1,829**
Gain on debt forgiveness [Note 16]	**(3,743)**
Unrealized FX gain/(loss)	**365**
Listing expense [Note 6]	**4,004,312**
Change in non-cash working capital [Note 15]	**(238,523)**
Net cash used in operating activities	**(1,100,584)**
Investing activities	
Short-term investments	**(902,128)**
Advances towards property, plant, and equipment [Note 7]	**(2,489,550)**
Other non-current liabilities [Note 10]	**(6,682)**
Cash acquired from RTO Transaction [Note 6]	**35**
Change in non-cash working capital [Note 15]	**6,682**
Net cash used in investing activities	**(3,391,644)**
Financing activities	
Proceeds from new related party note [Note 16]	**22,549**
Payments of related party notes [Note 16]	**(255,224)**
Issuance of shares, net of costs [Note 11]	**4,920,815**
Issuance of warrants, net of costs [Note 12]	**3,262,660**
Warrants exercised [Note 12]	**294,000**
Change in non-cash working capital [Note 15]	**(200,794)**
Net cash generated in financing activities	**8,044,006**
Net cash from operating, investing and financing activities	**3,551,778**
Effects of exchange rate changes on cash	**(197,225)**
Cash, beginning of period	**412,405**
Cash, end of period	**3,766,958**

See accompanying notes to the interm condensed consolidated financial statements

1. NATURE OF OPERATIONS

Blueberries Medical Corp. ("Blueberries" or "BBM"), which formerly operated under the name CDN MSolar Corp. ("CMS"), was incorporated in Canada on March 15, 2013 under the Business Corporations Act (British Columbia). On September 30, 2013, the Company completed an amalgamation with MN Ventures Ltd. ("MN"), a reporting issuer and continued under the name CDN MSolar.

On February 5, 2019, Blueberries completed a transaction (the "Transaction") with Blueberries Cannabis Corp. (the "Private Company" or "BCC"), a private company registered under the Ontario Business Corporations Act. Through the Private Company's wholly owned subsidiary, Blueberries S.A.S ("BBSAS"), BBM is a licensed producer and distributor of medicinal cannabis and cannabis-derived products. Simultaneously with the Transaction, CDN MSolar Corp. legally changed its name to Blueberries Medical Corp.

References within these financial statements to the "Company" for periods, dates and/or transactions prior to the Transaction are in reference to the Private Company, as the corporate entity of interest pre-Transaction. Alternatively, references within these financial statements to the "Company" for periods, dates and/or transactions subsequent to the Transaction are in reference to Blueberries, as the corporate entity of interest post-Transaction. The comparative periods reflected in these financial statements are those of the Private Company, as the financials are a continuance of BCC.

The Company's corporate office and its principal place of business are 8500 West Georgia Street, Suite 2200, Vancouver, BC, V6C 3E8. On February 6, 2019, the common shares of the Company were listed on the Canadian Securities Exchange (the "CSE") under the symbol "CNSX:BBM". The common shares are also listed on the Frankfurt Stock Exchange ("FSE") under the symbol "10A".

2. BASIS OF PREPARATION

a) Statement of compliance

These condensed interim consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB").

The policies applied in these condensed interim consolidated financial statements are based on International Financial Reporting Standards ("IFRS") issued and outstanding as at May 30, 2019, the date the Board of Directors approved these statements.

b) Basis of measurement

The Financial Statements have been prepared on the going concern basis, under the historical cost convention except for certain assets, liabilities, or equity instruments measured at fair value as explained in the Company's accounting policies below.

3. SIGNIFICANT ACCOUNTING POLICIES

a) IFRS 16 "Leases"

In January 2016, the IASB issued IFRS 16 "Leases", which provides guidance on accounting for leases. The new standard replaced IAS 17 "Leases" and related interpretations. IFRS 16 eliminates the distinction between operating leases and financing leases for lessees and generally requires balance sheet recognition for all leases. Certain short-term (less than 12 months) and low-value leases (as defined in the standard) are exempt from the requirements, and the Company continues to treat these leases as expenses.

The Company adopted IFRS 16 on January 1, 2019 using the modified retrospective approach with no impact to opening retained earnings at the date of adoption. The modified retrospective approach does not require restatement of prior period financial information as it recognizes the cumulative effect as an adjustment to opening retained earnings and applies the standard prospectively.

On adoption, the Company elected to use the following practical expedients permitted under IFRS 16:

- Apply a single discount rate to a portfolio of leases with similar characteristics;
- Account for leases with a remaining term of less than twelve months as at January 1, 2019 as short-term leases; and
- Account for lease payments as an expense and not recognize a right-of-use asset if the leased asset is of a low dollar value (less than US$5,000).

Per review of Blueberries lease contracts, IFRS 16 had no material impact on the Company's financials, as there are no lease agreements that are longer than a 12-month term or greater than the low dollar asset value of US$5,000.

Effective January 1, 2019, the Company adopted the following accounting policy:

The Company assesses whether a contract is a lease based on whether the contract conveys the right to control the use of an underlying asset for a period of time in exchange for consideration.

A lease liability is recognized at the commencement of the lease term at the present value of the lease payments. Lease liabilities include the net present value of fixed payments, variable lease payments that are based on an index or a rate, amounts expected to be paid by the lessee under residual value guarantees, the exercise price of purchase options if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, less any lease incentives receivable. Payments are discounted using the implicit rate within the lease when readily available or the Company's incremental borrowing rate when the rate implicit is not known. The Company applies a single discount rate for a portfolio of leases with reasonably similar characteristics.

Upon recognition of a lease liability at the lease commencement date, a corresponding right-of-use asset is recognized at the amount of the lease liability. Depreciation is recognized on the right-of-use asset over the lease term. The lease liability is measured at amortized cost using the effective interest rate method. The lease liability is remeasured when there is a change in the future lease payments with a corresponding adjustment made to the right-of-use asset

b) Consolidation

The condensed interim consolidated financial statements as at March 31, 2019 include the accounts of the Company and its subsidiaries. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

The following table summarizes the Company's subsidiaries, their country of incorporation, and the Company's ownership interest.

Subsidiaries	Country of incorporation	Ownership Interest
Blueberries Research Corporation ("BRC")	Canada	100%
Blueberries SAS ("BBSAS")	Colombia	100%
Centro De Desarrollo e Investigacion ("CDIBBSAS")	Colombia	100%

c) Functional and presentation currency

The functional currency of the Company is the Canadian dollar. The functional currency of the Colombian subsidiaries is the Colombian Peso. The consolidated financial statements and notes to the financial statements are expressed and presented in Canadian dollars unless otherwise stated.

Transaction in currencies other than the functional currency are translated into the functional currency using the exchange rates prevailing at the date of such transaction. At each reporting period, monetary assets and liabilities denominated in foreign currencies are translated to the functional currency using the exchange rate at the reporting date. Foreign exchange gains and losses are recognized in the statement of loss and comprehensive loss.

At the financial reporting date, the Colombian subsidiaries' assets and liabilities are translated at the reporting period exchange rate, while revenues, expenses and cash flows are translated at the average exchange rate for the period. Shareholders' equity is translated at the rate effective at the time of the transaction. The resulting translation adjustments are recognized in other comprehensive income (loss) ("OCI") and in accumulated OCI in shareholders' equity.

d) Cash and cash equivalents

Cash and cash equivalents are comprised of cash and highly liquid investments that are readily convertible into known amounts of cash with original maturities of three months or less.

e) Property, Plant & Equipment ("PPE")

Property and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

An item of equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in the consolidated statement of loss and comprehensive loss in the period the asset is derecognized.

The assets' residual values, useful lives, and methods of depreciation are reviewed at each financial period end and adjusted if appropriate. PPE is depreciated through profit and loss over their estimated useful lives. Assets under construction are not subject to depreciation until they are available for use.

PPE is depreciated over their estimated useful lives using the following methods and rates:

	Method	**Estimated useful life**
Agricultural facilities	Straight-line	3 - 5 years
Buildings	Straight-line	10 years
Equipment	Straight-line	3 - 5 years

f) Intangible assets

Intangible assets are recognized if it is probable that future economic benefits attributable to the asset will flow to the Company and their cost can be reasonably measured.

Intangible assets that are acquired by the Company, which have definite useful lives, are measured at cost less accumulated amortization and impairment losses. These intangible assets are comprised of license costs and costs related to the retention of the licenses. Finite life intangible assets are amortized through profit or loss on a straight-line basis over their estimated useful lives, estimated to be between 3 – 5 years from the beginning of operations.

For licenses and permits that are classified as intangible assets with an indefinite life, no amortization is recognized, however, impairment tests on such licenses are carried out on an annual basis. This would apply to licenses and permits that do not expire and, as such, there is no foreseeable limit to the period over which these assets are expected to generate future cash inflows to the Company.

g) Impairment of non-financial assets

The Company reviews and evaluates impairment of its non-financial assets whenever events or changes in circumstances occur that indicates that the carrying amount of the asset will not be recovered from its use or sale. For impairment testing purposes, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating unit or "CGU"). An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds the higher of its fair value and value in use. Fair value is the amount that can be obtained from the sale of an asset in an open market. The value in use corresponds to the present value of the estimated future cash flows expected to be obtained from the continuing use of the asset and from its sale at the end of its useful life. Impairment losses recognized in previous years are reversed if there is a change in the estimates used on the last time an impairment loss was recognized.

h) Financial Instruments

The company classifies and measures its financial instruments as follows:

- Cash and cash equivalents – classified as fair value through profit and loss ("FVTPL") and measured at fair value
- Short-term investments – classified as FVTPL and measured at fair value
- Other receivables – classified at amortized costs and measured at amortized cost
- Accounts payable and accrued liabilities - classified at amortized costs and measured at

amortized cost
- Employee benefits - classified at amortized costs and measured at amortized cost

The initial classification of a financial asset depends upon the Company's business model for managing its financial assets and the contractual terms of the cash flows. On initial recognition, the Company may irrevocably designate a financial asset that meets the amortized cost or FVOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities. Financial liabilities at FVTPL are stated at fair value, with changes being recognized through the consolidated statements of income and comprehensive income. Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis. A financial liability is classified as measured at FVTPL if it is held-for-trading, a derivative, or designated as FVTPL on initial recognition.

All financial instruments are initially recognized at fair value. For financial assets and liabilities not classified as FVTPL, transaction costs directly attributable to the acquisition or issuance of the financial assets or financial liabilities are recognized with the asset or liability. Transaction costs of financial assets and liabilities carried at FVTPL are expensed in profit or loss

Impairment of financial assets

The Company recognizes loss allowances for Expected Credit Losses ("ECLs") on its financial assets measured at amortized cost. Due to the nature of its financial assets, the Company measures loss allowances at an amount equal to expected lifetime ECLs. Lifetime ECLs are the anticipated ECLs that result from all possible default events over the expected life of a financial asset. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the related financial asset.

i) Segment reporting

According to IFRS 8, operating segments are identified based on the 'management approach'. This approach stipulates external segment reporting based on the Company's internal organizational and management structure and on internal financial reporting to the chief operating decision maker. Management of the Company is responsible for measuring and steering the business success of the segments and is considered the chief operating decision maker within the meaning of IFRS 8. The company operates in one segment being the operations of Cannabis cultivation facilities in Colombia

j) Income Taxes

Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income (loss).

Current tax

Current tax is recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years.

Deferred tax

Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized and the liability is settled. The effect of a change in the enacted or substantively enacted tax rates is recognized in net earnings and comprehensive income (loss) or in equity depending on the item to which the adjustment relates.

Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

k) Share capital and warrants

Common shares and warrants are classified as equity instruments. The share capital represents the amount received upon issuance of shares. Incremental costs directly attributable to the issuance of shares or warrants are recognized as a deduction from the proceeds in equity in the period in which the transaction occurs. Proceeds from unit placements are allocated between shares and warrants issued on a pro-rata basis of their value within the unit using the Black-Scholes option pricing model to determine the fair value of warrants issued.

l) Share-based compensation

Share-based compensation expense is determined based on the estimated fair value of shares on the date of grant using the Black-Scholes option pricing model. Forfeitures are estimated at the grant date and are subsequently adjusted to reflect actual forfeitures. The expense is recognized over the vesting period, with a corresponding increase to contributed surplus. At the time the stock options are exercised, the issuance of common shares is recorded as an increase to shareholders' capital and a corresponding decrease to contributed surplus.

4. SIGNIFICANT ESTIMATES AND ASSUMPTIONS

The timely preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities and income and expenses. Accordingly, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Significant estimates and judgments made by management in the preparation of these financial statements are outlined below.

(Unaudited and expressed in Canadian dollars unless otherwise stated)

a) Useful lives of PPE and Intangible assets

Depreciation and amortization of property, equipment and intangible assets are dependent upon estimates of useful lives, which are determined through the exercise of professional 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 the assets.

b) Stock options and Warrants

All equity-settled, share-based awards and warrants issued by the Company are recorded at fair value using the Black-Scholes option-pricing model. In assessing the fair value of equity-based compensation and warrants, estimates have to be made regarding the expected volatility in share price, option life, dividend yield, risk-free rate, estimated life and estimated forfeitures at the initial grant date.

c) Tax provisions

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

5. ACQUISITIONS

On October 3, 2018, the Company (being BCC) acquired all the issued and outstanding shares of Blueberries S.A.S. (the "Acquisition") in exchange for shares in the Company and cash of $394,800 ($300,000 USD). 52,000,000 shares in Blueberries were issued to founders at that time. The Blueberries S.A.S shareholders received 17,500,000 of these total shares issued. The shares were estimated to have a fair value of $0.05 per share, based on recent financing transactions, for a total value of $875,000. Combined with the cash consideration and transaction costs of $32,403, the total cost of the acquisition was $1,302,203.

The transaction was accounted for using the asset acquisition method of accounting, as the assets acquired did not constitute a business combination under IFRS 3. The fair values assigned to the net assets and liabilities and consideration paid are as follows:

Net assets of BBSAS	
Intangible assets	1,299,246
Cash	1,963
Other receivables	1,239
Property, plant & Equipment	154,295
Accounts payable	(14,586)
Employee benefits	(23,784)
Payable to shareholders	(116,170)
Total consideration	**1,302,203**

(Unaudited and expressed in Canadian dollars unless otherwise stated)

6. REVERSE TAKEOVER TRANSACTION (RTO or the Transaction)

On February 5, 2019, the Company completed the Transaction to acquire all of the issued and outstanding shares of BCC (64,000,000 shares) through a three-cornered amalgamation of BCC and a wholly-owned subsidiary of the Company, with the former shareholders of BCC receiving one BBM share for each share of Private Company held. BCC also had 35,230,000 subscription receipts which enabled the holder thereof to receive one unit in the capital of the Company upon completion of the Transaction as described in Note 12.

The Company (then being CMS) did not meet the definition of a "business" under IFRS guidelines, thus causing the Transaction to be treated as a reverse asset acquisition rather than a business combination, with CMS' main attribute being its public listing. Under this premise, as consideration for 100% of the outstanding shares of CMS, by way of reverse acquisition, the Private Company issued 7,392,772 shares on a one for one basis to the shareholders of CMS. These shares were assigned a fair value of $0.48 per share for total consideration of $3,548,531. The consideration has been allocated first to the fair value of the net assets acquired with any excess to non-cash cost of the Transaction as follows:

Consideration (7,392,772 shares at a value of $0.48 per share)	**3,548,531**
Net liabilities of CMS	
Cash	35
Accounts receivable	31,812
Accounts payable and accrued liabilities	(450,269)
Amounts due to related parties	(25,760)
Total net liabilities acquired at fair value	**(444,182)**
Excess attributed to the cost of listing	3,992,713
Transaction costs related to the acquisition	
Legal and other professional fees	11,599
Listing expense	**4,004,312**

7. ADVANCES TOWARDS PROPERTY, PLANT, AND EQUIPMENT

During 2018, the Company signed a binding agreement to buy 15 additional hectares of farmland in Zipaquira, Colombia for $1,500,000 USD ($1,994,250 CAD). The amount was paid in February 2019, however, the title on the land has not yet been transferred to the Company. The land will be used for future expansion of the business operations. The seller of this land is a legal entity whose minority beneficial owner is also a minority shareholder of the Company.

In March 2019, the Company paid a 50% deposit of $495,300 based on a contractual agreement for extraction system equipment. The equipment is considered an all-inclusive extraction system which has all the components necessary in order to successfully extract oils from biological assets. The equipment is expected to be received later on in 2019 at which time the remaining 50% purchase price of the equipment is expected to be paid.

(Unaudited and expressed in Canadian dollars unless otherwise stated)

8. PROPERTY, PLANT, AND EQUIPMENT

Cost	Land	Agricultural Facilities	Buildings and Construction	Equipment	Total
Balance, December 31, 2017	**-**	**-**	**-**	**-**	**-**
Net Assets acquired [Note 5]	2,456	77,296	58,654	15,889	154,295
Additions	-	2,838	7,982	1,065	11,885
Foreign currency translation	(83)	(3,310)	(2,223)	(582)	(6,198)
Balance, December 31, 2018	**2,373**	**76,824**	**64,413**	**16,372**	**159,982**
Additions	-	-	-	-	-
Foreign currency translation	3	123	91	21	238
Balance, March 31, 2019	**2,376**	**76,947**	**64,504**	**16,393**	**160,220**

Accumulated Depreciation	Land	Agricultural Facilities	Buildings and Construction	Equipment	Total
Balance, December 31, 2017	**-**	**-**	**-**	**-**	**-**
Depreciation	-	(3,309)	(1,625)	(882)	(5,816)
Foreign currency translation	-	742	293	16	1,051
Balance, December 31, 2018	**-**	**(2,567)**	**(1,332)**	**(866)**	**(4,765)**
Depreciation	-	(3,582)	(1,851)	(1,325)	(6,758)
Foreign currency translation	-	(6)	-	9	3
Balance, March 31, 2019	**-**	**(6,155)**	**(3,183)**	**(2,182)**	**(11,520)**

Net Book Value, December 31, 2018	**2,373**	**74,257**	**63,081**	**15,506**	**155,217**
Net Book Value, March 31, 2019	**2,376**	**70,792**	**61,321**	**14,211**	**148,700**

(Unaudited and expressed in Canadian dollars unless otherwise stated)

9. INTANGIBLE ASSETS

By December 31, 2018, Blueberries S.A.S. was granted licenses to produce, manufacture, market and export cannabis derivatives and products using extracts in Colombia by the Ministry of Health. The licenses obtained for cannabis operations are as follows:

- A low THC cultivation license (non-psychoactive, less than 1% THC content)
- A production license authorizing the domestic and international distribution of high and low THC Medicinal Cannabis extracts
- A high THC cultivation license (psychoactive, more than 1% THC content)

The fair value attributed to the aforementioned licenses, as assessed under the Acquisition in Note 5, are considered to have an indefinite useful life.

Finite life intangibles consist of other assets such as software related licenses, which are amortized over their useful lives.

A continuity schedule for the balance of the intangible assets for the period ended March 31, 2019 has been constructed as follows:

	Indefinite Life	Finite Life	Total
December 31, 2017	-	-	-
Asset Acquisition [Note 5]	1,280,502	18,744	1,299,246
Additions	-	1,699	1,699
Foreign currency translation	-	(2,705)	(2,705)
December 31, 2018	**1,280,502**	**17,738**	**1,298,240**
Additions	-	-	-
Amortization	-	(6,158)	(6,158)
Foreign currency translation	-	67	67
March 31, 2019	**1,280,502**	**11,647**	**1,292,149**

10. OTHER NON-CURRENT ASSETS

During the three months ended March 31, 2019, Blueberries Medical Corp entered into a Letter of Intent agreement with BBV Labs Inc. ("BBV Labs"). Per the agreement, Blueberries will acquire 75% of the shares of an entity that will have the right to a potential joint venture with Cannabis Avatara, S.E. ("Cannava"), an Argentinian state-owned company, to focus on cannabis cultivation, processing, manufacturing, export and other rights in Argentina. Blueberries is required to pay an exclusivity fee of US$5,000 ($6,682 CAD) which will be fully creditable towards the purchase price of the future acquisition. This amount has been recorded as an other non-current asset on these financial statements and offsetting liability in accounts payable and accrued liabilities. Refer to Note 18(b) for further details of the potential joint venture.

(Unaudited and expressed in Canadian dollars unless otherwise stated)

11. SHARE CAPITAL

As at March 31, 2019, the Company was authorized to issue unlimited common shares with no par value, with holders of common shares entitled to one vote per share and to dividends, if declared.

Outstanding common shares as of March 31, 2019 are as follows:

	Common shares	Amount ($)
Balance, September 5, 2018 (date of incorporation)	1	-
Shares redeemed	(1)	-
Shares issued through shareholder agreement (net of issuance costs)(1)	52,000,000	873,013
Shares issued through seed financing (net of issuance costs)(2)	7,000,000	346,925
Shares issued through standalone financing (net of issuance costs)(3)	5,000,000	444,800
Balance, December 31, 2018	**64,000,000**	**1,664,738**
Shares issued pursuant to the Transaction [Note 6]	7,392,772	3,548,531
Fair value of units attributed to common shares (net of issuance costs)(4)	35,230,000	4,515,244
Shares issued from exercise of warrants (net of issuance costs) [Note 12]	665,000	379,019
Balance, March 31, 2019	**107,287,772**	**10,107,532**

(1) As described in Note 5, on October 3, 2018, the Company (being BCC) acquired all the issued and outstanding shares of Blueberries S.A.S. in exchange for shares in the Company and cash of $394,800 ($300,000 USD). 52,000,000 shares in Blueberries were issued to founders at that time. The Blueberries S.A.S shareholders received 17,500,000 of these total shares issued. The shares were estimated to have a fair value of $0.05 per share, based on recent financing transactions, for a total value of $875,000. Issuance costs of $1,987 were incurred, resulting in a total net value of $873,013.

(2) On October 10, 2018, the Company completed a seed financing where 7,000,000 shares were issued at $0.05 per share, all of which was paid in cash for total gross proceeds of $350,000. The company incurred issuance costs of $3,075 for a total net amount of $346,925.

(3) On October 11, 2018 the Company completed a standalone financing where 5,000,000 shares were issued for $444,800, all of which was paid in cash. No issuance costs were incurred relating to the standalone financing.

(4) Upon completion of the Transaction and approval of the CSE listing, the subscription units issued by the Company were allocated to common shares and warrants based on the assessed fair value using the Black-Scholes valuation model. As a result, 35,230,000 shares were issued to unit holders for a total gross value of $5,296,049. Commissions and finders' fees of $780,805 were allocated to the shares as issuance costs for a total net value of $4,515,244. Refer to Note 12 for additional details.

(Unaudited and expressed in Canadian dollars unless otherwise stated)

12. WARRANTS

Purchase Warrants

Prior to the February 5, 2019 Transaction date, the Company issued 35,230,000 subscription receipts at a price of $0.25 per subscription receipt for total proceeds of $8,807,500. Each subscription receipt entitled the holder thereof to receive one unit upon completion of the Transaction and approval of the CSE for the listing of BBM shares. Each unit consists of one common share and one-half of one purchase warrant, for a total of 17,615,000 full purchase warrants. Each full purchase warrant shall entitle the holder thereof to acquire one common share of BBM at a price of $0.40 per share for a period of 24 months following the completion of the Transaction. A fair value of $3,511,451 before issuance costs ($2,993,752 net of issuances costs) was recognized for the purchase warrants on the financial statements of the Company.

During the three months ended March 31, 2019, 665,000 purchase warrants were exercised, and shares issued to the holders thereof. An additional 70,000 warrants were exercised with associated cash proceeds of $28,000 received by the Company, with the issuance of these shares not completed until subsequent to March 31, 2019. The proceeds received from the 70,000 warrants are included in equity as "shares to be issued". 16,880,000 warrants were exercisable as at March 31, 2019.

Finder Warrants

Pursuant to the brokered private placement of subscription receipts, the Company issued 2,466,100 finder warrants of the Company and paid an aggregate finder's fee of $616,525 in cash. Each finder warrant enables the holder thereof to purchase one unit of Blueberries at a price of $0.25 for each finder warrant exercised. Each unit issued upon exercise of the finder warrant consists of one common share of BBM and one-half of one unit warrant. Each full unit warrant will entitle the holder therefor to purchase one share at a price of $0.40 per share at any time for a period of 24 months following the completion of the Transaction.

A fair value of $674,479 was recognized for the issuance of the finder warrants, which was also included as issuance costs on the associated private placement of subscription receipts and allocated proportionately to the resulting shares and purchase warrants upon completion of the Transaction.

Black-Scholes option pricing model assumptions for warrants

The warrants were allocated a value using the Black-Scholes option pricing model to estimate the fair value with the following assumptions:

	Purchase Warrants	Finder Warrants
Risk-free interest rate	1.82%	1.82%
Exercise price	$0.40	$0.25
Estimated stock price	$0.48	$0.48
Expected dividend yield	0%	0%
Expected stock price volatility	90.5%	90.5%
Expected warrant lives	1 year	1 year
Fair value of warrant granted	$0.20	$0.27

(Unaudited and expressed in Canadian dollars unless otherwise stated)

13. CONTRIBUTED SURPLUS

In connection with the Transaction, Blueberries adopted the Stock and Incentive Plan (the "Plan") which was approved by the shareholders of CMS on December 6, 2018. The Board will establish vesting and other terms and conditions for options at the time that they are granted. The plan provides that stock options may be granted up to a number equal to 10% of the Company's outstanding shares. The plan also indicates that the maximum number of shares which may be issued to any one insider and his or her associates under the plan, together with any other previously established or proposed share compensation arrangements, within a one year period shall be 5% of the shares outstanding at the time of the grant.

As at March 31, 2019 a total of 8,465,000 options were issued and outstanding under this plan, 1,000,000 of which had vested by the end of the quarter.

A summary of the changes in stock options is presented below:

	Stock options	Weighted average exercise price
Balance, December 31, 2018	-	-
Options issued on Transaction date(1)	4,865,000	0.40
Balance, February 5, 2019	**4,865,000**	**0.40**
Options issued(2)(3)	3,600,000	0.55
Balance, March 31, 2019	**8,465,000**	**0.46**

(1) At the date of the Transaction, 4,865,000 options were granted with an exercise price of $0.40 per option. These options are for a 5 year term, expiring in February, 2024, with one-third vesting in February 2020, one-third vesting February 2021, and one-third vesting February 2022.

(2) 500,000 options were granted in March, 2019 with an exercise price of $0.55 per option. These options are for a 5-year term, expiring in March, 2024, with one-third vesting in March 2020, one-third vesting March 2021, and one-third vesting March 2022.

(3) An additional 3,100,000 options were granted in March, 2019 with an exercise price of $0.55 per option. 3,000,000 of these options are for a 5-year term, expiring in March, 2024, with one-third vesting immediately on the grant date, one-third vesting March 2020, and one-third vesting March 2021. The other 100,000 options are for a 5-year term, expiring in March, 2024, with one-third vesting in March 2020, one-third vesting March 2021, and one-third vesting March 2022.

Black-Scholes option pricing model assumptions for stock options

The stock options were allocated a value using the Black-Scholes option pricing model to estimate the fair value with the following assumptions:

	February 5, 2019	March 19, 2019	March 20, 2019
Risk-free interest rate	1.82%	1.65%	1.61%
Exercise price	$0.40	$0.58	$0.63
Estimated stock price	$0.48	$0.55	$0.55
Forfeiture rate	10%	10%	10%
Expected dividend yield	0%	0%	0%
Expected stock price volatility	92.0%	88.5%	88.50%
Expected option lives	3 years	3 years	3 years
Fair value of stock option granted	$0.30	$0.33	$0.38

(Unaudited and expressed in Canadian dollars unless otherwise stated)

The following summarizes information about stock options outstanding as at March 31, 2019:

Exercise prices (C$)	Number of options outstanding	Weighted average term to expiry (years)	Number of options exercisable
0.40	4,865,000	4.85	-
0.55	500,000	4.97	-
0.55	3,100,000	4.97	1,000,000
	8,465,000	**4.90**	**1,000,000**

14. BASIC AND DILUTED LOSS PER SHARE

For the period ended March 31, 2019, there is no difference between the calculated basic and diluted loss per share. 16,880,000 purchase warrants, 2,466,100 finder's warrants, and 8,465,000 stock options have been excluded from the calculation as they have an anti-dilutive effect on loss per share.

15. SUPPLEMENTAL CASHFLOW INFORMATION

For the period ended March 31	2019
Prepaids	(62,061)
Other receivables	(84,373)
Accounts payable and accrued liabilities	381,004
Employee benefits	(22,194)
Related party debt	(200,794)
Working capital adjustment for acquired receivables relating to the Transaction	31,812
Working capital adjustment for acquired accounts payable and accrued liabilities relating to the Transaction	(450,269)
Working capital adjustment for acquired due to related party liabilities relating to the Transaction	(25,760)
Change in non-cash working capital	**(432,635)**
Relating to:	
Operating activities	(238,523)
Investing activities	6,682
Financing activities	(200,794)
Change in non-cash working capital	**(432,635)**

16. RELATED PARTY TRANSACTIONS

During the period ended March 31, 2019, there were separate related party transactions as follows:

a) As part of the Transaction, the Company assumed the liabilities of CMS. $25,760 of these liabilities was an amount payable to a Director and Officer of CMS. The amount was unsecured, non-interest bearing and with no fixed terms of repayment. This Director resigned from his position on the date of the Transaction and $22,017 of this balance outstanding was paid in March 2019, with the remaining $3,743 being forgiven and recorded as a gain from debt forgiveness within other income on these financial statements.

b) As at December 31, 2018, the Company had two promissory notes outstanding with beneficial shareholders. The first note was originally due to be repaid November 30, 2018. However, for any balances not repaid by this date, interest would accrue at 0.43% monthly (5.16% per annum). As the balance was not paid off by November 30, 2018, interest was accrued up until March 7, 2019, at which time the entire principal note balance of $150,159 and accrued interest of $2,952 was paid. The second note bore an annual interest rate of 5.16%. On March 7, 2019, the Company paid off the entire outstanding principal balance of $76,827 and interest of $1,072. In January 2019, the Company obtained a third promissory note from a beneficial shareholder. The note was non-interest bearing and was paid off in its entirety on March 7, 2019 for a total amount of $22,549. As at March 31, 2019, no promissory note balances remain outstanding.

c) During the three months ended March 31, 2019, the Company incurred professional legal expenses of $10,737 from a vendor who was also a key management personnel of the Company. The amount has been included in general and administrative expenses and was paid within the quarter.

d) Blueberries pays a monthly advisory fee to a firm affiliated with an Officer of the Company. As per the advisory agreement, the Company pays a monthly fee of $10,000. During the period ended March 31, 2019, Blueberries incurred total fees under this agreement of $30,000 in addition to amounts previously accrued of $40,000 for work performed as at December 31, 2018. The total aggregate amount of $70,000 has been paid in full, with no remaining balance outstanding as at the period end date.

e) As discussed in Note 18(b), a letter of intent was signed for a potential joint venture operating with Harmony and Life SAS ("Harmony") as El Manantial Medical Centers. More than 80% of Harmony is owned by a certain Director of the Company and is therefore considered a related party. Blueberries accrued an amount of $9,412 due to Harmony for consulting services in relation to the letter of intent.

17. FINANCIAL RISK MANAGEMENT

Fair value of financial instruments

As of March 31, 2019, Blueberries financial instruments consist of cash and cash equivalents, short-term investments, other receivables, accounts payable and accrued liabilities, and employee benefits. The fair values of these financial instruments approximate their carrying values due to the short-term maturity of these instruments.

The Company characterizes its fair value measurements of financial instruments into a three-level hierarchy depending on the degree to which the inputs are observable, as follows:

- Level 1 inputs are quoted prices in active markets for identical assets and liabilities;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liabilities either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

A financial instrument is classified to the lowest level hierarchy for which a significant input has been used in measuring fair value.

The company measures cash and cash equivalents and short-term investments at fair value. Both of these financial instruments are classified as level 1 inputs in the fair value hierarchy

Risk management

The Company has exposure to the following risks from its use of financial instruments:

- Liquidity risk
- Credit risk
- Market risk

<u>Liquidity risk</u>

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient cash resources in order to finance operations, fund capital expenditures, and to repay debt and other liabilities of the Company as they come due, without incurring unacceptable losses or risking harm to the Company's reputation.

As at March 31, 2019, the Company's financial liabilities consist of accounts payable and accrued liabilities and employee benefits, which have contractual maturity dates within one year. The Company manages its liquidity risk by reviewing its capital requirements on an ongoing basis. Based on the Company's working capital position at March 31, 2019, management regards liquidity risk to be low.

<u>Credit risk</u>

Credit risk is the risk of loss associated with the counterparty's inability to fulfil its contractual obligations. Financial instruments subject to credit risk include cash and cash equivalents, short-term investments, and other receivables. All of the Company's cash and short-term investments are held at reputable financial institutions. Other receivables consist mainly of GST receivables that the Company will receive from the Government of Canada. As such credit risk is deemed to be low.

<u>Market risk</u>

Market risk is the risk or uncertainty that changes in price, foreign exchange rates, and interest rates will affect the Company's net earnings and the value of financial instruments. Blueberries is exposed to two types of market risk, being foreign currency risk and interest rate risk as outlined below.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign currency exchange rates. The Company's functional and reporting currency is the Canadian dollar. However, some of the Company's business transactions and commitments occur in currencies other than Canadian dollars. The Colombian subsidiaries incur expenditures in Colombian pesos, which is their functional currency. Therefore, the Company is exposed to the risk of fluctuations in foreign exchange rates between COP$ and Canadian dollars. Blueberries does not anticipate a significant impact on its interim condensed consolidated financial statements as a result of a 5% change in the exchange rate between the two currencies.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in prevailing market interest rates. The Company is exposed to interest rate risk on cash and cash equivalents and short-term investments. The Company is also exposed to interest rate risk on promissory notes that may be issued from related or un-related parties. As at the three months ended March 31, 2019, all promissory notes and related party debt was paid in full, as such, fluctuations of interest rates would not have had a significant impact on the interim condensed consolidated financial statements.

Capital risk management

The Company's objectives when managing capital are to ensure the Company will have sufficient financial capacity, liquidity, and flexibility to fund the Company's operations, growth, and ongoing developmental activities. The Company is dependent upon funding these activities through a combination of available cash, debt and equity, which it considers to be the components of its capital structure as outlined below.

For the period ended March 31	**2019**
Shareholders' equity	**8,035,828**
Cash	**3,766,958**
Working capital, excluding cash	**362,203**

(Unaudited and expressed in Canadian dollars unless otherwise stated)

18. COMMITMENTS AND TRANSACTION AGREEMENTS

a) Commitments

A summary of the Company's commitments are as follows:

Commitment	2019	2020	2021 and thereafter	Total
Security service agreement[1]	27,599	9,200	-	**36,799**
Consultancy agreement [2]	105,200	-	-	**105,200**
Extraction equipment[3] [Note 7]	495,300	-	-	**495,300**
Short-term and low-value leases[4]	50,496	-	-	**50,496**
Total	**678,595**	**9,200**	**-**	**687,795**

(1) The Company signed a security agreement for a third party to provide security in the farm of Guatavita for 24 hours, 7 days per week. The contract begins April 2019 and ends April 2020 unless extended with an amending contract.

(2) Blueberries signed a consultancy agreement for general consultancy relating to the development of post-harvest and extraction project in the municipalities of Guatavita, Cogua, and Tocancipá (Cundinamarca)

(3) As discussed in Note 7, the Company purchased extraction equipment in March 2019. A 50% deposit was paid in the amount of $495,300. The equipment is expected to be received later in 2019, at which point the Company will pay the remaining 50%

(4) The Company has a short-term commercial use office lease outstanding as at March 31, 2019. The lease is expected to expire prior to the end of 2019 and thus has been expensed as incurred in General and Administrative expense ("G&A"). Total payment of $19,072 were recognized in the financial statements relating to this lease.

b) Transaction Agreements

<u>Commission agreement</u>

On May 30, 2018 the BBSAS signed a binding agreement for one year with Hempson USA. This party will act as a broker and will be entitled to commissions up to 10% gross medicinal Cannabis sales for all of Europe. This agreement will expire May 30, 2019.

<u>Letter of Intent with Harmony and Life SAS</u>

On February 14, 2019 Blueberries Medical Corp announced that BBSAS had entered into a Letter of Intent dated February 13, 2019 for a potential joint venture operating with Harmony and Life SAS as El Manantial Medical Centers.

The Agreement will further the development and commercialization of Blueberries' medicinal cannabis products through El Manantial's patient base and collaboration with El Manantial's team of physicians and pharmacists. It will also provide a direct distribution channel to patients. The Company expected to build two BPE (Good Elaboration Practices) certified pharmacies in support of the initiative which will provide additional sales channels for Blueberries' products. Blueberries and El Manantial will also develop a treatmentfocused medical education program designed to assist physicians in prescribing cannabis-based treatment plans to patients.

i) Pharmacy Build-Out

Blueberries will have the option to make a strategic investment of up to $400,000 in the construction of specialized pharmacies that are BPE (Good Elaboration Practices) certified. In addition to the pharmacies owned and operated by El Manantrial, the Company owned pharmacies will also sell cannabis and cannabis-derived products exclusively from Blueberries.

ii) Additional Letter Agreement Terms

• Collaborate on the research, development, and commercialization of Blueberries cannabis derived medicinal products.

• Blueberries to be exclusive supplier of cannabis and cannabis-derived products to El Manantial for research and sale through their medical center network and pharmacies.

• Blueberries will make a strategic investment of up to $300,000 for the development of educational programs for the medical community to deliver to patients. The program will include certification for physicians obtained through comprehensive training.

• Blueberries will invest up to $100,000 for medical center facility upgrades to expand capacity given there is a rapidly growing patient base.

• Blueberries will pay a monthly consulting fee to Harmony and Life S.A.S of US$6,000 from March 2019 to February 2020 to oversee the construction and build-out of Blueberries owned pharmacies.

The potential Joint Venture is subject to completion of satisfactory due diligence by each of the Company and El Manatial, and the execution of a definitive agreement.

The letter of Intent does not have a firm expiry date and it is understood nothing is binding until a definitive agreement is executed. As at March 31, 2019 no definitive agreement has been signed.

Letter of Intent with Leading Colombian Craft Brewer

On February 15, 2019 Blueberries S.A.S entered into a Letter of Intent for a potential joint venture with India Colorada SAS, one of the leading Colombian artisanal brewers and producer of craft beer in Colombia, Cerveza Colón, to research, develop and commercialize alcoholic and non-alcoholic cannabis-based beverages.

The potential Joint Venture is expected to undertake the research, development and commercialization of non-alcoholic cannabis-based beverages with the goal of being first to market in Latin America. Pursuant to the Agreement, both companies will apply their respective expertise toward the research and development of beverages containing tetrahydrocannabinol (THC), the psychoactive chemical compound in cannabis, as well as cannabidiol (CBD), the non-psychoactive compound. The potential Joint Venture is expected to commercialize newly developed cannabis-based beverages through India Colorada's established and growing distribution channels in addition to Blueberries' distribution channels. The potential Joint Venture will make decisions regarding commercialization of the products in different countries where permitted by regulation on an individual market basis. Pursuant to the terms of the Agreement, the parties intend to complete the development of new products and commercialization plan over the following 12 months. India Colorada is arms'-length to the Company.

For the deal to proceed, Blueberries would have to provide the Joint Venture with up to $US300,000 for research towards development and commercialization.

The letter of Intent would expire on one party notifying the other with 30 days notice.

<u>Letter of Intent for Blueberries to Acquire Cannabis Cultivation, Processing and Manufacturing Rights in Argentina</u>

On March 26, 2019 Blueberries Medical Corp entered a Letter of Intent agreement effective March 21, 2019 to acquire, from BBV Labs, 75% of the shares of an entity that will have the right to a joint venture with Cannava to focus on cannabis cultivation, processing, manufacturing, export and other rights in Argentina (the "Letter Agreement"). Pursuant to a definitive agreement with the Argentinian state-owned company Cannabis Avatara, S.E. ("Cannava"), BBV Labs has entered into a potential joint venture with Cannava to develop and cultivate cannabis on a 3.2 million square foot (74 acres or 30 hectares) prime agricultural property. Cannava will contribute the land to the potential Joint Venture as well as all required permits and authorizations necessary to import seeds, cultivate, grow and harvest cannabis, process cannabis and extract cannabis oil and other derivative products for scientific, medicinal and therapeutic purposes and to export cannabis and derivative products and import and export related equipment and products.

The Company shall reimburse BBV Labs in the amount of US$20,000 for expenses incurred in the negotiation and execution of the Agreement. Additionally, Blueberries agrees to pay BBV Labs a cash payment in the aggregate amount of US$5,000 for granting Blueberries the exclusivity period which will be creditable towards the purchase price once a definitive agreement is signed. BBV Labs has agreed to make a down-payment of US$300,000 within the 90-day period following execution of the Joint Venture Agreement to Cannava. As at March 31, 2019 no definitive agreement has been signed. However, the US$25,000 exclusivity and expense reimbursement amount was paid by Blueberries subsequent to March 31, 2019.

19. GEOGRAPHICAL SGEMENTED INFORMATION

The Company is engaged in the growth, cultivation, and development of medicinal cannabis. Management has defined the operating segments of the Company based on geographical areas, identifying operations held in Colombia as a separate reporting segment. The Corporate segment reflects balances and expenses related to all Company operations in Canada, which collectively represent the corporate operations of the Company.

(Unaudited and expressed in Canadian dollars unless otherwise stated)

The following tables show information regarding the Company's segments for the three months ended March 31, 2019

For the three months ended March 31, 2019 [(1)]	Colombia	Canada	Total
Expenses:			
Pre-operating expenses	108,522	-	108,522
General and administrative expenses	183,445	260,464	443,909
Investor relations	-	277,753	277,753
Business development	-	22,512	22,512
Depreciation and amortization	12,916	-	12,916
Share based compensation	-	513,424	513,424
Listing expense	-	4,004,312	4,004,312
Other income (expense)	1,474	(3,743)	(2,269)
Foreign exchange gain (loss)		10,085	10,085
Net Loss	**306,357**	**5,084,807**	**5,391,164**
Assets, March 31, 2019	**7,217,206**	**1,499,851**	**8,717,057**
Liabilities, March 31, 2019	**114,076**	**567,153**	**681,229**

Comparative assets and liabilities	Colombia	Canada	Total
Assets, December 31, 2018	**1,455,071**	**412,206**	**1,867,277**
Liabilities, December 31, 2018	**447,011**	**295,870**	**742,881**

[(1)] There is no comparative three months ended March 31, 2018 expenses as BCC was incorporated on September 5, 2018 and thus not in existence as at March 31, 2018.

20. SUBSEQUENT EVENTS

a) Listing on OTCQB Market

On April 1, 2019, Blueberries announced that its common shares will commence trading on the OTCQB market under the ticker symbol "BBRRF"

b) Development Process for Cultivation of Cannabis in Jujuy Argentina

On April 4, 2019, Blueberries announced that it has commenced the Phase 1 planning process with Cannava in connection with the agreement entered into through its agreement with BBV Labs Inc.

The first phase of the Joint Venture project will be a Pilot Cultivation Program and consists of the preparation and cultivation of cannabis on public lands provided by Cannava with the goal of producing cannabis oil.

c) Approval to sell five CBD Wellness Products

On May 13, 2019, the Company announced that it has received approval for the production, sale and export of five cannabidiol based health and wellness products from the Instituto Nacional de Vigilancia de Medicamentos y Alimentos ("INVIMA"), the Colombian National Food and Drug Surveillance Institute. The approval has been granted for Blueberries' initial suite of Health and Wellness products which include a Face Cream, Lip Balm, Body Cream, Beauty Balm and Cannabis Oil Shampoo.

d) Exercised Warrants

Subsequent to March 31, 2019, an additional 729,000 purchase warrants were exercised up until the date of these financial statements.

e) Joint Venture Activities

Subsequent to March 31, 2019, the Company paid the US$25,000 ($33,750 CAD) exclusivity and expense reimbursement costs pursuant to the letter of intent with BBV Labs described in Note 18(b)