BLUEBERRIES MEDICAL CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2022 and 2021

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

Management's Comments on Unaudited Condensed Interim Consolidated Financial Statements

The accompanying unaudited condensed interim consolidated financial statements of Blueberries Medical Corp. (the "Company" or "Blueberries") for the nine months ended September 30, 2022 and 2021 have been prepared by the management of Blueberries, reviewed by the Audit Committee of the Board of Directors and approved by the Board of Directors.

In accordance with National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators, the Company herewith discloses that the accompanying unaudited interim consolidated financial statements have not been reviewed by an auditor.

November 28, 2022

"Facundo Garreton"	*"Guillermo Rodriquez"*
Chairman & CEO	Chief Financial Officer

BLUEBERRIES MEDICAL CORP.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited)
(Expressed in Canadian Dollars)

	Notes	September 30, 2022	December 31, 2021
ASSETS			
Current Assets			
Cash and cash equivalents		**$ 118,803**	$ 1,343,143
Accounts receivables	4	**372,714**	201,883
Prepaids		**32,213**	18,591
Inventories	5	**17,743**	-
		541,473	1,563,617
Non-Current Assets			
Advances towards property, plant and equipment	6	**428,280**	428,280
Property, plant and equipment	7	**1,192,278**	1,601,982
Intangible assets	9	**1**	1
Total Assets		**$ 2,162,032**	$ 3,593,880
LIABILITIES AND EQUITY			
Current Liabilities			
Trade accounts payable & accrued liabilities		**$ 368,164**	$ 312,023
Employee benefits		**46,728**	41,866
Current portion of lease liability	8	**115,190**	108,804
Current portion of convertible debt	11	**1,025,463**	1,106,710
Derivative liability	11	**387,596**	366,400
		1,943,141	1,935,803
Non-Current Liabilities			
Long-term lease liability	8	**190,485**	223,331
Total Liabilities		**2,133,626**	2,159,134
Equity			
Share capital	12	**16,780,242**	16,780,242
Contributed surplus	14	**6,805,534**	6,702,359
Accumulated other comprehensive loss		**(672,240)**	(637,207)
Deficit		**(22,885,130)**	(21,410,648)
Total equity		**28,406**	1,434,746
Total liabilities and equity		**$ 2,162,032**	$ 3,593,880

Going concern	1
Commitments	20
Subsequent event	22

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

On behalf of the Board

"Facundo Garreton"
Facundo Garreton, Director

"Catherine Lathwell"
Catherine Lathwell, Director

BLUEBERRIES MEDICAL CORP.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited)
(Expressed in Canadian Dollars)

		Three Months Ended September 30,		Nine Months Ended September 30,	
	Notes	**2022**	2021	**2022**	2021
Revenues		**$ 104,856**	$ 135,981	**$ 178,397**	$ 173,886
Cost of sales - product revenues		**-**	(56,394)	**(757)**	(64,760)
Cost of sales - extraction services		**(5,967)**	-	**(60,386)**	-
Direct cost of production - cultivation		**(10,553)**	(61,049)	**(51,127)**	(157,521)
Direct cost of production - extraction services		**(102,161)**	(56,389)	**(159,131)**	(130,752)
Gross profit		**$ (13,825)**	$ (37,851)	**$ (93,004)**	$ (179,147)
Expenses					
Operating expenses - cultivation	16	**(5,997)**	(30,834)	**(28,252)**	(84,105)
Operating expenses - extraction services	16	**(15,829)**	(12,663)	**(32,832)**	(25,788)
General and administrative expenses	15	**(304,319)**	(103,678)	**(956,489)**	(227,939)
Depreciation and amortization	7,8,9	**(136,927)**	(272,943)	**(305,484)**	(631,160)
Finance expense	11	**(87,002)**	(67,682)	**(239,087)**	(195,151)
Foreign exchange loss		**429**	(77,427)	**(3,589)**	(104,489)
Total expenses		**(549,645)**	(565,227)	**(1,565,733)**	(1,268,632)
Other income (expense)					
Gain on amendment of convertible debt	11	**198,839**	-	**198,839**	-
Gain on debt settlement	11	**-**	66,596	**-**	66,596
Gain on disposal of property, plant and equipment	6	**-**	-	**20,181**	-
Changes of fair value of derivative liabilities	11	**(67,262)**	-	**(67,262)**	-
Other expense		**6,387**	107,859	**32,497**	93,230
Total other expenses		**137,964**	174,455	**184,255**	159,826
Net loss		**(358,244)**	(428,623)	**$ (1,474,482)**	$ (1,287,953)
Other Comprehensive Loss					
Foreign currency translation adjustment		**(81,858)**	(12,501)	**(35,033)**	(282,224)
Comprehensive loss		**$ (440,040)**	$ (441,124)	**$ (1,509,515)**	$ (1,570,177)
Net loss per share - basic and diluted	17	**$ (0.00)**	$ (0.00)	**$ (0.01)**	$ (0.01)
Weighted average number of shares outstanding - basic and diluted	17	**163,810,263**	147,747,426	**163,810,263**	143,407,759

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

BLUEBERRIES MEDICAL CORP.
Condensed Interim Consolidated Statements of Changes in Equity
(Unaudited)
(Expressed in Canadian Dollars)

	Notes	Common Shares	Share Capital	Warrants	Contributed Surplus	Accumulated Other Comprehensive Loss	Deficit	Total
Balance at December 31, 2021		**163,810,263**	**$ 16,780,242**	**$ -**	**$ 6,702,359**	**$ (637,207)**	**$ (21,410,648)**	**$ 1,434,746**
Stock option expense	14				103,175			103,175
Other comprehensive income						(35,033)		(35,033)
Net loss							(1,474,482)	(1,474,482)
Balance at September 30, 2022		**163,810,263**	**$ 16,780,242**	**$ -**	**$ 6,805,534**	**$ (672,240)**	**$ (22,885,130)**	**$ 28,406**

	Notes	Common Shares	Share Capital	Warrants	Contributed Surplus	Accumulated Other Comprehensive Loss	Deficit	Total
Balance at December 31, 2020		**126,701,831**	**$ 13,637,620**	**$ 4,614,288**	**$ 2,486,402**	**$ (584,895)**	**$ (16,263,636)**	**$ 3,889,779**
Shares issued - private placements	10, 12	36,198,432	3,081,382					3,081,382
Share issuance costs - private placements	14		(63,528)					(63,528)
Shares issued - exercise of options		660,000	92,268		(26,268)			66,000
Shares issued - share based compensation		250,000	32,500					32,500
Stock option recovery					(422,451)			(422,451)
Warrants expired				(4,592,841)	4,592,841			-
Other comprehensive loss						(282,224)		(282,224)
Net loss							(1,288,015)	(1,288,015)
Balance at September 30, 2021		**163,810,263**	**$ 16,780,242**	**$ 21,447**	**$ 6,630,524**	**$ (867,119)**	**$ (17,551,651)**	**$ 5,013,443**

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

BLUEBERRIES MEDICAL CORP.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited)
(Expressed in Canadian Dollars)

For the nine months ended	Notes	**September 30, 2022**	September 30, 2021
Cash generated from (used in)			
Operating activities			
Net loss		**$ (1,474,482)**	$ (1,288,015)
Adjustment for:			
Depreciation and amortization	7,8,9	**305,484**	631,160
Gain on amendment of convertible debt	11	**(198,839)**	-
Gain on disposal of property, plant and equipemnt	7	**(20,181)**	-
Changes of fair value of derivative liabilities	11	**67,262**	-
Share based compensation (recovery)	14	**103,175**	(389,952)
Interest on leases	8	**34,915**	40,628
Finance expense	11	**239,087**	195,151
Gain on debt settlement	11	**-**	(66,596)
Unrealized foreign exchange loss		**3,589**	29,412
Change in non-cash working capital	18	**(304,993)**	(322,919)
Net cash used in operating activities		**(1,244,983)**	(1,171,131)
Investing activities			
Proceed from disposal of property, plant, and equipment	7	**110,939**	(10,025)
Purchase of licences	9	**-**	(36,336)
Net cash generated from (used in) investing activities		**110,939**	(46,361)
Financing activities			
Principal portion of lease payments	8	**(68,188)**	(111,181)
Transaction costs related to amendment of convertible debt	11	**(3,761)**	
Issuance of shares, net of costs	12	**-**	2,837,854
Options exercised	14	**-**	66,000
Net cash (used in) generated from financing activities		**(71,949)**	2,792,673
(Decrease) increase in cash and cash equivalents		**(1,205,993)**	1,575,181
Effects of exchange rate changes on cash		**(18,347)**	(59,795)
Cash, beginning of period		**1,343,143**	306,507
Cash, end of period		**$ 118,803**	$ 1,821,893

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Blueberries Medical Corp. (the "Company", "Blueberries" or "BBM"), is a licensed producer of psychoactive and non-psychoactive cannabis by-products in Colombia.

Blueberries, 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 Corp.

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. Simultaneously with the Transaction, CMS legally changed its name to Blueberries Medical Corp. Blueberries carries out its operations through the Private Company's wholly owned subsidiary, Blueberries S.A.S ("BBSAS").

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".

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to discharge its obligations and realize its assets in the normal course of operations for the foreseeable future. Since incorporation, the Company has incurred a net loss with no significant revenue-generating operations, which were primarily financed from proceeds received through issuance of share capital. For the nine months ended September 30, 2022, the Company has incurred a net loss of $1,474,482 (2021 - $1,287,853) and has a working capital deficit of $1,401,668 (2021 - $372,186).

Until the Company's assets start generating significant cash flow, it will continue to exhaust its remaining financial resources to fund existing operations. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern as it will be contingent upon the Company's ability to successfully identify and procure necessary capital, which may be by way of strategic transactions to obtain financing and/or generate profitable operations that are beneficial to the Company and its shareholders.

Management believes that the going concern assumption is appropriate for these condensed interim consolidated financial statements and that the Company will be able to meet its budgeted administrative costs during the upcoming year and beyond when considering the Company's current financial forecast. However, there is no certainty as to the timing and likelihood of realizing a strategic transaction that would provide additional financial resources beyond those currently retained by the Company. Should the going concern assumption not be appropriate and the Company is not able to realize its assets and settle its liabilities, these condensed interim consolidated financial statements would require adjustments to the amounts and classifications of assets and liabilities.

2. BASIS OF PRESENTATION

a) Statement of compliance

The unaudited condensed interim consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee ("IFRIC") interpretations applicable to companies reporting under IFRS, including IAS 34, Interim Financial Reporting and include the operating results of Blueberries and its subsidiaries. Accordingly, certain information and disclosure normally included in annual financial statements prepared in accordance with IFRS have been omitted or condensed. These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2021, which were prepared in accordance with IFRS.

These unaudited condensed interim consolidated financial statements as at and for the nine months ended September 30, 2022 and 2021 were authorized for issuance on November 28, 2022 by the Company's Board of Directors.

b) Basis of measurement and going concern

These condensed interim consolidated financial statements have been prepared on a going concern basis, under the historical cost convention. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting.

b) Basis of consolidation

These condensed interim consolidated financial statements as at September 30, 2022 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 of control 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%
BBV Labs Inc. ("BBV Labs.")	Panama	100%
SATIN S.A.S. ("SATIN")	Argentina	75%

All intercompany balances and transactions are eliminated upon consolidation in preparing the condensed interim consolidated financial statements.

c) Functional and presentation currency

Amounts included in these condensed interim consolidated financial statements are expressed in Canadian dollars ("$") unless otherwise noted. $ is used as presentation currency in view of the Company's Canadian based public market listing and head office location.

The Company's subsidiaries measure the items in their financial statements in their functional currencies (the currency of the primary economic environment they operate in). The functional currency of the Company is the Canadian dollar. The functional currency of the operating subsidiaries in Colombia is the Colombian Peso. The functional currency of Panama and Argentina subsidiaries is U.S. dollar.

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 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.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the condensed interim consolidated financial statements for the nine months ended September 30, 2022, are consistent with those applied in the Company's audited consolidated financial statements for the year ended December 31, 2021.

a) Critical accounting estimates and judgments

The preparation of the condensed interim consolidated 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 condensed interim consolidated financial statements are outlined below.

<u>Useful lives of PPE and intangible assets</u>
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.

Impairment testing
At the date of each statement of financial position, the Company reviews the carrying amounts of its finite-life intangible assets and property, plant and equipment, carried at cost to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount, being its value in use or fair value less cost to sell of the cash-generating unit to which the asset belongs. Judgement is also applied in determining the Company's CGUs. As part of the impairment testing, estimations would be involved in establishing the recoverable amount, including but not limited to, cash flow forecasts.

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.

COVID – 19
The global outbreak of a coronavirus ("COVID-19") has had a significant impact on the global economy including that of Canada and Colombia through restrictions put in place by the governments regarding travel, business operations and isolation orders to reduce the rate of spread of new infections. The Company's operations are subject to the risk of emerging infectious diseases such as COVID-19, which may not be adequately responded to locally, nationally, or internationally due to lack of preparedness to detect and respond to outbreaks or respond to significant pandemic threats.

Since the outbreak of COVID-19 in March 2020, the Company has focused its efforts to safeguard the health and well-being of its employees, consultants, and community members to ensure their safety during the global COVID-19 pandemic. The Company's offices in various countries continue to follow stringent COVID-19 workplace and response protocols and are abiding by local and national public health guidelines, which include personnel health screening, attendance monitoring, physical distancing measures, use of personal protective equipment, enhanced cleaning and disinfection procedures, and active case monitoring and reporting protocols.

At present, there do not appear to be any imminent COVID-19 related circumstances that are expected to disrupt the Company's operations. However, given the highly uncertain and evolving nature of this situation, the Company is not able to reliably estimate the likelihood, timing, duration, severity, and scope of this pandemic and the potential impact it could have on the Company's operating and financial results.

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.

Valuation of deferred income tax assets
The Company assesses the probability of taxable profits being available in the future based on its budget forecasts. These forecasts are adjusted to take account of certain non-taxable income and expenses and specific rules on the use of unused credits and tax losses. When a forecast shows a net profit, the Company considers that the use of deferred income taxes is probable and recognizes the benefit. When management believes that the benefits will not be realized, the deferred income tax asset is not recognized.

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.

Biological assets and inventory
Biological assets are required to be recorded at fair value. As the Company as of September 30, 2022 the Company recorded its biological asset and inventory at nil due immateriality of the value of its cannabis products.

(Expressed in Canadian Dollars)

b) Future accounting pronouncements

The Company plans to adopt the following amendments to the accounting standards, issued by IASB, that are effective for annual period beginning on or after January 1, 2022. The pronouncements will be adopted on their respective effective dates; however, each is not expected to have a material impact on the condensed interim consolidated financial statements.

Amendments to IAS 1 – Presentation of Financial Statements
In January 2020, the IASB issued amendments to IAS 1 Presentation of Financial Statements, to clarify its requirements for the presentation of liabilities as current or non-current in the statement of financial position. This will be effective on January 1, 2023

Amendments to IAS 12 – Income Taxes
In May 2021, the IASB issued an amendment to IAS 12 Income Taxes to clarify the accounting for deferred tax on transactions such as leases and decommissioning obligations. The scope of the recognition exemption in IAS 12 no longer applies to transaction that, on initial recognition, give rise to equal taxable and deductible temporary differences. The amendments are effective for annual periods beginning on or after January 1, 2023, with early adoption permitted.

Amendments to IAS 16 – Property, Plant and Equipment
In May 2020, the IASB issued Property, Plant and Equipment - Proceeds before Intended Use, which made amendments to IAS 16 Property, Plant and Equipment. Effective January 1, 2022, the amendments prohibit a company from deducting from the cost of PP&E amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.

Amendments to IAS 37 – Provisions Contingent Liabilities and Contingent Assets
In May 2020, the IASB issued Onerous Contracts - Cost of Fulfilling a Contract, which made amendments to IAS 37 Provisions Contingent Liabilities and Contingent Assets. Effective January 1, 2022, the amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous.

Amendments to IFRS 9 – Financial Instruments
In May 2020, the IASB issued an amendment to IFRS 9 Financial Instruments clarifying which fees to include in the test in assessing whether to derecognize a financial liability. Only those fees paid or received between the borrower and the lender, including fees paid or received by either the entity or the lender on the other's behalf are included. The amendment is effective for annual periods beginning on or after January 1, 2022, with early adoption permitted.

4. ACCOUNTS RECEIVABLES

	September 30, 2022	December 31, 2021
Trade receivable	$ 74,073	$ 54,670
Expected credit loss	(718)	(45,012)
Recoverable sales tax	186,455	178,931
Other receivable	112,904	13,294
Total	**$ 372,714**	**$ 201,883**

5. INVENTORIES

Inventories are measured at the lower of cost and net realizable value ("NRV"). The cost of inventories is based on the weighted-average cost method. Net realizable value is determined as the estimated selling price in the ordinary course of business less estimated costs to complete and the estimated costs necessary to make the sale.

As of September 30, 2022, the Company had a total of $17,743 (2021 - $Nil) in inventories, which consisted of finished goods.

(Expressed in Canadian Dollars)

6. ADVANCES TOWARDS PROPERTY, PLANT, AND EQUIPMENT

Advances towards property, plant and equipment consisted of $1,994,250 (US$1,500,000) that was paid in February 2019 for 15 hectares of farmland in Cogua (Zipaquira), Colombia (the "farmland"). 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 2021, the Company's management concluded that an impairment test was required under IAS 36 and engaged a third-party consultant to provide a valuation of the farmland. Based on the result, the Company recognized an impairment of property, plant and equipment of $1,565,970 related to the farmland during the year ended December 31, 2021.

7. PROPERTY, PLANT, AND EQUIPMENT

	Land	Agricultural Facilities	Buildings & Construction	Equipment & Vehicles	Furniture & Fixtures	Total
COST						
Balance, December 31, 2020	**$ 2,096**	**$ 951,030**	**$ 606,502**	**$ 1,499,615**	**$ 30,246**	**$ 3,089,489**
Additions	-	-	7,820	1,720	-	9,540
Foreign currency translation	(305)	(138,145)	(88,511)	(217,904)	(4,393)	(449,258)
Balance, December 31, 2021	**1,791**	**812,885**	**525,811**	**1,283,431**	**25,853**	**2,649,771**
Disposal	-	-	-	(110,939)	-	(110,939)
Foreign currency translation	(80)	(36,729)	(16,683)	(57,612)	(16,525)	(127,629)
Balance, September 30, 2022	**$ 1,711**	**$ 776,156**	**$ 509,128**	**$ 1,114,880**	**$ 9,328**	**$ 2,411,203**
ACCUMULATED DEPRECIATION						
Balance, December 31, 2020	**$ -**	**$ (106,191)**	**$ (70,822)**	**$ (165,936)**	**$ (9,554)**	**$ (352,503)**
Depreciation	-	(171,450)	(61,714)	(173,836)	(9,347)	(416,347)
Foreign currency translation	-	24,691	13,533	32,160	1,582	71,966
Balance, December 31, 2021	**-**	**(252,950)**	**(119,003)**	**(307,612)**	**(17,319)**	**(696,884)**
Depreciation	-	(120,643)	(72,673)	(109,903)	(2,265)	(305,484)
Disposal	-	-	-	20,181	-	20,181
Foreign currency translation	-	51,972	16,856	22,505	13,351	104,684
Balance, September 30, 2022	**$ -**	**$ (458,172)**	**$ (194,820)**	**$ (224,829)**	**$ (6,233)**	**$ (877,503)**
NET BOOK VALUE						
Net Book Value, December 31, 2020	$ 2,096	$ 844,839	$ 535,680	$ 1,333,679	$ 20,692	$ 2,736,986
Cost	**$ 1,791**	**$ 812,885**	**$ 525,811**	**$ 1,283,431**	**$ 25,853**	**$ 2,649,771**
Accumulated Depreciation	-	(252,950)	(119,003)	(307,612)	(17,319)	(696,884)
Impairment	-	(296,292)	(74,128)	-	-	(370,420)
Foreign currency translation	-	15,580	3,935	-	-	19,515
Net Book Value, December 31, 2021	**$ 1,791**	**$ 279,223**	**$ 336,615**	**$ 975,819**	**$ 8,534**	**$ 1,601,982**
Cost	**$ 1,711**	**$ 776,156**	**$ 509,128**	**$ 1,114,880**	**$ 9,328**	**$ 2,411,203**
Accumulated Depreciation	-	(458,172)	(194,820)	(224,829)	(6,233)	(877,503)
Impairment	-	(271,853)	(63,018)	-	-	(334,871)
Foreign currency translation	-	(4,550)	(2,001)	-	-	(6,551)
Net Book Value, September 30, 2022	**$ 1,711**	**$ 41,581**	**$ 249,289**	**$ 890,051**	**$ 3,095**	**$ 1,192,278**

In 2021, as management concluded that an impairment test was required under IAS 36, the Company engaged a third-party consultant to provide a valuation of its property, plant and equipment. In addition, for certain equipment not appraised, the Company has evaluated the replacement costs based on third-party quotes to determine any potential impairment. Based on these assessments, the Company recognized an impairment of property, plant and equipment of $370,420.

During the nine months ended September 30, 2022, the Company received a refund of $101,939 from its vendor on an equipment acquired in 2021 and the Company recognized a gain of disposal of property, plant and equipment of $20,181 (2021 - $Nil) in connection with this disposal.

8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

As at January 1, 2019, the Company recognized a lease liability and a corresponding right-of-use asset relating to a leased vehicle and leased extraction facilities in Tocancipa, a rural property in the municipality of Guatavita, Colombia. See Note 20.

(Expressed in Canadian Dollars)

In 2021, the Company impaired its right-of-use assets due to the market uncertainties. Refer to Note 9.

Right-of-use asset		
Balance, December 31, 2020		**608,789**
Contract Adjustment Tocancipa		(108,191)
Termination of a vehicle lease		(10,101)
Depreciation [1]		(123,999)
Impairment		(289,386)
Foreign exchange adjustment		(77,112)
Balance, December 31, 2021 and September 30, 2022	**$**	**-**

(1) The right-of-use assets had been depreciated on a straight-line basis over the lease terms.

Long-term lease liability		
Balance, December 31, 2020	**$**	**654,800**
Contract Adjustment Tocancipa		(127,189)
Termination of a vehicle lease		(9,993)
Payments		(138,186)
Interest expense		41,539
Foreign exchange adjustment		(88,836)
Less - current portion		(108,804)
Balance, December 31, 2021	**$**	**223,331**
Payments		(68,188)
Interest expense		34,915
Foreign exchange adjustment		6,813
Less - current portion		(115,190)
Balance, September 30, 2022	**$**	**190,485**

9. INTANGIBLE ASSETS

By December 31, 2021, 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 license to use seed for planting as well as their export and use for medical and scientific purposes
- 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 licenses are straight-line amortized over their estimated useful life of 5 years. Other finite life intangibles consist of assets such as software related licenses, which are amortized over their estimated useful lives of three years.

During the year ended December 31, 2021, the intangible assets were considered by management as impaired. Due to continued uncertainty of local and export markets in Colombia, management performed a cash flow analysis. While management continues to believe that the future market for Colombian cannabis products is strong, the timing and amount of future cash flows from potential revenue streams is not projected to be sufficient to meet the current cost structure of the Company.

A continuity schedule for the balance of the intangible assets is as follows:

		Total
Balance, December 31, 2020	**$**	**841,335**
Additions		39,232
Amortization		(288,029)
Impairment		(590,586)
Foreign currency translation		(1,951)
Balance, December 31, 2021 and September 30, 2022	**$**	**1**

10. INVESTMENT IN JOINT OPERATION

The Company's investment in Argentina (the "Argentina Project") is structured via its 100% ownership of BBV Labs, a Panamanian company that owns 75% of the rights to a joint venture (the "Joint Venture") with an Argentinian state-owned company, Cannabis Avatara, S.E. ("Cannava"), via 75% owned Argentinian operating company, SATIN S.A.S. ("SATIN").

In 2019, the Company paid an exclusivity fee to BBV Labs of $34,258 (US$25,000) as reimbursement of expenses incurred in negotiation of the Joint Venture with Cannava and pursuant to the terms of the Joint Venture, advanced a total of $381,960 (US$300,000) to Cannava.
On November 30, 2020, the Company completed the acquisition of BBV Labs, at a purchase price of $150,000, and the payment of the purchase price satisfied by the Company issuing 3,000,000 common shares in the capital of the Company to the vendors, such common shares to be fair valued at $0.05 per common share.
Blueberries' and Cannava's commitments under the Joint Venture are as follows:

- The first phase of the Joint Venture will be a Pilot Cultivation Program (the "Pilot Project").
- Blueberries will build a large-scale modern cultivation facility and processing center of excellence in Argentina.
- Cannava will contribute all licenses/permits and authorizations necessary to import seeds, cultivate, grow, and harvest cannabis, process cannabis, extract cannabis oil and other derivative products, export cannabis and derivative products, and import/export equipment and products.
- Cannava will grant access to utilize 3.2 million ft2 (74 acres or 30 hectares) of prime agricultural land for the cultivation and growth of cannabis in Jujuy Province, Argentina.
- Cannava will contribute all cooperation agreements with the National Institute of Agricultural Technology ("INTA"), Ministry of Security, Ministry of Public Health, National Council of Scientific and Technological Investigations ("CONICET") and other regulatory and technological Argentinian authorities as required.

The agreement with Cannava is considered to be a joint operation; however, currently only minimal activities have taken place. As of September 30, 2022, the Argentine government has approved the use of Cannabis for medical and industrial purposes, but rules and operational decrees are not established yet and therefore, the Pilot Project has not yet been implemented. As a result of the delay and uncertainties as to whether the project will move forward, the Company has determined that the investment in the joint venture is impaired and recognized $572,156 of impairment of investment in joint venture in 2021.

11. CONVERTIBLE DEBT

On July 16, 2020, Blueberries closed a non-brokered private placement offering (the "Offering") of $1,000,000 in principal amount of unsecured convertible debentures (the "Debentures"). The Debentures will mature 24 months from the date of closing (the "Maturity Date") and bear interest at a rate of 13% per annum, with an effective interest rate of 32.36%. The Debentures will be convertible at the option of the investors, in whole or in part, into common shares of the Company (the "Shares") at a conversion price of the lower of: (i) $0.065 per Share or; (ii) the volume-weighted average price of the Shares on the CSE for the 15 consecutive trading day period ending on the conversion date subject to a minimum conversion price of $0.05. As the conversion option does not meet the fixed for fixed criteria it has been recorded as a derivative liability.

At any time prior to the Maturity Date, the Company may prepay all or part of the outstanding principal amount of the Debenture and any accrued and unpaid interest thereon at any time and from time to time, provided that prior to such prepayment, the Company must provide the investors with at least five business days prior notice of such intention to make such prepayment at which time the investors may, but shall not be obligated to, convert any or all of the Debentures in accordance with the terms of the Debentures.

On July 29, 2022, the maturity date of Debenture, and the corresponding payment date of interest thereon, were extended from its original maturity date of July 13, 2022 to July 13, 2023 (the "New Maturity Date"). As consideration for the extension, the Company agreed to pay a total of $163,800 to the holders of the Debenture in cash, or at the option of the holders of the Debenture, in the common shares of the Company at a conversion price of $0.05 per share, on the New Maturity Date. In addition, the Company incurred a total of $3,761 in legal fees.

The amendment was accounted for as a debt extinguishment and recognition of a new liability. The total transaction fees related to amendment of $167,561, along with the recognition of the new convertible debenture liability of $939,666 and derivative liability of $320,334, offset by the derecognition of convertible debenture liability of $1,260,000 and derivative liability of $366,400 at July 29, 2022 amendment date resulted in a net gain of $198,839 on debt amendment being recorded on the consolidated statements of loss and comprehensive loss.

(Expressed in Canadian Dollars)

The fair value of the derivative liability was determined using a Monte-Carlo simulation with the following key assumptions:

	At inception	As at	At amendment	As at
Measurement date	13-Jul-2020	31-Dec-2021	29-Jul-2022	30-Sep-2022
Principal	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Issuance/Amendment date	13-Jul-2020	13-Jul-2020	29-Jul-2022	29-Jul-2022
Maturity date	13-Jul-2022	13-Jul-2022	13-Jul-2023	13-Jul-2023
Remaining life (years)	2.00	0.53	0.96	0.78
Interest rate (per year)	13%	13%	13%	13%
Risk free rate (per year)	0.28%	0.39%	2.98%	3.79%
Stock price ($/share)	$0.05	$0.07	$0.04	$0.05
Conversion price	Lesser of $0.065 & 15-day VWAP, minimum of $0.05			

On July 13, 2020, the Company initially recognized $717,605 as convertible debt liability, and $270,395 as derivative liability of the conversion feature. Upon amendment to extend the maturity term of the convertible debt liability, on July 29, 2022, the Company recognized $939,666 as convertible debt liability, and $320,334 as derivative liability of the conversion feature.

The table below shows the continuity of the convertible debt liability and derivative liability.

Fair Value of Derivative Liability		
Balance at December 31, 2020	**$**	**845,866**
Change in fair value of derivative liability		(479,466)
Balance at December 31, 2021	**$**	**366,400**
Derecognition of derivative liabilty, at amendment		(366,400)
Initial fair value of new derivative liability, at amendment		320,334
Change in fair value of derivative liability, subsequent to amendment		67,262
Balance, September 30, 2022	**$**	**387,596**

Convertible Debt Liability		
Balance, December 31, 2020	**$**	**837,293**
Accrued interest		130,000
Accretion		139,417
Balance, December 31, 2021	**$**	**1,106,710**
Accrued interest, prior to amendment		69,333
Accretion, prior to amendment		83,957
Derecognition of convertible debt liability, at amendment		(1,260,000)
Initial fair value of new convertible debt liability, at amendment		939,666
Accrued interest, post to amendment		27,806
Accretion, post to amendment		57,991
Balance, September 30, 2022	**$**	**1,025,463**

12. SHARE CAPITAL

As of September 30, 2022, 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.

	Number of Shares		**Amount**
Balance, December 31, 2020	**126,701,831**	**$**	**13,637,620**
Shares issued from exercise of options	660,000		92,268
Shares issued as compensation [(1)]	250,000		32,500
Shares issued from private placements [(2)]	34,398,432		2,901,382
Share issue costs [(2)]	-		(63,528)
Shares issued from debt settlement [(2)]	1,800,000		180,000
Balance, December 31, 2021 and September 30, 2022	**163,810,263**	**$**	**16,780,242**

[(1)] On January 27, 2021, the Company issued 250,000 shares to an officer and director of the Company valued at $32,500. The fair value of the shares was determined based on the share price of the Company on January 19, 2021.

[(2)] On January 19, 2021, the Company completed a non-brokered private placement for aggregate gross proceeds of $1,000,000 from the sale of common shares at a price of $0.065 per share. As part of the private placement the Company issued 15,384,615 shares. In connection with the private placement, the Company incurred a total of $51,856 of share issued costs.

(Expressed in Canadian Dollars)

On September 9, 2021, the Company completed a non-brokered private placement for aggregate gross proceeds of $1,901,382 from the sale of 20,813,817 common shares at a price of $0.10, of which 19,013,817 common shares were paid in cash by a non-arm's length party (Note 18) and 1,800,000 common shares were issued to an arm's length third party service provider ("service provider") pursuant to a settlement agreement entered in September 2021. As part of the settlement agreement with the service provider, a fixed instalment payment plan was established to settle payable related to past services provided by the service provider. The Company recognized a gain on debt settlement of $66,596 on the settlement agreement, calculated as the difference between the fair value of the 1,800,000 common shares, which was determined to be $180,000 based on the price of each share in the private placement, and the total debt settled of $246,596. In connection with the private placement, the Company incurred a total of $11,672 of share issued costs.

12. WARRANTS

The following table reflects the continuity of warrants:

	Number of purchase warrants	Number of finder warrants		Amount
Balance, December 31, 2020	**30,666,059**	**3,454,103**	**$**	**4,614,288**
Warrants expired	(30,666,059)	(3,454,103)		(4,614,288)
Balance, December 31, 2021 and September 30, 2022	**-**	**-**	**$**	**-**

In 2021, a total of 30,666,059 of warrants and 3,454,103 finder warrants expired originated from the private placements completed in 2019.

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

	Expiring February 4, 2021		Expiring August 29, 2021		Expiring October 30, 2021	
	Purchase	**Finder**	**Purchase**	**Finder**	**Purchase**	**Finder**
Risk-free interest rate	1.82%	1.82%	1.40%	1.40%	1.55%	1.55%
Exercise price	$0.40	$0.25	$0.35	$0.25	$0.35	$0.35
Estimated stock price	$0.48	$0.48	$0.24	$0.24	$0.14	$0.14
Expected dividend yield	0%	0%	0%	0%	0%	0%
Expected stock price volatility	90.5%	90.5%	85.4%	85.4%	85.3%	85.3%
Expected warrant life	1 years	2 years	2 years	2 years	2 years	2 years
Fair value of warrant granted	$0.20	$0.27	$0.09	$0.11	$0.03	$0.03

13. CONTRIBUTED SURPLUS

In connection with the Transaction, the Company 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 of September 30, 2022, the Company had 11,691,026 options remaining reserved on common shares.

The following table reflects the continuity of stock options:

	Stock options	Weighted average exercise price ($)
Balance, December 31, 2020	**11,905,000**	**0.39**
Options forfeited (1)	(3,333,333)	0.44
Options expired (1)	(3,941,666)	0.44
Options exercised (2)	(660,000)	0.10
Options issued (3)	3,540,000	0.13
Balance, December 31, 2021	**7,510,001**	**0.23**
Options expired (4)	(2,820,001)	0.20
Options issued (5)	1,500,000	0.05
Balance, September 30, 2022	**6,190,000**	**0.14**

(1) During the year ended December 31, 2021, 3,333,333 unvested options were forfeited resulting in a reversal of stock-based compensation of $744,590 and a total of 3,941,666 options were expired unexercised.

(Expressed in Canadian Dollars)

(2) During the year ended December 31, 2021, 660,000 options were exercised at the exercise price of $0.10 per option.

(3) On January 19, 2021, February 3, 2021, June 2, 2021, and December 1, 2021, Blueberries granted 2,250,000, 500,000, 500,000 and 290,000 options, respectively, to certain directors and managers of the Company to purchase Blueberries' common shares. The options are exercisable at price ranges from $0.10 to $0.135 per option for a 5-year term and vesting one-third each on every one-year anniversary from the grant date. The fair value of each of the option range from $0.0521 to $0.1134, estimated using the Black-Scholes option pricing model.

(4) During the nine months ended September 30, 2022, a total of 2,820,001 options were expired unexercised.

(5) On July 1, 2022, Blueberries granted 1,500,000 options to certain director and officers of the Company to purchase Blueberries' common shares. The options are exercisable at price of $0.05 per option for a 5-year term and vesting one-third each on every one-year anniversary from the grant date. The fair value of each option was $0.0279, estimated using the Black-Scholes option pricing model.

The stock options issued in 2022 and 2021 were allocated a fair value using the Black-Scholes option pricing model with the following assumptions:

	2022	2021
Risk-free interest rate	33.06%	0.33% - 1.82%
Estimated stock price	$0.04	$0.06 - $0.71
Forfeiture rate	0%	0 - 10%
Expected dividend yield	0$	0%
Expected stock price volatility	118.64%	85.93% - 125.95%
Expected option life	5 years	5 years

The following summarizes stock options issued, exercisable and outstanding as at September 30, 2022:

Exercise prices ($)	Number of options outstanding	Weighted average term to expiry (years)	Number of options exercisable
0.05	1,500,000	4.75	-
0.10	325,000	2.49	325,000
0.10	290,000	4.17	-
0.13	500,000	3.67	166,667
0.13	2,250,000	3.31	750,000
0.14	500,000	3.35	166,667
0.25	50,000	2.47	33,333
0.40	675,000	1.35	675,000
0.55	100,000	1.47	100,000
0.14	**6,190,000**	**3.44**	**2,216,667**

14. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended September 30, 2022	Three months ended September 30, 2021	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Audit and accounting	$ 42,402	$ (4,403)	$ 167,970	$ 4,280
Consulting	31,571	25,662	94,969	48,709
Director and management fees	41,495	4,738	41,495	105,438
Filing and transfer agent fees	20,888	35,229	55,817	68,071
General office	(14,376)	4,955	20,068	29,934
Insurance	24,831	20,625	72,256	58,808
Legal	3,958	(1,988)	12,378	2,841
Marketing	2,650	-	2,650	-
Other	6,992	12,389	7,628	35,283
Salary, wages, and benefits	110,608	104,979	375,853	264,490
Share based compensation expense (recovery)	31,514	(98,527)	103,174	(389,952)
Travel	1,786	19	2,231	37
Total general and administrative expenses	**$ 304,319**	**$ 103,678**	**$ 956,489**	**$ 227,939**

(Expressed in Canadian Dollars)

15. OPERATING EXPENSES

	Operating Expenses		Operating expenses	
	Cultivation	Extraction services	Cultivation	Extraction services
For the three months ended	**September 30, 2022**		**September 30, 2021**	
Salary, wages, and benefits	$ 2,464	$ 4,263	$ 15,794	$ 8,074
Supplies, spare parts and equipment	144	12,740	2,920	383
License costs	4	-	328	-
Facilities	1,104	1,791	755	1,234
Laboratory	17	331	-	636
Fuel and oil	13	78	3,692	-
Transportation	14	649	262	52
Utilities	69	410	550	186
Other	2,167	10,572	6,533	2,098
	$ 5,996	$ 30,834	$ 30,834	$ 12,663

	Operating Expenses		Operating expenses	
	Cultivation	Extraction services	Cultivation	Extraction services
For the nine months ended	**September 30, 2022**		**September 30, 2021**	
Salary, wages, and benefits	$ 11,610	$ 4,539	$ 43,079	$ 16,442
Supplies, spare parts and equipment	681	13,566	7,963	780
License costs	20	-	894	-
Facilities	5,200	1,907	2,059	2,515
Laboratory	80	352	-	1,294
Fuel and oil	63	82	10,072	-
Transportation	64	691	718	106
Utilities	325	437	1,500	379
Other	10,209	11,258	17,820	4,273
	$ 28,252	$ 32,832	$ 84,105	$ 25,789

16. BASIC AND DILUTED LOSS PER SHARE

For the nine months ended September 30, 2022, and 2021, there is no difference between the calculated basic and diluted loss per share. All purchase warrants, finder's warrants, and stock options have been excluded from the calculation as they have an anti-dilutive effect on loss per share.

17. SUPPLEMENTAL CASH FLOW INFORMATION

For the nine months ended September 30,	**2022**	**2021**
Prepaids	$ (13,622)	$ (28,010)
Accounts receivables	(170,831)	35,761
Inventory	(17,743)	(81,553)
Trade accounts payable and other accounts payable	(107,659)	(247,214)
Employee benefits	4,862	(1,903)
Change in non-cash working capital	**$ (304,993)**	**$ (322,919)**

18. RELATED PARTY TRANSACTIONS

a) The Company has defined key management personnel as senior executive officers, as well as the Board of Directors. The total remuneration of key management personnel and the Board of Directors for the nine months ended September 30, 2022, was $143,751 (2021 - $377,277), including $102,609 (2021 - $233,628) of share-based compensation and Nil (2021 – 250,000) shares issued valued at $Nil (2021 - $32,500). As at September 30, 2022, the Company had $Nil (December 31, 2021 - $8,460) of unpaid compensation to key personnel included in accounts payable and accrued liabilities.

b) On September 9, 2021, the Company's Chairman, CEO and Director (the "Chairman"), through Terraflos Inc. ("Terraflos"), a company that is controlled by the Chairman, indirectly acquired an aggregate of 19,013,817 common shares at a price of $0.10 per common share in a non-brokered private placement (Note 12).

c) Of the $1,000,000 convertible debt (Note 11) that were issued on July 16, 2020, $814,647 was issued Glassford S.A. ("Glassford), a company controlled by the Chairman. Concurrent to the closing of non-brokered private placement on September 9, 2021, Terraflos acquired the debenture from Glassford.

19. FINANCIAL INSTRUMENTS

As of September 30, 2022, Blueberries financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, convertible debt, derivative liability, 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 derivative liability at fair value. Cash is classified as Level 1 input in the fair value hierarchy, while the derivative liability is considered as a Level 3 input.

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

<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 September 30, 2022, the Company's financial liabilities consist of trade accounts payable and accrued liabilities, employee benefits, convertible debt, and lease liability, which have contractual payment obligations within one year. The Company manages its liquidity risk by reviewing its capital requirements on an ongoing basis. Other than its lease liabilities, all of the Company's obligations are due in the next 12 months.

<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, and other receivables. All of the Company's cash and cash equivalents are held at reputable financial institutions. Other receivables consist mainly of harmonized sales tax and general sales tax receivables that the Company expects to receive from the Government of Canada. As such credit risk is deemed to be low on these instruments. The Company also has trade receivables of $74,073, of which $718 has been provided for as potentially uncollectible.

<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, except for the Colombian and Panama subsidiaries, is the Canadian dollar. 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 pesos 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.

(Expressed in Canadian Dollars)

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's convertible debt has fixed interest rate . As at September 30, 2022, the fluctuations of interest rates would not have had a significant impact on the condensed interim 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. There were no changes to the Company's capital management during the year, except the issuance of the convertible debt. The Company is not exposed to any external capital requirements.

		September 30, 2022		December 31, 2021
Derivative liability	$	387,596	$	366,400
Convertible debt		1,025,463		1,106,710
Shareholders' equity	$	28,406	$	1,434,746

20. COMMITMENTS

A summary of the Company's commitments as of September 30, 2022, are as follows:

Leases	Lease Term	2022	2023	2024 and after	Total
Cultivation area (Guatavita - El Amarillal)	November 4, 2025	1,626	1,688	3,419	7,160
Extraction facilty (Tocancipa)	October 6, 2024	121,836	121,836	101,530	384,734
Total		**$ 123,462**	**$ 123,524**	**$ 104,949**	**$ 391,894**

21. GEOGRAPHICAL SEGMENT INFORMATION

The Company is engaged in the growth, cultivation, and development of medicinal cannabis and related products with operations in Colombia. Management has defined the operating segments of the Company based on geographical areas, identifying operations held in Colombia as a separate geographic 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 nine months ended September 30, 2022 and 2021:

For the nine months ended September 30, 2022	Colombia	Canada	Panamá	Total
Revenues	$ 178,397	$ -	$ -	$ 178,397
Cost of Sales - product revenues	(757)	-	-	(757)
Cost of Sales - extraction services	(60,386)	-	-	(60,386)
Direct cost of production - cultivation	(51,127)	-	-	(51,127)
Direct cost of production - extraction services	(159,131)	-	-	(159,131)
Expenses:				
Operating expenses - cultivation	(28,252)	-	-	(28,252)
Operating expenses - extraction services	(32,832)	-	-	(32,832)
General and administrative expenses	(508,636)	(447,853)	-	(956,489)
Depreciation and amortization	(305,484)	-	-	(305,484)
Finance expense	-	(239,087)	-	(239,087)
Changes of fair value of derivative liabilities	-	(67,262)	-	(67,262)
Gain on amendment of convertible debt	-	198,839	-	198,839
Foreign exchange loss	(4,110)	523	-	(3,587)
Gain on disposal of property, plant and equipment	20,181	-	-	20,181
Other expense	32,495	-	-	32,495
Net Loss	**(919,642)**	**(554,840)**	**-**	**(1,474,482)**
Assets - September 30, 2022	**2,066,695**	**95,337**	**-**	**2,162,032**
Liabilities - September 30, 2022	**$ 410,337**	**$ 1,723,289**	**$ -**	**$ 2,133,626**

(Expressed in Canadian Dollars)

For the nine months ended September 30, 2021	Colombia	Canada	Panamá	Total
Revenues	$ 173,886	$ -	$ -	$ 173,886
Cost of Sales - product revenues	(64,760)	-	-	(64,760)
Cost of Sales - extraction services	-	-	-	-
Direct cost of production - cultivation	(157,521)	-	-	(157,521)
Direct cost of production - extraction services	(130,752)	-	-	(130,752)
Expenses:				
Operating expenses - cultivation	(84,105)	-	-	(84,105)
Operating expenses - extraction services	(25,788)	-	-	(25,788)
General and administrative expenses	(350,765)	124,102	(1,276)	(227,939)
Depreciation and amortization	(437,917)	(193,243)	-	(631,160)
Finance expense	-	(195,151)	-	(195,151)
Gain on debt settlement	-	66,596	-	66,596
Foreign exchange loss	(30,970)	(73,519)	-	(104,489)
Other expense	97,045	(3,815)	-	93,230
Net Loss	**(1,011,647)**	**(275,030)**	**(1,276)**	**(1,287,953)**
Assets - September 30, 2021	**5,133,998**	**2,646,566**	**6,035**	**7,786,599**
Liabilities - September 30, 2021	**$ 669,446**	**$ 2,103,710**	**$ -**	**$ 2,773,156**

22. SUBSEQUENT EVENT

On November 28, 2022, the Company completed a non-brokered private placement for an aggregate gross proceed of $1,471,470 (US$1,100,000) from the sale of 54,498,889 common shares at a price of $0.027, of which entirely purchased by Terraflos, a company that is controlled by Facundo Garreton, the Company's Chairman, CEO and Director.