BLUEBERRIES MEDICAL CORP.

(FORMERLY CDN MSOLAR CORP.)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 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 June 30, 2019.

BLUEBERRIES MEDICAL CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(unaudited)

(Expressed in Canadian Dollars)	Note Reference	**June 30, 2019**	December 31, 2018
Assets			
Current Assets			
Cash and cash equivalents		**1,801,804**	412,405
Short term investments		**867,655**	-
Other receivables		**130,654**	1,415
Prepaids		**69,552**	-
Advances towards joint venture	7	**392,610**	-
		3,262,275	413,820
Non-Current Assets			
Advances towards property plant and equipment	8	**2,382,215**	-
Property plant and equipment	9	**745,585**	155,217
Right-of-use asset	10	**15,218**	-
Intangible assets	11	**1,287,032**	1,298,240
Other non-current assets	12	**34,258**	-
Total Assets		**7,726,583**	1,867,277
Liabilities and shareholders' equity			
Current Liabilities			
Trade accounts payable and accrued liabilities		**776,864**	244,971
Employee benefits		**63,768**	68,406
Related party debt	19	**-**	429,504
		840,632	742,881
Non-Current Liabilities			
Lease liability	10	**3,800**	-
Dismantling liability	10	**5,889**	-
Total Liabilities		**850,321**	742,881
Shareholders' equity			
Share capital	13	**10,562,926**	1,664,738
Warrants	14	**3,419,418**	-
Contibuted surplus	15	**880,264**	-
Accumulated other comprehensive loss		**(409,551)**	(4,689)
Deficit		**(7,576,795)**	(535,653)
Total Shareholders' equity		**6,876,262**	1,124,396
Total liabilities and shareholders' equity		**7,726,583**	1,867,277

Related party transactions	19
Commitments	21
Subsequent events	23

See accompanying notes to the condensed interim consolidated financial statements

BLUEBERRIES MEDICAL CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF LOSS AND COMPREHENSIVE LOSS

For the three and six months ended June 30, 2019

(unaudited)

(Expressed in Canadian Dollars)	Note Reference	June 30, 2019 Three months ended	 Six months ended
Expenses			
Pre-operating expenses		**(245,935)**	**(354,457)**
General and administrative expenses	16	**(1,395,052)**	**(2,652,650)**
Depreciation and amortization	9, 10, 11	**(17,807)**	**(30,723)**
Listing expense	6	**-**	**(4,004,312)**
Other income		**21,822**	**24,091**
Foreign exchange loss		**(13,006)**	**(23,091)**
Loss before income tax		**(1,649,978)**	**(7,041,142)**
Current and deferred income tax		**-**	**-**
Net loss		**(1,649,978)**	**(7,041,142)**
Other Comprehensive Loss			
Foreign currency translation adjustment		**(168,028)**	**(404,862)**
		(168,028)	**(404,862)**
Comprehensive loss		**(1,818,006)**	**(7,446,004)**
Loss per share - basic and diluted	17	(0.02)	(0.07)
Weighted average number of shares outstanding		107,863,036	99,029,634

See accompanying notes to the condensed interim consolidated financial statements

BLUEBERRIES MEDICAL CORP.

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

(Expressed in Canadian Dollars)	**Common Shares**	**Share Capital** [Note 13]	**Warrants** [Note 14]	**Contributed Surplus** [Note 15]	**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 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 13]	**Warrants** [Note 14]	**Contributed Surplus** [Note 15]	**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	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	1,464,000	834,413	(248,813)				585,600
Shares to be issued							-
Share based compensation				880,264			880,264
Other comprehensive loss					(404,862)		(404,862)
Net loss			-	-		(7,041,142)	(7,041,142)
Balance at June 30, 2019	108,086,772	10,562,926	3,419,418	880,264	(409,551)	(7,576,795)	6,876,262

See accompanying notes to the condensed interim consolidated financial statements

BLUEBERRIES MEDICAL CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2019

(unaudited)

(Expressed in Canadian Dollars)	Note Reference	**June 30, 2019**
Cash flows related to the following activities:		
Operating activities		
Net loss from continuing operations		**(7,041,142)**
Adjustment for:		
Depreciation and amortization	9, 10, 11	**30,723**
Share based compensation	15	**880,264**
Interest on lease, related party debt & decommissioning provision		**1,876**
Gain on debt forgiveness	19	**(3,743)**
Unrealized foreign exchange loss		**849**
Listing expense	6	**4,004,312**
Change in non-cash working capital	18	**(115,189)**
Net cash used in operating activities		**(2,242,050)**
Investing activities		
Short-term investments		**(890,078)**
Purchase of property, plant, and equipment		**(629,939)**
Advances towards property, plant, and equipment	8	**(2,489,550)**
Payment of other non-current assets	12	**(34,258)**
Cash acquired from RTO Transaction	6	**35**
Change in non-cash working capital	18	**(392,610)**
Net cash used in investing activities		**(4,436,400)**
Financing activities		
Proceeds from new related party note	19	**22,248**
Payments of related party notes	19	**(251,815)**
Principal portion of lease payments	10	**(6,022)**
Issuance of shares, net of costs	13	**4,920,815**
Issuance of warrants, net of costs	14	**3,262,660**
Warrants exercised	14	**585,600**
Change in non-cash working capital	18	**(200,475)**
Net cash generated in financing activities		**8,333,011**
Net cash from operating, investing and financing activities		**1,654,561**
Effects of exchange rate changes on cash		**(265,162)**
Cash, beginning of period		**412,405**
Cash, end of period		**1,801,804**
Interest paid in cash		5,881
Interest received in cash		37,421
Taxes paid in cash		85

See accompanying notes to the condensed interim 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" and on the OTCQB Market in the United States under the ticker symbol "BBRRF".

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 August 14, 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).

As at the January 1, 2019 adoption date, IFRS 16 had no material impact on the Company's financials, as there were no lease agreements with term greater than 12-months or leased asset values greater than the low dollar value threshold of US$5,000. Subsequent to the adoption date, the company entered into a rural property lease agreement which has been discussed in Note 10 of these financial statements.

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.

The lease liability is measured at amortized cost using the effective interest rate method. The liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the amount expected to be payable under a residual value guarantee, or if there is a change in the assessment of whether the Company will exercise a purchase, extension, or termination option that is within the Company's control.

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 on a straight-line basis, over the shorter of the estimated useful life of the asset or lease term over the lease term.

Leases with terms of less than twelve months and leases for which the underlying asset is of low value (US$5,000) are recognized as an expense in the financial statements on a straight-line basis over the lease term.

b) Consolidation

The condensed interim consolidated financial statements as at June 30, 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 and vehicles	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) Dismantling liability

Dismantling liabilities include the present obligations of the Company to restore any right-of-use assets to their original condition. Dismantling liabilities are measured at the present value of the future expenditures required using a relevant risk-free rate. The associated cost is capitalized as part of the right-of-use asset. Changes in the estimated obligation resulting from revisions to the estimated timing, amount of cashflows, or changes in the discount rate are recognized as a change in the dismantling liability.

j) 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

k) 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.

l) 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.

m) 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.

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.

d) Lease liabilities and Right-Of-Use assets

A lease liability and a corresponding right-of-use asset is recognized at the commencement date of a lease at the present value of the lease payments over the lease term. The Company uses the implicit rate within the lease, if readily available, or the incremental borrowing rate when the rate implicit is not known. The discount rate is based on judgements including economic environment, term, currency, and the underlying risk inherent to the asset. The carrying balance of the right-of-use asset, lease liability, and resulting interest expense and depreciation expense, may differ due to changes in the market conditions. The lease term is also subject to certain assumptions including, the Company's intent regarding extension and termination options of a lease.

(Unaudited and expressed in Canadian dollars unless otherwise stated)

e) Dismantling and decommissioning liabilities

The dismantling obligation is determined based on the estimated timing and costs that will be incurred in the future to restore land and other assets to their original condition. The estimated obligations and actual costs may differ significantly due to changes in estimated timing and amount of cash outflows, as well as differences due to the discount rate used to determine the present value of the obligation.

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**

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 14.

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:

(Unaudited and expressed in Canadian dollars unless otherwise stated)

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 JOINT VENTURE

In 2019, Blueberries Medical Corp entered into a Letter of Intent ("LOI") agreement with BBV Labs Inc. ("BBV Labs"), to purchase 75% of BBV Labs' shares. During the year, BBV Labs entered into a joint venture agreement ("JV Agreement") with Cannabis Avatara, S.E. ("Cannava"), an Argentinean state-owned company, for the purpose of acquiring cannabis cultivation, processing, manufacturing and other rights in Argentina. In accordance with the terms of the LOI, Blueberries agreed to make an advance of $300,000 USD ($392,610 CAD) to Cannava on behalf of BBV Labs as contribution to the joint venture. The payment was made by Blueberries on June 24, 2019 and is recorded as a current asset on the balance sheet of the financial statements.

As disclosed in Note 23, subsequent to the period end date, a definitive agreement has been executed by Blueberries for the purchase of BBV Labs' shares.

8. ADVANCES TOWARDS PROPERTY, PLANT, AND EQUIPMENT

During 2018, the Company signed a binding agreement to buy 15 hectares of farmland in Cogua, (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 Company is currently working on the permitting and zoning of the property. 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 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 remaining 50% of the purchase price of the equipment is due when the equipment is received (Note 21).

(Unaudited and expressed in Canadian dollars unless otherwise stated)

9. PROPERTY, PLANT, AND EQUIPMENT

Cost	Land	Agricultural Facilities	Buildings and Construction	Equipment and Vehicles	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	-	361,394	153,329	107,003	621,726
Foreign currency translation	(71)	(7,444)	(4,097)	(1,830)	(13,442)
Balance, June 30, 2019	**2,302**	**430,774**	**213,645**	**121,545**	**768,266**

Accumulated Depreciation	Land	Agricultural Facilities	Buildings and Construction	Equipment and Vehicles	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	-	(10,439)	(4,604)	(4,482)	(19,525)
Foreign currency translation	-	1,025	427	157	1,609
Balance, June 30, 2019	**-**	**(11,981)**	**(5,509)**	**(5,191)**	**(22,681)**

Net Book Value, December 31, 2018	**2,373**	**74,257**	**63,081**	**15,506**	**155,217**
Net Book Value, June 30, 2019	**2,302**	**418,793**	**208,136**	**116,354**	**745,585**

(Unaudited and expressed in Canadian dollars unless otherwise stated)

10. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

As at June 30, 2019, the Company recognized a lease liability and a corresponding right-of-use asset relating to leased rural property in the municipality of Guatavita, Colombia.

Right-of-use asset

Balance at January 1, 2019	**-**
Additions[(1)]	15,224
Depreciation[(2)]	(278)
Foreign exchange adjustment	272
Balance, June 30, 2019	**15,218**

[(1)] The right-of-use asset additions consist of the initial recognition of the lease liability at $9,464 and estimated dismantlement costs of $5,760, prior to any interest expense recognized.

[(2)] The right-of-use asset has been depreciated on a straight-line basis over the lease term of 6 years.

Lease liability

Balance at January 1, 2019	**-**
Additions	9,464
Payments	(6,022)
Interest expense	48
Foreign exchange adjustment	310
Balance, June 30, 2019	**3,800**

The entire lease liability is classified as non-current as next payment is not required until the year 2022. For further details regarding the lease liability refer to Note 21.

11. 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 estimated useful lives.

(Unaudited and expressed in Canadian dollars unless otherwise stated)

A continuity schedule for the balance of the intangible assets is 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	-	(10,920)	(10,920)
Foreign currency translation	-	(288)	(288)
June 30, 2019	**1,280,502**	**6,530**	**1,287,032**

12. OTHER NON-CURRENT ASSETS

As discussed in Note 7, Blueberries entered into an LOI with BBV Labs to purchase BBV Labs' shares. In accordance with the LOI, Blueberries was required to pay an exclusivity fee to BBV Labs of $5,000 USD ($6,852 CAD) and $20,000 USD ($27,406 CAD) as reimbursement of expenses incurred in negotiation of the JV Agreement with Cannava. During the six months ended June 30, 2019, the total amount of $25,000 USD ($34,258 CAD) was paid. As the purchase agreement has not yet closed, the payment has been recorded as an other non-current asset on the balance sheet of these financial statements. Refer to Note 23 for subsequent events surrounding the agreement with BBV Labs.

(Unaudited and expressed in Canadian dollars unless otherwise stated)

13. SHARE CAPITAL

As at June 30, 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 June 30, 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 14]	1,464,000	834,413
Balance, June 30, 2019	**108,086,772**	**10,562,926**

(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 14 for additional details.

(Unaudited and expressed in Canadian dollars unless otherwise stated)

14. WARRANTS

The following table reflects the number of warrants outstanding for the period ended June 30, 2019:

	Number of purchase warrants	Number of finder warrants	Total number of warrants
Balance, December 31, 2018	-	-	-
Warrants issued	17,615,000	2,466,100	20,081,100
Warrants exercised	(1,464,000)	-	(1,464,000)
Balance, June 30, 2019	**16,151,000**	**2,466,100**	**18,617,100**

Purchase Warrants

Prior to the February 5, 2019, the date of the Transaction, the Company issued 35,230,000 subscription receipts at a price of $0.25 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 consisted 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 entitles 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 initially for the purchase warrants on the financial statements of the Company.

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 initially 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.

(Unaudited and expressed in Canadian dollars unless otherwise stated)

Black-Scholes option pricing model assumptions for warrants

The warrants were allocated a fair value using the Black-Scholes option pricing model 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 life	1 year	1 year
Fair value of warrant granted	$0.20	$0.27

15. 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 establishes 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 June 30, 2019 a total of 9,565,000 options were issued and outstanding under this plan, 1,000,000 of which have fully vested.

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 to 5)	4,700,000	0.56
Balance, June 30, 2019	**9,565,000**	**0.48**

(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. The fair value of the options has been estimated at $0.30 at the grant date using the Black-Scholes option pricing model.

(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. The fair value of the options has been estimated at $0.34 at the grant date using the Black-Scholes option pricing model.

(3) Another 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

(Unaudited and expressed in Canadian dollars unless otherwise stated)

in March 2024, with one-third vesting in March 2020, one-third vesting March 2021, and one-third vesting March 2022. The fair value of the options has been estimated at $0.38 at the grant date using the Black-Scholes option pricing model.

(4) 200,000 options were granted in April 2019 with an exercise price of $0.75 per option. These options are for a 5-year term, expiring in April 2024, with one-third vesting in April 2020, one-third vesting April 2021, and one-third vesting April 2022. The fair value of the options has been estimated at $0.49 at the grant date using the Black-Scholes option pricing model.

(5) An additional 900,000 options were granted in June 2019 with an exercise price of $0.55 per option. These options are for a 5-year term, expiring in June 2024, with one-third vesting in June 2020, one-third vesting June 2021, and one-third vesting June 2022. The fair value of the options has been estimated at $0.23 at the grant date using the Black-Scholes option pricing model.

Black-Scholes option pricing model assumptions for stock options

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

Risk-free interest rate	1.35% - 1.82%
Estimated stock price	$0.37 - $0.71
Forfeiture rate	10%
Expected dividend yield	0%
Expected stock price volatility	88.17% - 92.00%
Expected option life	3 years

The following summarizes information about stock options outstanding as at June 30, 2019:

Exercise prices (C$)	Number of options outstanding	Weighted average term to expiry (years)	Number of options exercisable
0.40	4,865,000	4.61	-
0.55	4,500,000	4.78	1,000,000
0.75	200,000	4.99	-
0.48	**9,565,000**	**4.70**	**1,000,000**

(Unaudited and expressed in Canadian dollars unless otherwise stated)

16. GENERAL AND ADMINISTRATIVE EXPENSES

The nature of general and administrative expenses for the three and six months ended June 30, 2019 is as follows:

	Three months ended June 30, 2019	Six months ended June 30, 2019
Share based compensation	366,840	880,264
Marketing and investor relations	340,771	608,683
Director and management fees	154,219	227,568
Legal	124,373	219,255
Consulting	122,048	179,634
Salary, wages, and benefits	75,070	144,578
Audit and accounting	55,335	113,335
General office	61,250	108,996
Travel	36,396	74,427
Filing and transfer agent fees	29,354	57,736
Insurance	9,956	17,024
Other	19,440	21,150
Total general and administrative expenses	**1,395,052**	**2,652,650**

17. BASIC AND DILUTED LOSS PER SHARE

For the three and six months ended June 30, 2019, there is no difference between the calculated basic and diluted loss per share. 16,151,000 purchase warrants, 2,466,100 finder's warrants, and 9,565,000 stock options have been excluded from the calculation as they have an anti-dilutive effect on loss per share.

(Unaudited and expressed in Canadian dollars unless otherwise stated)

18. SUPPLEMENTAL CASHFLOW INFORMATION

For the period ended June 30	2019
Prepaids	(70,356)
Other receivables	(129,659)
Accounts payable and accrued liabilities	531,928
Employee benefits	(2,885)
Related party debt	(200,475)
Joint venture down payment	(392,610)
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	**(708,274)**
Relating to:	
Operating activities	(115,189)
Investing activities	(392,610)
Financing activities	(200,475)
Change in non-cash working capital	**(708,274)**

19. RELATED PARTY TRANSACTIONS

During the period ended June 30, 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 June 30, 2019, no promissory note balances remain outstanding.

c) In 2019, the Company incurred professional legal expenses of $10,737 from a vendor who was also a key management personnel of the Company. $8,639 of this has been included as transaction costs as part of the listing expense as seen in Note 6. The remaining $2,099 has been included in general and administrative expenses.

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 six-months ended June 30, 2019, Blueberries incurred total fees under this agreement of $60,000, recorded within general and administrative expenses. This Officer resigned from his position in June 2019.

e) During the six months ended June 30, 2019, the Company paid key management personnel, including officers, directors, or their related entities, for management services. Compensation of key management personnel and directors for services provided was $533,642 for the three months ended June 30, 2019, including $308,099 of share-based compensation. For the six months ended June 30, 2019, $1,165,558 worth of services was provided, including $795,575 of share-based compensation. Of the total compensation amounts, $8,416 is unpaid in accounts payable and $23,182 is in employee benefits liabilities at June 30, 2019.

20. FINANCIAL RISK MANAGEMENT

Fair value of financial instruments

As of June 30, 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

Liquidity risk

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 June 30, 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 June 30, 2019, management regards liquidity risk to be low.

Credit risk

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 expects to receive from the Government of Canada. As such credit risk is deemed to be low.

Market risk

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 Colombian pesos10 and Canadian dollars. Blueberries does not anticipate a significant impact on its condensed interim 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 June 30, 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 condensed interim consolidated financial statements.

(Unaudited and expressed in Canadian dollars unless otherwise stated)

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 June 30	2019
Shareholders' equity	6,876,262
Cash	1,801,804
Working capital, excluding cash	619,839

21. COMMITMENTS AND TRANSACTION AGREEMENTS

a) Lease commitments

In 2019, BBSAS entered into a lease agreement for a rural property in the municipality of Guatavita, Colombia. The lease commenced on May 22, 2019 and is for a six-year term. Under the terms of the agreement, BBSAS is required to make two payments of 14,400,000 COP (approximately $6,022 CAD) at the lease commencement date and in May 2022. The payments have been discounted using an estimated incremental borrowing rate of 15.0%. The lease table below shows the contractual commitments relating to this property lease and other short-term and low-value leases.

Lease Commitment	2019	2020	2021 and thereafter	Total
Property lease(1) [Note 10]	-	-	6,022	**6,022**
Short-term and low-value leases(2)	69,388	-	-	**69,388**
Total	**69,388**	**-**	**6,022**	**75,410**

(1) The Company entered into a new lease agreement with a May 22, 2019 commencement date. Per the agreement Blueberries is not required to make another lease payment until the year 2022.

(2) The Company has short-term commercial use office leases outstanding as at June 30, 2019. The lease is expected to expire prior to the end of 2019 and thus is expensed as incurred in General and Administrative expense ("G&A"). During the six months ended June 30, 2019, total payment of $56,859 were recognized in the financial statements relating to the short-term office leases.

(Unaudited and expressed in Canadian dollars unless otherwise stated)

b) Other Commitments

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

Commitment	2019	2020	2021 and thereafter	Total
Security service agreement[1]	17,824	11,882	-	**29,706**
Consulting and administrative agreements	15,441	3,811	-	**19,252**
Extraction equipment[2] [Note 8]	495,300	-	-	**495,300**
Greenhouse construction	269,673	-	-	**269,673**
Total	**798,238**	**15,693**	**-**	**813,931**

(1) The Company signed a security agreement with a third party for security services in Guatavita for 24 hours, 7 days per week. The contract began in April, 2019 and will end in April, 2020 unless extended with an amending contract.

(2) As discussed in Note 8, the Company purchased extraction equipment in March 2019, at which time a 50% deposit of $495,300 was paid. The equipment is expected to be received at a later date in 2019, at which point the Company will pay the remaining 50%.

22. GEOGRAPHICAL SEGMENT 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 Canada segment reflects balances and expenses related to all Company operations in Canada, which collectively represent the corporate operations of the Company.

The following tables show information regarding the Company's segments for the six months ended June 30, 2019.

For the three months ended June 30, 2019 [1]	Colombia	Canada	Total
Expenses:			
Pre-operating expenses	245,935	-	245,935
General and administrative expenses	476,473	918,579	1,395,052
Depreciation and amortization	17,807	-	17,807
Other income	(20,930)	(892)	(21,822)
Foreign exchange loss	-	13,006	13,006
Net Loss	**719,285**	**930,693**	**1,649,978**

(Unaudited and expressed in Canadian dollars unless otherwise stated)

For the six months ended June 30, 2019 (1)	Colombia	Canada	Total
Expenses:			
Pre-operating expenses	354,457	-	354,457
General and administrative expenses	659,918	1,992,732	2,652,650
Depreciation and amortization	30,723	-	30,723
Listing expense	-	4,004,312	4,004,312
Other income	(19,456)	(4,635)	(24,091)
Foreign exchange loss	-	23,091	23,091
Net Loss	**1,025,642**	**6,015,500**	**7,041,142**
Assets, June 30, 2019	**5,696,873**	**2,029,710**	**7,726,583**
Liabilities, June 30, 2019	**365,753**	**484,568**	**850,321**

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 are no comparative three or six month periods ended June 30, 2018, as BCC was incorporated on September 5, 2018 and thus was not in existence as at June 30, 2018.

23. SUBSEQUENT EVENTS

a) On July 2, 2019, Blueberries Medical Corp entered into a definitive share purchase agreement with BBV Labs. The agreement allows Blueberries to acquire cannabis cultivation, processing, manufacturing and other rights in Argentina through a joint venture agreement between BBV Labs and Cannava, an Argentinean state-owned company. The definitive share purchase agreement is subject to final closing details and is expected to close in the third quarter of 2019.

b) On July 29, 2019, Blueberries issued 1,100,000 common shares to two Officers of the Company as part of their employment compensation. After this issuance, 109,186,772 shares are outstanding as of the date of these financial statements.