LeanLife Health Inc.
Management, Discussion & Analysis
For the years ended March 31, 2021 and 2020

General

The following discussion and analysis describe LeanLife Health Inc. ("LeanLIfe" or the "Company") and the years ended March 31, 2021 and 2020, based on information available to August 16, 2021. This management discussion and analysis ("MD&A") should be read in conjunction with the Company's audited statements including notes for the years ended March 31, 2021 and 2020 which are prepared in accordance with International Financial Reporting Standards. All amounts are stated in Canadian dollars unless otherwise indicated.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

Additional information related to the Company is available for view on SEDAR at www.sedar.com

Forward-looking statements

This MD&A contains forward-looking statements, including statements regarding the future success of our business and market opportunities. Forward-looking statements typically contain words such as "believes", "expects", "anticipates", "continue", "could", "indicates", "plans", "will", "intends", "may", "projects", "schedule", "would" or similar expressions suggesting future outcomes or events, although not all forward-looking statements contain these identifying words. Examples of such statements include, but are not limited to, statements concerning: (i) expectations regarding LeanLife's future success in various markets; (ii) future financial results, including anticipated future sales; and (iii) the business and financial outlook of LeanLife. In addition, this MD&A contains financial outlook information that is intended to provide general guidance for readers based on our current estimates, which based on numerous assumptions and may prove to be incorrect. Therefore, such financial outlook information should not be relied upon by readers. These statements are neither promises nor guarantees but involve known and unknown risks and uncertainties that may cause our actual results, level of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed in or implied by these statements. These risks include, but are not limited to, risks related to manufacturing volumes and sales growth, operating results, supplies, general industry conditions, commodity price risks, technology, competition, foreign exchange rates, general economic conditions and those factors described herein under the heading 'Risks & Uncertainties'. The forward-looking statements contained herein are also based on assumptions that we believe are current and reasonable, including but not limited to, assumptions regarding: (i) trends in certain market segments and the economic climate generally; (ii) the financial strength of our customers; (iii) the value of the Canadian dollar versus the US dollar ("US$"); (iv) the expected financial and operating performance of LeanLife going forward; (v) the availability and conditions of debt facilities; and (vi) the potential impact of the COVID-19 pandemic. We cannot assure readers that actual results will be consistent with the statements contained in this MD&A. The forward-looking statements and financial outlook information contained herein are made as of the date of this MD&A and are expressly qualified in their entirety by this cautionary statement. Except to the extent required by applicable securities law, Swiss Water undertakes no obligation to publicly update or revise any such statements to reflect any change in our expectations or in events, conditions, or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those described herein.

Overview

LeanLife Health Inc. (formerly LeenLife Pharma International Inc.) (formerly SPT Sulphur Polymer Technologies Inc.) (the "Company"), was incorporated on January 12, 2014, under the laws of the Province of British Columbia. The Company's head office is located at Suite 380 - 580 Hornby Street, Vancouver, British Columbia, V6C 3B6. The Company changed its name to LeanLife Health Inc. from LeenLife Pharma International Inc. effectively on January 15, 2018.

On June 18, 2014, the Company became a Reporting Issuer in British Columbia, Alberta and Ontario.

On December 17, 2014, the Company began trading on the Canadian Securities Exchange ("CSE"). The Company trades under the symbol ("LLP") on the CSE, LNLHF on the OTCQB and LL1 on the Frankfurt Exchange.

The Company has two business segments. The Company has the distribution rights in the USA and Canada for a retail Energy drink branded with Mike Tyson, the famed boxer. The drink is labelled "Iron Energy" and is manufactured by the FoodCare Group in Europe. The Company also offers high quality omega3 plant-based oils, having spent the past 6 years developing high value omega 3 proprietary oil products.

Key Performance Drivers

- The ability to deliver superior product quality.
- We continue to invest to ensure that our product is of high quality both in product safety and delivering superior innovative products. For every product run, we undertake testing of product quality.
- Competition - The principal elements of competition in this industry include:

  Distribution

  Price

  Product quality and taste
- Innovation
- Trade and consumer promotions, and
- Labelling and packaging

Risk Factors

We need to effectively manage our resources in order to execute the business plan. Failure to execute would negatively impact our ability to achieve profitability. To achieve profitability and manage operations effectively, we must continue to improve our operational, financial, and other management processes and systems. In addition, in order to grow and execute on our business plan and opportunities, we need to have adequate resources available, including capital and personnel. We also need to maintain controls and focus as we look to add new products and distribution channels. To achieve success, we must:

- Increase sales volume to penetrate markets;
- Achieve and maintain efficiencies in operations;
- Manage fixed costs by subcontracting until in-house costs are competitive; and

- Avoid significant increases in costs such as production, marketing and distribution, without adequate funding.

Significant Events

On April 28, 2020 Kelley Fitzpatrick became an advisor with LeanLife to assist in obtaining licensing for its flax oil product in Canada as a natural health product and as a fortified food. Kelley is an expert in "all things" related to flaxseed having led initiatives in research, marketing and promotional activities for over 20 years. Kelley has worked in the areas of human and animal health, industrial fibre and oil, and plant breeding and agronomy, first as the Project Manager for Flax Canada 2015 and then as a Technical Advisor for the Flax Council of Canada. During this period, she led the development of a successful dossier to the United States Food and Drug Administration for GRAS (Generally Recognized as Safe) notice for whole and milled flaxseed. Kelley is a regular contributor of articles on health and uses of flax oil product. See our website for these articles written by Kelley:

Importance of the omega-6 and omega-3 fatty acid ratio to our health
Alpha-linolenic acid as effective as long chain omega 3 fatty acids in reducing coronary death
Flaxseed Oil, Omega 3 and Immunity

On June 3rd, 2020: the Company announced the appointment of Natural Health Product expert, Gavin Mah, as new Chief Operating Officer ("COO") as of June 1st, 2020. Gavin had been working as an external consultant for the company since January 1st.

Gavin's new operational role will focus on regulatory and logistics as well as business development and sales. Mr. Mah has extensive experience working with Regulatory Advisory and Government Relations Committees with Health Canada.

Mr. Mah has decades of experience selling Omega-3 products, including fish and flaxseed products. For seven years, Mr. Mah served as Director of Canadian Regulatory Affairs at Nature's Way, a leading health company which sells its many nutritional and dietary supplements, including its Omega-3 products, through a variety of channels. He was involved in the acquisition of Ascenta Health, the leading Omega-3 fish oil manufacturer, by Nature's Way and its parent company Schwabe Pharma (Germany).

Mr. Mah has also worked with and sold Omega-3 products for both Omega Nutrition and Barleans Oils, two of the largest flax oil companies in the Pacific Northwest.

On August 18, 2020 the company announced it had secured the exclusive US and Canadian distribution rights to IRON ENERGY, a popular line of energy drinks endorsed by boxing legend Mike Tyson.

FoodCare Sp. Z.o o. ("FoodCare"), the manufacturer and supplier, is one of the leaders in Poland's energy drink market and has also grown their brand into a leading brand in the Middle East. FoodCare believes the proprietary formulations in its IRON ENERGY line will satisfy the taste profiles and energy needs of North American consumers. The annual value of the combined US and Canadian energy drink markets is estimated at over US$14 billion. Red Bull is the market leader, followed by Monster and Bang. More information on IRON ENERGY and other FoodCare products is available at: http://www.foodcare.pl/en_en/about-us.html

Under the terms of the agreement, FoodCare will supply all products for sale in the US and Canada from its production facilities in Poland. FoodCare will also assist to support LeanLife's marketing efforts in North America.

FoodCare Group was founded in 1984 by Wieslaw Wlodarski. The company has grown organically to become one of the leaders in the market for health-conscious consumer goods. FoodCare employs approximately 900 persons, and its products are sold in more than 50 countries.

The Company has distribution rights from FoodCare for a term of 5 years. The Company has determined requirements in Canada and the US for the importation and distribution according to prescribed regulations. The Company has received initial product inventory for distribution in the US. A similar version with a Canadian label will be available as required. It is estimated that sales in the US will begin within 4 to 6 months, with a larger effort in 6 to 12 months. Sales in Canada are planned in 12 to 24 months.

"With Mike Tyson back in the ring, our Company as an exclusive marketing representative is ready to establish IRON ENERGY drink as one of the best-selling in North America!", said LeanLife CEO Stan Lis.

On January 1st, 2021 the Company entered into a sales agreement in the United States with Eclypse LLC ("Eclypse"), a private U.S. company specializing in the in the beverage space. The key principal of Eclypse, Cathal O'Flaherty, has a stellar track record of building and growing beverage brands, including over 16 years at Constellation Brands, where he helped develop sales and business development programs enabling Constellation to enjoy unparalleded growth in the beer industry; accounting for over half the U.S. total sales of imported beer. O'Flaherty worked with iconic brands like Corona Extra and Modelo Especial. During this time the import beer division grew from from $1 billion to $5 billion in revenue. Prior to Constellation, O'Flaherty spent 15 years with Anheuser Busch's wholesale operations division, working in a wide variety of sales, marketing and operations roles. More recently, O'Flaherty partnered closely with Invest Northern Ireland (NI), the Vermont Cider Company and Vitani Spirits.

On February 4th , 2021: the Company entered into agreement with Rob Hatch and Big Venture Sales Ltd. to launch online sales on the Company's own website and through Amazon. Further, to facilitate online and brick and mortar sales, Big Venture will also be responsible for handling distribution and warehousing.

Mr. Hatch launched Wisdom Brand Stevia in Tempe Arizona into 2,800 Walmart stores in the USA in 2004. From its beginning in 1982, SweetLeaf Stevia Sweetener made consumer well-being its number one priority. It was the first stevia sweetener to receive Generally Recognized as Safe (GRAS) status.

Since that time, Mr. Hatch and Big Venture have built out additional brands, such as LifeFlow Health Care, with sales both online and through traditional channels.

Further, prior to selling through major retailers, suppliers are now required to operate ERP software with EDI ('Electronic Data Interchange') connections, allowing purchase orders and invoices to seamlessly be exchanged. The Company has just purchased Microsoft Dynamics GP, and will be commissioning this software and for it to go live this quarter in order to meet the requirements of major US national retailers. Microsoft Dynamics GP is a mid-market business ERP software package that has localizations for additional countries in South America, UK and Ireland, the Middle East, Singapore, Australia and New Zealand.

On May 17th, 2021 the Company entered into an agency agreement with ex-heavyweight boxer, Bill Corrigan. LeanLife is excited about its' new Mike Tyson Energy Drinks, welcoming Bill Corrigan as a member of the LeanLife and Iron Energy team to focus on Iron Energy Drink product awareness.

From championship boxing to an entrepreneur being crowned "King of Connections" by some of the largest brands and corporate developers, Bill Corrigan has over 20 years of experience in product development. He is nationally known as a marketing guru for fitness, health, food, beverage, alcohol, and sporting goods products. Bill has worked with many of today's top brands and product lines, whether direct-to-consumer sales programs or in-store point of purchase, infomercials, product placement, and celebrity endorsed products and programs.

Flax seed oil product

The supply of omega oil in an ethyl ester form is the main ingredient of the Company's flax products. As a result of various analyses, testing and production runs, the Company has designed its own proprietary system. The had previously purchased some equipment from BioCube Corporation Ltd. ("BioCube"), an Australian company with offices in British Columbia. After analysis the Company determined that the food grade quality of the BioCube processor presented difficulties. The Company decided the BioCube was not satisfactory and prohibitive to resolve so it terminated the Agreement with BioCube Corporation Ltd. The Company is proposing entering into a partnership agreement with a strategic partner as a means to producing product.

Directors, Officers and Consultants

Stan Lis, Chief Executive Officer, Director

Mr. Lis, was the co-founder, past president and director of Carbon Friendly Solutions Inc. since its inception in 2006 to 2015. From 2000 until 2006, he was the president, CEO and director of Stream Communications Network & Media Inc., a cable company where he was directly responsible for taking the company from start up to 60,000 subscribers. From 1993 until 2000, Mr. Lis acted as President, CEO and director of Trooper Technologies Inc., an environmental company focused on waste management in Central Europe. In 1988 he founded International UNP Holdings Ltd., a Toronto Stock Exchange Investment Company used to acquire, and finance privatized Polish state enterprises. Mr. Lis studied Business Administration and Securities at the Simon Fraser University. Mr. Lis has personally raised over $60 million to finance the above-mentioned companies.

Casey Forward, Chief Financial Officer

Mr. Casey Forward, CPA, CGA, has served in senior management positions for a number of public and private companies in his career. Mr. Forward was previously the Chief Financial Officer of the Company from August 2015 to January 2019 and returned to the Company on April 15, 2020. Previously Mr. Forward was the CFO for NioCorp Development Ltd. from 2010 to 2015. Earlier in his career, Mr. Forward was the internal auditor of a medium size grocery retail/wholesale/canning/vending company, CEO and 50% owner of a trucking and storage company, and CEO and a 50% owner of a construction company.

Mr. Gavin Mah, Chief Operating Officer

For seven years, Mr. Mah served as Director of Canadian Regulatory Affairs at Nature's Way, a health company selling nutritional and dietary supplements, including its Omega-3 products, through a variety of channels such as Walmart. He was active in the acquisition of Ascenta Health, an Omega-3 fish oil manufacturer, by Nature's Way and its parent company Schwabe Pharma (Germany). Mr. Mah has also worked with and sold Omega-3 products for both Omega Nutrition and Barleans Oils, two of the largest flax oil companies in the Pacific Northwest.

Mr. Mah has 33 years of experience in selling, marketing and positioning nutritional products. Currently Mr. Mah is also President and partner of Biomed International Products Corp., Mr. Mah oversees the manufacturing and global distribution of natural medicines to health practitioners and other professionals. His experience working with the significant companies mentioned above, as well as Integrative Therapy, Purity Life, Enzymatic Therapy, SISU Enterprises, Thorne Research, NF Formulas, Phyto Pharmica, Eco Ideas and many other industry leaders, will help LeanLife grow.

Marcin Lukaszewicz, Director

Engineer in agronomy, Academy of Agriculture, Wroclaw (Poland) (1990), MSc in Applied Natural Sciences (in French), University of Louvain-la-Neuve (Belgium) (1992). PhD (1992-96) Laboratory of Physiological Biochemistry, Catholic University of Louvain-la Neuve (Belgium). Study of the 5'UTR containing an upstream open reading frame (uORF) using reporter gene *gusA* in the transiently transformed *N. tabacum* mesophil protoplasts. 2005 habilitation: "Modification of the biosynthesis of flavonoids in crop plants."

Positions
Since 2006 Head of Biotransformation Department, www.biotrans.uni.wroc.pl
2007-2012 Dean Plenipotentiary for GMO
Since 2009 Rector Plenipotentiary for Nutribiomed Cluster in Wroclaw Technology Park
Since 2012 Dean of Faculty of Biotechnology of Wrocław University
Since 2014 Coordinator of KNOW consortium www.know.wroc.pl
Since 2014 Academic Editor of British Microbiology Research Journal.

Carl F. Perez, Consultant

Carl F. Perez received his Ph.D. in Biophysics from the University of California, Berkeley in 1984. He has a distinguished leadership record in academic research programs, and biologics and drug development with 30 years of research-team supervision and leadership in the pharmaceutical industry. Carl is experienced in all phases of drug discovery, technology transfer, process development, biological assay development, preclinical development, medical diagnostics, manufacturing and clinical support. He possesses a broad scientific background in cancer, immunology, molecular biology, and inflammation; and is a co-inventor on 18 issued US patents. Carl is providing scientific and technical support to the Company.

Kelley Fitzpatrick

Ms. Kelley Fitzpatrick is the principle of NutriScience Solutions which provides services in numerous areas in natural health products (NHP) and functional foods (FF). Ms. Fitzpatrick provides a unique and comprehensive perspective on the agriculture and health sector in Canada, having worked with all stakeholders including government, private industry, research, trade associations and as an entrepreneur for almost 30 years. Ms. Fitzpatrick was the project lead for Global Affairs Canada (GAC) Investment Case Study for the FFNHP categories. Kelley acts an investment champion speaker for GAC. During her consultancy, she has worked with eighty-one FF and ingredients, and NHP companies, and written one hundred and seventy-two reports/documents for clients within industry, government, academia and NGOs. She has secured over $200 million in funding for her clients and was one of the lead writers on a successful funding application that established Protein Industries Canada, one of five superclusters.

Kelley is a recognized expert in "all things" related to flaxseed having led initiatives in research, marketing and promotional activities for over 20 years. Kelley has worked in the areas of human and animal health, industrial fibre and oil, and plant breeding and agronomy, first as the Project Manager for Flax Canada 2015 and then as a Technical Advisor for the Flax Council of Canada. During this period, she led the development of a successful dossier to the United States Food and Drug Administration for GRAS

(Generally Recognized as Safe) notice for whole and milled flaxseed – GRN 000280 (2009). She also worked with Agriculture and Agri-Food Canada to develop a successful submission to Health Canada for a blood cholesterol lowering health claim for whole and milled flaxseed (2014).

In 2020, Kelley was awarded the Outstanding Leadership Award in Biosciences by the BioScience Association of Manitoba. Ms. Fitzpatrick has published book chapters and articles specifically on Canadian regulations, the industry and the science of FFNHP and provided over 500 invited global presentations.

Glen Macdonald, Director

Glen Macdonald is a self-employed geology consultant. Mr. Macdonald has a BSc. (1973) from the University of British Columbia and has been a member of the Alberta Professional Engineers, Geologists and Geophysicists Association since 1982 and of the British Columbia Association of Professional Engineers and Geoscientists since 1993. Mr. Macdonald has a great deal of experience as a director and an officer of junior public companies and substantial audit committee experience.

Dr. Robert Chanson, Director

Dr. Robert Chanson is a Swiss National born in Sri Lanka (1950). Following Schooling in Ceylon and Switzerland, he studied Law & Ecology in Zurich, London and Paris. Robert is a Lawyer and holds a PhD in Environmental Sciences. Following a career in various management capacities with an internationally operating Swiss financial services Company he formed a pioneering risk-management company with a focus on environmental risks in the early 90s. Since the late 90s Robert has established himself as an Institutional Business Angel in the field of Biotech, Sustainable Agriculture and Renewable Energies entertaining projects both in Europe, North America and South Asia. He is a co-founder of the London-listed ag-biotech Company 'Plant Health Care' – his two latest start-ups focus on encryption technologies and a novel pyrolytic reactor. Dr. Chanson has joined the LeanLife team as an Independent Director to assist the Company in reaching its ambitious business goals in North America and Overseas.

SELECTED FINANCIAL DATA

The following table presents selected audited financial information for the years indicated.

	March 31, 2021	**March 31, 2020**	**March 31, 2019**
Total Revenue	$ -	$ -	$ -
Interest income	-	-	-
Expenses	3,634,104	2,623,529	2,720,920
Impairment	-	27,385	-
Other	36,755	301,271	-
Net loss	(3,670,859)	(2,952,185)	(2,720,920)
Total assets	1,286,790	49,620	750,419
Total long-term liabilities	-	-	-
Net loss per share (basic and diluted)	(0.02)	(0.03)	(0.04)

The financial information presented in the table above is from the Company's financial statements prepared in accordance with International Financial Reporting Standards. The reporting currency for all periods is Canadian dollars.

SELECTED QUARTERLY INFORMATION

The following tables present unaudited selected financial information for the previous eight quarters:

For the quarter ended	**March 31, 2021**	**December 31, 2020**	**September 30, 2020**	**June 30, 2020**
Net and comprehensive loss	($1,451,173)	($1,490,088)	($485,020)	($244,578)
Loss per share – basic and diluted	($0.01)	($0.01)	($0.0)	($0.00)
Total assets	$1,286,790	$1,249,577	$70,811	$49,335
For the quarter ended	**March 31, 2020**	**December 31, 2019**	**September 30, 2019**	**June 30, 2019**
Net and comprehensive loss	($1,575,564)	($809,929)	($139,036)	($427,656)
Loss per share – basic and diluted	($0.02)	($0.01)	($0.00)	($0.00)
Total assets	$49,620	$596,629	$617,097	$716,668

Discussion of operating results – Year ended March 31, 2021

The company had a loss of $3,670,859 for the year ended March 31, 2021 as compared to the previous year loss of $2,952,185.

Advertising and promotion expenses for the current year consisted mainly of marketing awareness programs; four parties in Canada were paid a total of $188,812 and three parties in Germany were paid a total of $226,134.

On October 21, 2020, the Company issued 5,000,000 common shares to the finders of the FoodCare distribution agreement, The fair value of the shares on the date of issuance was $200,000 and was expensed as business development costs. The finders are arms-length and continue to assist the Company.

Consulting expenses decreased by approximately $19,000 compared to the previous year. The Company has been searching for development opportunities in Canada, United States and Europe. Several prospects have been found in Germany and Poland that complement existing business segments. The Company has to raise additional capital to engage further development.

Financial services expense decreased from the previous year, as the Company did not see any value in continuing with these services.

Product marketing expense has increased by approximately $326,000 compared to previous year. Approximately 28% of the $631,322 of product marketing expense incurred in 2021 was for our flax oil product. The Iron Energy drink product has become the most important, and it is expected that marketing of the energy drink will continue to increase.

Stock based compensation resulted from the granting of stock options to directors, officers, and consultants. The Company determined by way of a Black Scholes models, that the granting of 17,190,000 stock options at $0.05 per shares over an average life of 4.4 years generated an expense of $631,245 as compared to the granting of 4,460,000 stock options for the year ended in 2020 that generated stock based compensation of $198,504.

Discussion of operating results – three months ended March 31, 2021

Advertising and promotion expenses for the 4th quarter consisted mainly of marketing awareness programs; three parties in Canada were paid a total of $75,816, and two parties in Germany were paid a total of $63,400.

Approximately 19% of the product marketing expense in the 4th quarter was used for our flax oil product.

The Company obtained a listing on the OTC Markets QB. Cost of filing incurred in the 4th quarter and was $18,102.

Liquidity and Capital Resources

The Company had cash of $263,169 at March 31, 2021, compared to $38 at March 31, 2020. The Company had a working capital of $79,617 at March 31, 2021 compared to a working capital deficiency of $1,207,263 as at March 31, 2020.

The current working capital balance is insufficient to meet the Company's capital requirements for the next six months, so, the Company plans to raise additional funds for operating capital. There can be no assurance that the Company will be successful in securing the necessary working capital in a timely manner, or at all.

For the year ended March 31, 2021

On December 22, 2020, the Company issued a total of 9,800,000 units in settlement of debt to creditors for a total of $588,000. Each unit consisted of one common share at $0.06 and one share purchase warrant enabling the holder to purchase one additional common share at $0.08 each until November 30, 2022. The fair value of the shares issued was $1,127,000. Of the common shares issued, 4,800,000 shares were issued to settle debt of $288,000 with related parties. A loss on debt settlement with arms-length parties of ($275,000) was recognized in the statement of loss and comprehensive loss, while a loss on contribution to equity of ($223,421) was recorded for non-arms length parties.

On October 21, 2020, the Company issued 5,000,000 common shares to the finders of the FoodCare distribution agreement, The fair value of the shares on the date of issuance was $200,000 and was expensed as business development costs. The finders are arms-length and continue to assist the Company.

On August 26, 2020, the Company issued a total of 13,950,000 units to settle debt outstanding to various creditors for a total of $837,000. Each unit consisted of one common share with a fair value of $0.06 and one share purchase warrant enabling the holder to purchase one additional common share at $0.08 each until August 26, 2022. The fair value of the shares issued was $837,000. Based on the residual value method the warrants had a residual value of $NIL. A gain/loss on debt settlement of $NIL for the year ended March 31, 2021, resulted from this transaction.

On July 24, 2020, the Company issued a total of 1,526,959 common shares to settle loans and accrued interest of $76,348. The fair value of the shares issued was $76,348, resulting in a $NIL gain/loss on the transaction.

On June 2, 2020, the Company issued a total of 7,832,500 common shares to settle debt outstanding to various creditors for a total of $391,625. Of the common shares issued, 2,582,500 shares were issued to settle debt of $129,125 with related parties. A gain on debt settlement with arms length parties of $105,000 was recognized in the statement of loss and comprehensive loss, while a gain on contribution to equity of $39,768 was recorded for non-arms length parties.

On April 2, 2020, the Company issued a total of 4,800,000 common shares to settle debt outstanding to various creditors for a total of $240,000. The fair value of the shares issued was $144,000, resulting in a $96,000 gain on the settlement of debt.

During the year ended March 31, 2021, the Company issued a total of 2,000,000 common shares in recognition of service achievements to consultants of the Company. The fair value of the shares issued was $80,000.

During the year ended March 31, 2021, 5,950,000 stock options were exercised into common shares at $0.05 per share for a total of $297,500 of which the Company received $217,500 in cash and $80,000 was to settle debts with related parties. The fair value of the stock exercised is $241,161 based on stock-based compensation calculations was transferred to share capital in relation to the exercises.

During the year ended March 31, 2021, 22,790,000 warrants were exercised into common shares, whereby 2,620,000 warrants were exercised at $0.08 and 20,170,000 warrants were exercised at $0.075 for a total of $1,722,350. At March 31, 2021 a total of $1,477,225 was received in cash, $160,000 was to settle debts with arms length parties and $85,125 as outstanding in subscriptions receivable.

For the year ended March 31, 2020

The Company issued a total of 21,671,300 common shares to settle debt of $1,144,031. The fair value of the issued was $1,113,798 and the Company recognized a gain of $30,233 on the transaction.

During the year ended March 31, 2020, the Company issued a total of 2,750,000 common shares in recognition of service achievements to consultants of the Company. The fair value of the shares on the dates of issuance was $112,500.

During the year ended March 31, 2020, 1,100,000 stock options were exercised into common shares at $0.05 per share for a total of $55,000. The fair value of the stock exercised is $47,590 based on stock-based compensation calculations was transferred to share capital in relation to the exercises.

Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

The following expenses were incurred with key management personnel of the Company and companies controlled by key management personnel. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers and their spouses. Key management compensation comprises:

	Note	**For the year ended March 31, 2021**	For the year ended March 31, 2020
Management fees	(a)	$ 288,000	$ 288,000
Directors' fees	(b)	32,500	26,500
Consulting fees	(c)	93,000	360,878
Investor relations	(d)	134,000	141,100
Product marketing	(e)	290,000	142,500
Professional fees	(f)	288,000	239,214
Engineering and testing	(g)	26,683	12,604
Stock based compensation	(h)	448,464	195,682
		$ 1,600,647	$ 1,406,478

a) Management fees were charged by Stan Lis, the CEO and director of the Company.

b) Directors' fees were charged by the directors charged as follows: Marcin Lukaszewicz - $6,000 (March 31, 2020 - $14,000), Glen Macdonald - $14,500 (March 31, 2020 - $12,500), and Robert Chanson - $12,000 (March 31, 2020 - $NIL).

c) Consulting fees were charged as follows: Hiebert Net Inc., a key consultant - $NIL (March 31, 2020 - $160,837), Glenn Nichols, a key consultant - $NIL (March 31, 2020 - $103,041), 1016192 BC Ltd - $NIL (2020 - $35,000), and Jie Yi Huang, spouse of Casey Forward (CFO) - $84,000 (March 31, 2020 - $90,000).

d) Investor relations fees were charged as follows: Justyna Jarosz (spouse of CEO) - $84,000 (2020 - $90,000) and 0978663 BC Ltd, a company controlled by Justyna Jarosz - $50,000 (2020 - $51,100).

e) Fees charged by the Company's COO, Gavin Mah.

f) Professional fees charged as follows: Casey Forward, the Company's current CFO and former key consultant - $288,000 (March 31, 2020 - $177,500) and Catapult Consulting Corp, a company controlled by the Company's former CFO, Jason Tong - $NIL (March 31, 2020 - $61,714).

g) Engineering and testing fees charged by Carl Perez, a key consultant to the Company.

h) During the year ended March 31, 2021, the Company issued 11,490,000 (March 31, 2020 – 4,400,000) stock options to related parties.

As at March 31, 2021 there were $195,761 (March 31, 2020 - $377,826) owing to officers and directors and other related parties. The amounts due are non-interest bearing, unsecured and with no stated terms of repayment. Refer to note 11 for disclosure on shares issued to settle debt with related parties in the year. As at March 31, 2021, there were $NIL (March 31, 2020 - $60,464) accrued liabilities to officers and directors and other related parties.

As at March 31, 2021, the Company recorded a receivable of $200,244 relating to an overpayment of 2,958,139 common shares issued to settle debt for investor relations services that exceeded 1% of the issued and outstanding common shares of the Company. The receivable will be settled in cash and does not accrue interest.

Subsequent Particulars of Outstanding Securities of the Issuer

Authorized: unlimited common shares without par value
unlimited preferred shares without par value

Issued and Outstanding:

	Number of Shares
Balance, March 31, 2021	**195,356,077**
Issued: signing on bonus	250,000
Issued: Issuance of warrants	2,000,000
Balance, August 16, 2021	**197,606,077**

Stock Options

	Number of Options
Balance, March 31, 2021	16,050,000
Granted	3,200,000
Balance, August 16, 2021	**19,250,000**

Warrants

	Number of Warrants
Balance, March 31, 2021	**60,344,600**
Exercised	(2,000,000)
Balance, August 16, 2021	58,344,600

Subsequent Events

a) Subsequent to March 31, 2021, an aggregate of 2,000,000 warrants were exercised for gross proceeds of $160,000 at exercise price of $0.08 per warrant.

b) Subsequent to March 31, 2021, the Company issued 250,000 common shares to a consultant as a signing incentive. 250,000 of these shares were valued at a fair value of $0.09 per share and were recorded as shares to be issued during the year ended March 31, 2021.

c) Subsequent to March 31, 2021, 3,200,000 stock options were granted with an exercise price of $0.08 per stock option. These stock options are exercisable for a period of 3 years from the date of issuance.

Complex and Non-Routine Transactions

The Company may be required to record complex and non-routine transactions. These sometimes will be extremely technical in nature and require an in-depth understanding of with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”). Finance staff will consult with their third-party expert advisors as needed in connection with the recording and reporting of complex and non-routine transactions. In addition, an annual audit will be completed and presented to the Audit Committee for its review and approval.

Segment reporting

A reportable segment, as defined by 'IFRS 8 Operating Segments', is a distinguishable business or geographical component of the Company, which are subject to risks and rewards that are different from those of other segments. The Company considers its primary reporting format to be business segments.
The Company considers that it has only one reportable segment, being the development of the omega fatty acid products.

Risk Factors

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with major banks in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. However, this risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2021, the Company had a cash balance of $263,169 (March 31, 2020 - $38) and current liabilities consisting of accounts payable and accrued liabilities of $456,882, loans payable of $250,000 and amounts owing to related parties of $195,761 for total of $902,643 (March 31, 2020 - $1,253,055). Also included in current liabilities is the derivative liability which is settled in variable number of shares. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. Management is considering different alternatives to secure adequate debt or equity financing to meet the Company short-term and long-term cash requirements.

Risks and Uncertainties

Acquisition and Expansion

The key to the Company's ongoing success will be its ability to create and enhance value through the skill, creativity and energy of its management team and the opportunities which the market presents. SPT will continue to seek out acquisition and expansion opportunities that offer acceptable risk- adjusted rates of return.

Regulatory Risk

The Company and its proposed business are subject to various government legislation and regulations. Any change in such legislation or regulations adverse to the Company or its investments could affect the operating and financial performance of the Company. In addition, laws and policies relating to the protection of the environment have become increasingly important in recent years. Environmental laws and regulations can change rapidly, and the Company may become subject to more stringent environmental laws and regulations in the future. Compliance with more stringent environmental laws and regulations could have a material adverse effect on the Company's business, financial condition or results of operations.

Officers and directors

Stan Lis	President, CEO & Director
Casey Forward	CFO
Gavin Mah	COO
Marcin Lukaszewicz	Director
Glen Macdonald	Director
Robert Chanson	Director

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