NIRVANA LIFE SCIENCES INC.

(Formerly Endocan Solutions Inc.)

CONDENSED INTERIM FINANCIAL STATEMENTS

Three Months Ended January 31, 2022

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL REPORT

The accompanying unaudited interim financial report of Nirvana Life Sciences Inc. (the "Company") has been prepared by and is the responsibility of the Company's management. The Company's independent auditor has not performed a review of this financial report.

NIRVANA LIFE SCIENCES INC.
(Formerly Endocan Solutions Inc.)
INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)

	Note	January 31, 2022	October 31, 2021
ASSETS			
Current assets			
Cash		$ 180,742	$ 475,786
GST recoverable		12,299	8,705
Prepaid expenses		48,000	48,000
Loan receivable	4	185,000	-
Total assets		$ 426,041	$ 532,491
LIABILITIES AND DEFICIENCY			
Current liabilities			
Accounts payable and accrued liabilities	5	$ 46,820	$ 38,699
Amounts due to related parties	6	494,222	509,222
Loans payable to related parties	6	1,865	628
Total liabilities		542,907	548,549
Deficiency			
Share capital	7	5,409,521	5,409,521
Share-based payments reserve	8	189,387	189,387
Deficit		(5,715,774)	(5,614,966)
Total deficiency		(116,866)	(16,058)
Total liabilities and deficiency		$ 426,041	$ 532,491

Nature of business and going concern (Note 1)
Event after the reporting period (Note 13)

The financial statements were authorized for issue by the board of directors on March 31, 2022 and were signed on its behalf by:

"Bruce Clark" Director *"Christopher Hoffmeister"* Director

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

NIRVANA LIFE SCIENCES INC.
(Formerly Endocan Solutions Inc.)
INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
THREE MONTHS ENDED JANUARY 31
(Unaudited – Prepared by Management)

	Note		2022		2021
EXPENSES					
Legal fees		$	5,767	$	-
Management fees	6		60,000		60,000
Marketing and promotion	6		9,524		-
Office and miscellaneous			2,272		739
Professional fees			5,000		-
Rent	6		1,450		-
Transfer agent and filing fees			16,795		1,727
Loss before items below			(100,808)		(62,466)
Gain on extinguishment of accounts payable			-		7,750
Loss and comprehensive loss for the period		$	(100,808)	$	(54,716)
Basic and diluted loss per common share	7	$	(0.01)	$	(0.01)
Weighted average number of common shares outstanding			7,115,044		4,750,515

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

NIRVANA LIFE SCIENCES INC.
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INTERIM STATEMENTS OF CHANGES IN DEFICIENCY
(Unaudited – Prepared by Management)

	Note	Number of Shares		Share capital		Share-based payments reserve		Deficit		Total
Balance, October 31, 2021		7,115,044	$	5,409,521	$	189,387	$	(5,614,966)	$	(16,058)
Comprehensive loss for the period		-		-		-		(100,808)		(100,808)
Balance, January 31, 2022		7,115,044	$	5,409,521	$	189,387	$	(5,715,774)	$	(116,866)

	Note	Number of Shares		Share capital		Share-based payments reserve		Deficit		Total
Balance, October 31, 2020		4,750,515	$	4,641,636	$	189,387	$	(5,360,491)	$	(529,468)
Comprehensive loss for the period		-		-		-		(54,716)		(54,716)
Balance, January 31, 2021		4,750,515	$	4,641,636	$	189,387	$	(5,415,207)	$	(584,184)

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

NIRVANA LIFE SCIENCES INC.
(Formerly Endocan Solutions Inc.)
INTERIM STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED JANUARY 31
(Unaudited – Prepared by Management)

	Note	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the period		$ (100,808)	$ (54,716)
Items not affecting cash:			
Gain on extinguishment of accounts payable		-	(7,750)
Changes in non-cash working capital items:			
GST recoverable		(3,594)	(1,206)
Accounts payable and accrued liabilities		8,121	(11,314)
Amounts due to related parties		(15,000)	61,120
Net cash used in operating activities		(111,281)	(13,866)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan receivable		(185,000)	-
Net cash used in investing activities		(185,000)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from related party loan		1,237	647
Loan proceeds		-	24,000
Net cash provided by financing activities		1,237	24,647
Change in cash during the period		(295,044)	10,781
Cash, beginning of the period		475,786	2,253
Cash, end of the period		$ 180,742	$ 13,034

There were no significant non-cash transactions during the three months ended January 31, 2022 and 2021.

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

1. NATURE OF BUSINESS AND GOING CONCERN

Nirvana Life Sciences Inc. (formerly Endocan Solutions Inc.) (the "Company") was incorporated on May 11, 2011 under the laws of British Columbia, Canada and maintains its head office at Suite 2100, 650 West Georgia Street, Vancouver, B.C. V6B 4N8. The Company was listed on the Canadian Securities Exchange (the "CSE") under the symbol "WWM". On August 18, 2016, the Company received a cease trade order due to failing to file its annual financial statements for fiscal 2015 and delisted from the CSE effective December 6, 2016. On October 21, 2019, the Company received the revocation of cease trade orders and has brought all its filings up to date. On March 10, 2022, the Company changed its name to Nirvana Life Sciences Inc. On March 16, 2022, the Company received the final approval for listing on the CSE. The Company's common shares commenced trading on the CSE on March 17, 2022 under the symbol "NIRV".

<u>Acquisition transaction</u>

On June 4, 2021, the Company announced the signing of a share exchange agreement whereby the Company proposed to acquire 100% of the issued and outstanding shares of 1253766 B.C. Ltd. (formerly Nirvana Life Sciences Inc.) ("1253BC") in exchange of approximately 39,000,000 common shares of the Company (the "Transaction"). Under the amendment signed on August 16, 2021, the Company would acquire 39,455,095 out of 39,827,095 issued and outstanding common shares in the capital of 1253BC. The Transaction is considered a reverse takeover transaction.

On January 10, 2022, three shareholders of 1253BC surrendered a total of 13,750,000 common shares of 1253BC for cancellation. As a result, the share exchange agreement was further amended to reflect the fact that the Company would acquire 25,905,095 common shares of 1253BC, which constitutes 99.34% of the issued and outstanding shares of 1253BC.

On March 17, 2022, the Company completed the acquisition transaction of 1253BC.

1253BC, a private company based in Vancouver, B.C., is a development company focused on developing novel therapeutic products derived from psychedelics. 1253BC was founded by researchers who believe that psychedelics-based medicines can offer new approaches to pain management as well as treatment for ailments such addiction, anxiety and depression. 1253BC's early focus is twofold; to develop psilocybin derived medicines that can break human addiction to opioids and to develop non-abusive delivery systems. 1253BC has received an exemption under Section 56 of Controlled Drugs and Substances Act (Canada) from Health Canada and is currently awaiting decision on its application for a Dealer's License under the Food and Drugs Regulations for its proposed laboratory facility in Vancouver.

Going concern of operations

These financial statements have been prepared on a going concern basis which contemplates that the Company will be able to realize its assets and settle its liabilities in the normal course as they come due for the foreseeable future. The Company has a history of losses with no operating revenue. As at January 31, 2022, the Company reported a working capital deficiency of $116,866 and has an accumulated deficit of $5,715,774. The Company expects to incur further losses in the development of its business, all of which indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management has estimated that the Company will require additional financing to meet its obligations for the next fiscal year. Continued operations are dependent on the Company's ability to complete equity financings, secure project debt financing, and / or generate profitable operations in the future. There is no assurance that further financing efforts will be successful or the Company will attain profitable levels of operations.

These financial statements do not include adjustments that would be required if the going concern assumption is not an appropriate basis for preparation of the financial statements. These adjustments could be material.

1. NATURE OF BUSINESS AND GOING CONCERN (cont'd…)

COVID-19 uncertainty

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds at this time. The Company will continue to monitor the impact of the pandemic on all aspects of its business and evaluate its impact on the Company's liquidity and future prospects.

2. BASIS OF PREPARATION

Statement of compliance

These condensed interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by International Accounting Standards Board ("IASB"), applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. The condensed interim financial statements do not include all of the disclosures required for a complete set of annual financial statements and should be read in conjunction with the annual financial statements for the year ended October 31, 2021, which have been prepared in accordance with IFRS as issued by the IASB.

Basis of measurement

These financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at revalued amounts or fair values. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the functional currency of the Company.

Significant estimates and assumptions

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Significant areas requiring the use of management estimates include:

i) The determination of the fair value of stock options using the Black-Scholes option pricing model, require the input of highly subjective assumptions, including the expected price volatility. Changes in the subjective input assumptions could materially affect the fair value estimate.

ii) The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts.

2. BASIS OF PREPARATION (cont'd…)

Significant judgments

The preparation of these financial statements requires management to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applied in preparing the Company's financial statements include:

i) The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its potential projects and working capital requirements and whether there are events or conditions that may give rise to significant uncertainty.

ii) The determination of whether it is likely that future taxable profits will be available to utilize against any deferred tax assets.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out in the Company's audited annual financial statements for the year ended October 31, 2021 were consistently applied to all the periods presented unless otherwise noted below.

New accounting policies

There were no new or amended IFRS pronouncements effective November 1, 2021 that impacted the Company's financial statements.

4. LOAN RECEIVABLE

During the three months ended January 31, 2022, the Company advanced a total of $185,000 to 1253BC, $100,000 of which is repayable on May 30, 2022 and the remaining $85,000 on June 30, 2022. The loans are unsecured and bear interest at a rate of 10% per annum.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		January 31, 2022		October 31, 2021
Accounts payable	$	30,415	$	18,294
Accrued expenses		10,000		14,000
Other payable		6,405		6,405
	$	46,820	$	38,699

Accounts payables of the Company are principally comprised of amounts outstanding for trade purchases relating to general operating activities. The usual credit period taken for trade purchases is between 30 to 90 days.

6. RELATED PARTY TRANSACTIONS

Amounts due to related parties of $494,222 (October 31, 2021 - $509,222) are comprised of management and legal fees charged by companies controlled by the Company's directors and officers. These amounts are unsecured, non-interest bearing, and have no specific terms of repayment.

Included in loans payable to related parties are $1,865 (October 31, 2021 - $628) in advances from the CEO of the Company. The loan is unsecured, non-interest bearing, and have no specific terms of repayment.

Key management personnel include directors (executive and non-executive) and officers of the Company. The compensation paid or payable to key management personnel during the three month periods ended January 31 is as follows:

		2022		2021
Management fees	$	60,000	$	60,000
Marketing and promotion		9,524		-
Share-based payments		-		-
Total	$	69,524	$	60,000

The Company entered into the following related party transactions during the three months ended January 31, 2022:

a) Paid or accrued management fees of $45,000 (2021 - $45,000) to a company controlled by the CEO of the Company.

b) Paid or accrued management fees of $15,000 (2021 - $15,000) to a company controlled by the CFO of the Company.

c) Paid or accrued marketing and promotion fees of $9,524 (2021 - $nil) to a company controlled by a director of the Company.

The Company has entered into services agreements with two companies controlled separately by the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") of the Company for a total monthly base fee of $20,000, with no specified term. The services agreements may be terminated with a termination payment equal to six to twenty-four months of base fee.

7. SHARE CAPITAL

Authorized share capital

The Company has authorized an unlimited number of common shares with no par value.

Issued share capital

At January 31, 2022, the Company had 7,115,044 common shares outstanding (October 31, 2021 - 7,115,044).

Share issuance

During the year ended October 31, 2021, the Company:

a) Completed a non-brokered private placement of 1,914,529 common shares at a price of $0.35 per common share for gross proceeds of $670,085. The Company paid $14,700 as finders' fees in connection with the private placement.

b) Issued 450,000 common shares to settle debt of $112,500 pursuant to a settlement agreement with Robert van Santen (Note 12).

Escrowed shares

As at January 31, 2022 and October 31, 2021, there were 537,951 common shares held in escrow.

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the three month period ended January 31, 2022 was based on the loss attributable to common shareholders of $100,808 (2021 - $54,716) and a weighted average number of common shares outstanding of 7,115,044 (2021 - 4,750,515).

8. SHARE-BASED PAYMENTS

Stock option plan

The Company has a stock option plan (the "Plan") in place under which it is authorized to grant options to executive officers and directors, employees and consultants. Pursuant to the Plan, the Company may issue aggregate stock options totaling up to 10% of the issued and outstanding common stock of the Company. Further, the Plan calls for the exercise price of each option to be equal to the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 10 years and vest at the discretion of the Board of Directors at the time of grant.

There are no stock option transactions during the three months ended January 31, 2022 and the year ended October 31, 2021. As at January 31, 2022 and October 31, 2021, the following stock options were outstanding:

Number of Options	Exercise Price	Expiry Date
300,000	$ 0.25	February 2, 2023

9. FINANCIAL INSTRUMENTS

The Company classified its financial instruments as follows: cash and loan receivable as subsequently measured at amortized cost; accounts payable, amounts due to related parties, and loans payable to related parties as subsequently measured at amortized cost. Information on certain types of financial instruments is included elsewhere in these financial statements as follows: loan receivable (Note 4), accounts payable (Note 5), amounts due to related parties and loans payable to related parties (Note 6).

The carrying amounts of cash, loan receivable, accounts payable, amounts due to related parties, and loans payable to related parties, carried at amortized cost is a reasonable approximation of their fair value due to the relatively short period to maturity of these financial instruments.

Financial risk management

The Company's financial risks arising from its financial instruments are credit risk, liquidity risk, and interest rate risk. The Company's exposures to these risks and the policies on how to mitigate these risks are set out below. Management monitors and manages these exposures to ensure appropriate measures are implemented on a timely basis and in an effective manner.

Credit risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The credit risk of the Company is associated with cash. The credit risk with respect to its cash is minimal as they are held with high-credit quality financial institutions. Loan receivable is advances to 1253BC, which the Company subsequently acquired 99.34% of its equity interest. Management does not expect these counterparties to fail to meet their obligations.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its obligations associated with its financial liabilities as they fall due. The Company performs cash flow forecasting for each fiscal year to ensure sufficient cash is available to fund its projects and operations. As at January 31, 2022, the Company had a cash balance of $180,742 and current liabilities of $542,907. The Company's financial liabilities include accounts payable, amounts due to related parties, and loans payable to related parties which have contractual maturities of 30 days or are due on demand.

At present, the Company's operations do not generate positive cash flows. The Company's primary source of funding has been the issuance of equity securities through private placements and advances from related parties. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings.

Interest rate risk

The Company is exposed to interest rate risk arising from the cash maintained at Canadian financial institutions. The exposure to interest rates for the Company is considered minimal. The Company has not used any financial instrument to hedge potential fluctuations in interest.

10. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

As at January 31, 2022, the Company has no financial assets or financial liabilities measured at fair value. There have been no changes in these levels and no changes in classifications during the three months ended January 31, 2022.

11. CAPITAL MANAGEMENT

In the management of capital, the Company includes components of shareholders' deficiency in the definition of capital. When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition and development of medical marijuana business. The Board of Directors does not establish qualitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company is dependent upon external financing to fund its activities. In order to carry out the planned activities, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new opportunities. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate.

There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

12. EVENTS AFTER THE REPORTING PERIOD

i) On February 28, 2022, the Company advanced an additional $30,000 to 1253BC.

ii) On March 16, 2022, the Company received the final approval for listing on the CSE. The Company's common shares commenced trading on the CSE on March 17, 202 under the symbol "NIRV".

iii) On March 17, 2022, the Company completed the acquisition transaction of 1253BC and issued 25,905,095 common shares to the shareholders of 1253BC.