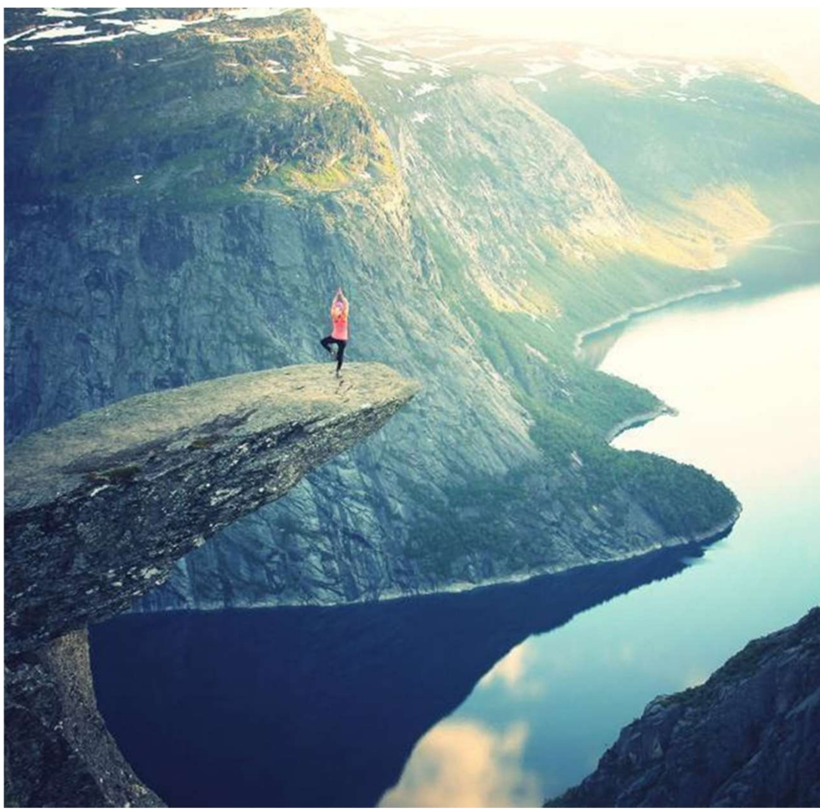
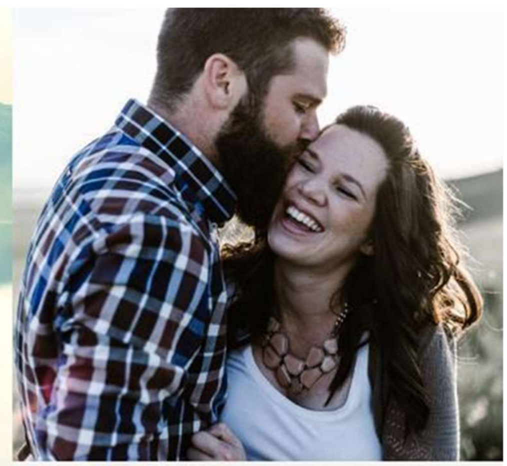
THE YIELD GROWTH CORP.

Management's Discussion & Analysis

For the Years Ended November 30, 2019 and 2018





This Management's Discussion and Analysis ("MD&A") relates to the consolidated financial position and financial performance of The Yield Growth Corp. ("Yield Growth"), our 100% owned subsidiary Urban Juve™ Provisions Inc. ("Urban Juve™"), our 100% owned subsidiary Wright & Well™ Essentials Inc. ("Wright & Well™"), our 100% owned subsidiary UJ Beverages Inc. ("UJ Beverages"), our 100% owned subsidiary Yield Botanicals Inc. ("Yield Botanicals"), our 100% owned subsidiary Thrive Activations Inc. ("Thrive"), our 100% owned subsidiary W&W Manufacturing Inc. ("W&W Manufacturing"), and our 98% owned subsidiary NeonMind Biosciences Inc. (formerly Flourish Mushroom Labs Inc.) ("NeonMind") for the years ended November 30, 2019 and 2018. Collectively, Yield Growth, Urban Juve™, Wright & Well™, UJ Beverages, Yield Botanicals, Thrive, W&W Manufacturing and NeonMind are referred to as the "Company". Subsequent to the year ended November 30, 2019, we incorporated a wholly owned subsidiary Jack n Jane Essentials Inc. ("Jack n Jane"). All references to "us" "we" and "our" refer to the Company. All intercompany balances and transactions have been eliminated.

Except where otherwise indicated, the financial information contained in this MD&A was prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A should be read in conjunction with the Company's audited annual consolidated financial statements for the years ended November 30, 2019 and 2018 (collectively referred to as the "Financial Statements").

Financial information contained in this MD&A has been prepared on the basis that we will continue as a going concern, which assumes that we will be able to realize our assets and satisfy our liabilities in the normal course of business for the foreseeable future. Management is aware, in making its going concern assessment, of material uncertainties related to events and conditions that may cast significant doubt upon our ability to continue as a going concern.

We incurred a net loss of $16,020,988, and used $11,974,533 of cash for operating activities during the year ended November 30, 2019 and has incurred an accumulated deficit of $26,121,149 as at November 30, 2019. Our continued operations are dependent on future profitable operations, management's ability to manage costs and the future availability of equity or debt financing. Whether and when we can generate sufficient operating cash flows to pay for our expenditures and settle our obligations as they fall due is uncertain. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption be inappropriate. These adjustments could be material.

Except where otherwise indicated, all financial information is expressed in Canadian dollars.

CORPORATE OVERVIEW

Yield Growth is a phytoceutical company. We develop and acquire intellectual property for plant-based products and therapeutics, and develop, test, manufactures, market and distribute plant-based products designed to improve lives. We also offer business incubation services to new companies with promising business plans.

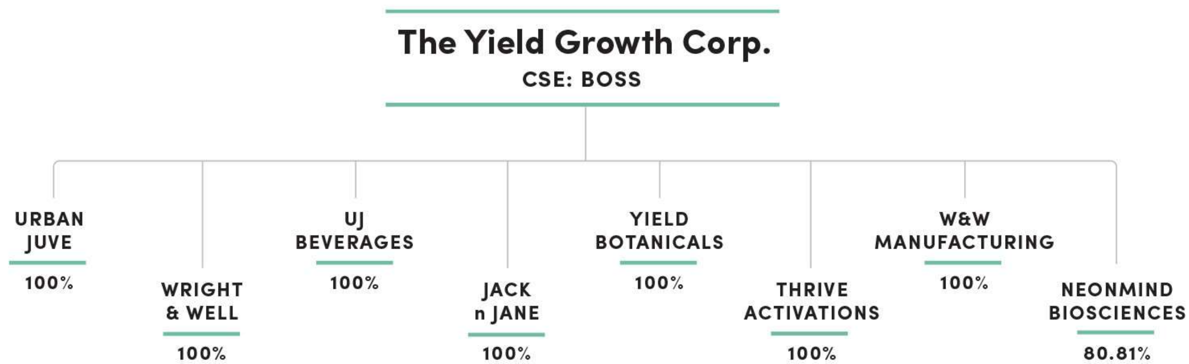
We conduct research and development into plant-based ingredients and products and commercialize, market, sell, and distribute plant-based products designed to improve lives. We have over 200 proprietary product formulas at various stages of commercialization. Our products are sold through e-commerce worldwide and retail stores in 3 countries with distribution agreements in place for 12 more countries. We conduct research into plant-based therapeutics, including protection against infectious diseases, and we have 13 patents filed in what the Global Wellness Institute reports is a $4.2 trillion-dollar global wellness market. We own the plant-based skin care brand Urban Juve, which is currently launching a line of hand care products, and we own cannabis wellness brands Wright & Well and Jack n Jane. Our majority owned subsidiary NeonMind is launching a line of medicinal mushroom products and developing a business in the emerging market of psychedelic medicine. Our management team has deep experience with global brands including Johnson & Johnson, Procter & Gamble, Skechers and Aritzia. Yield Growth earns revenue through multiple streams including licensing, services and product sales.

Evolving for Tomorrow

We are implementing changes to our business and product commercialization plan to stay relevant to consumers. We intend to increase revenues by offering new products that are in high and sustainable consumer demand. We draw on existing, stability-tested formulas to bring these to market under new and existing brands. Our wholly owned subsidiary brands include Urban Juve, Wright & Well and Jack n Jane. Our majority owned subsidiary, NeonMind, is launching functional mushroom products. All of the products we develop are plant-based and created to improve lives through enhanced wellness.

Plant-Based Bioscience

We take care to protect our intellectual property, including our more than 200 product formula catalogue. Many of our formulas, and our extraction processes, are protected by 15 U.S. patent applications. We have conducted research into plant-based medicines to create products designed to relieve pain. Our unique and proprietary ingredient, hemp root oil, is used in many of our products. We have also commenced research into plant-based therapeutics to fight infectious disease to inform its product roadmap. Through NeonMind, we are conducting research into therapeutic uses of psychedelic (magic) mushrooms.



Urban Juve™

Our wholly owned subsidiary Urban Juve is enhancing our skin care line with the addition of a hand care line that includes a cleansing wash and a moisturizer, to combat irritation that occurs with consistent sanitization of one's hands. Urban Juve has also received Health Canada approval for two hand sanitizer products, a gel and a liquid spray. The liquid hand sanitizer will be ready for sale this spring. We have also completed shelf life stability testing on our plant-based hand moisturizer, which will launch later this year.

Earlier this year, Urban Juve's Ultra Hydrating Lip Balm outperformed in its partnership with IPSY, with over 30,000 reviews and Ipsters rating the product 4 - 5 stars, outpacing the category average by nearly 8%. Urban Juve intends to continue to develop good quality products that earn high consumer ratings.

Urban Juve is currently improving its website to meet changing online shopping behaviour, including exploring product subscriptions, adding payment methods, and giving more depth to our product descriptions pages with richer content.

NeonMind

NeonMind continues product development of its functional mushroom coffees - formulas created to boost immunity and brain health. It is also reviewing its extensive product catalogue to select the next products to commercialize. Ayurvedic coffees are planned for launch in early summer of 2020 and contain immune-boosting medicinal mushrooms: reishi, chaga, lion's mane and turkey tail. Our brain booster shots are formulated to increase focus, clarity and creativity. The Yield Growth/NeonMind marketing team has been developing an exciting new brand for its mushroom products.

Cannabis Brands Wright & Well and Jack n Jane

Yield Growth is proceeding ahead with the development of a cannabis brand for distribution in Canada, Jack n Jane, planned for launch this fall. It intends to build on the success and learnings from its Wright & Well THC-infused pain management line, launched in Oregon several months ago.

Yield Growth's development road map for cannabis 2.0 in Canada includes topical products designed for people who use cannabis products to alleviate pain, products to enhance intimacy, skin care products, edibles and beverages. Yield Growth's team has conducted research into top selling products in more established cannabis 2.0 markets such as California, and created a two year product launch plan which includes edible gummies, chocolate and mints, infused teas and botanical beverages, gel, balm, massage oil, tinctures, and skin care products with CBD such as face oil and face serum. Yield Growth recently signed a non-binding letter of intent with a licensed cannabis producer in Canada for manufacturing and national distribution of Jack n Jane's product line and is currently negotiating a definitive agreement.

W & W Manufacturing

With the adoption of the Farm Bill into law in late 2018, topical products containing cannabidiol are new federally legal in the United States, subject to state law and compliance with FDA. In the future, we plan to develop a line of products for cannabidiol (CBD) infusion with the primary target market being the United States. We have had preliminary discussions with manufacturers to complete stability testing and manufacture of the products.

UJ Beverages

We acquired the rights to a line of eight beverages which we have started developing. The beverage line is based on Ayurvedic medicine and blends fruit extracts with natural botanical extracts, including hemp leaf extracts.

We have completed the taste profiling on two of the beverages and have had preliminary discussions with beverage manufacturers to complete stability testing and manufacture of the drinks. One of the key ingredients in all of these beverages is cannabis leaf extract, which we intend to produce using our patent-pending sonic and nano emulsion technology. These beverages can also be infused with cannabinoids such as CBD and THC in jurisdictions where it is legal to do so.

Long-Term Vision

Yield Growth is focused on achieving long-term results. We are building our long term product pipeline by conducting plant-based research for therapeutic use in areas that are poised for strong growth.

We intend to continue to develop loyal consumer bases for all its brands through high quality products, excellent customer treatment, fair pricing models, and community participation and support. Yield Growth has been donating Urban Juve's Face and Body Mists to people working in the healthcare, medical and retail industries. These refreshing mists have natural floral waters with antiviral essential oils to clean and invigorate the skin. To date, 2,000 Urban Juve mists have been donated, with more product donations planned.

STRATEGIC ACCOMPLISHMENTS

During the fiscal year, Yield Growth accomplished many important milestones as a business, including the following:

- Launched 11 Urban Juve products for North America, plus 1 product tailored for the EU market
- Went public, listing on the Canadian CSE and OTCQB exchanges and the German Frankfurt exchange
- Developed a catalogue of more than 200 different product formulations in various stages of commercialization across multiple product categories, the majority of them able to be launched with or without cannabis infusion
- Launched a robust e-commerce platform to sell our Urban Juve products in Canada, the U.S., and internationally
- Developed universal packaging for our initial Urban Juve product line, compliant in Canada (English and French), the U.S., and the EU
- Secured distribution for our Urban Juve products in various countries including Canada, the U.S., Greece, Cyprus, Colombia, Brazil, Costa Rica, El Salvador, Ecuador, Argentina, Panama, and Peru
- Obtained registration of our Urban Juve products with Health Canada and the EU
- Secured media coverage in multiple notable publications including British Vogue (September 2019), Elle Canada (September 2019), and UK Vogue (October 2019)
- Filed for a patent for our proprietary hemp root oil extraction technology

Subsequent to the financial year ended November 30, 2019:

- Launched 5 Wright & Well products in Oregon, securing placement in 9 dispensaries
- Listed our Urban Juve product line for sale via Amazon Prime in both Canada and the U.S.
- Secured placement of 200,000 Urban Juve lip balms in the January 2020 IPSY Glam Bag, garnering more than 35,000 verified reviews from IPSY customers, 85% of them 4-5 stars
- Established a consumer feedback survey program to garner valuable input from target consumers for new and existing products to inform future product development
- Created a new subsidiary (NeonMind Biosciences Inc.) to develop, manufacture, and sell products infused with medicinal mushrooms, working on a line of mushroom coffees as its first product launch and securing a manufacturing partner
- Received a Natural Product Number (NPN) from Health Canada for both our liquid hand sanitizer and gel hand sanitizer. We have an NPN application pending for our pain balm.
- Signed a non-binding letter of intent with a Newfoundland-based licensed producer to manufacturer, distribute and sell a line of cannabis-infused topicals and tinctures across Canada. We are in the final stages of negotiating the full agreement and hope to launch these products under a new brand name in Q3 2020

Over the next year, we intend to continue to develop our brands Urban Juve, Wright & Well, W & W Manufacturing and our beverage line, to launch new products in each line, and to continue expansion for international distribution of all our product lines through e-commerce and retail. We also plan to manufacture hemp root oil using our proprietary extraction method on a commercial scale. We are currently engaging in research and development for the use of our extraction technology to create Cannabidiol and hemp leaf extract for use in beauty and wellness products. We will continue to use the latest technology and methods to market and distribute our products. We will also look for opportunities to acquire or develop new businesses that are complementary to our existing businesses.

RESPONSE TO COVID-19

An NPN registration is required in Canada to label a product as “hand sanitizer”. Last week, Health Canada announced that it would expedite NPN approvals for hand sanitizer as Canada is now in dire need of increased supply of hand sanitizer due to the recent outbreak of COVID-19.

On Friday, March 20, 2020, Yield Growth’s Urban Juve submitted its hand sanitizer application to Health Canada for expedited approval. Pending approval, Urban Juve anticipates that it will be ready to go into production within the next 60 days. Once the Urban Juve hand sanitizers are manufactured, they will be placed into distribution channels in Canada which includes Urban Juve’s existing e-commerce and Canadian retail pharmacy network.

The company originally purchased the formula in 2017 and it is part of Yield Growth's extensive 200 formula catalogue of natural health and beauty products. With the recent increase in demand for hand sanitizer, Urban Juve last month prioritized this product for immediate commercialization.

Yield Growth has moved quickly to respond to COVID-19 by focusing on social responsibility, adapting to new opportunities. It has reduced its expenses by reducing its work week to 4 days and reducing labour costs by 20%. It moved last week to a remote set up so no more than two people will be in the office at any time and all employees and consultants are set up to work remotely from home.

Recently, Yield Growth announced that its subsidiary Urban Juve would launch a line of hand care products, including hand sanitizer. Yield Growth, through its subsidiary NeonMind, last month purchased an interest in pharmaceutical and contract research organization Translational Life Sciences Inc. which is in the early stages of conducting research and development into using restricted substances for therapeutic uses. Yield Growth is now expanding its research and development program into potential plant-based products to protect against infection.

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COVID 19 Impact on Our Operations and Financial Position

The Covid-19 spread has limited impact on our operations. All employees switched to working remotely during this time. Our contract manufacturer, 3PL and shipping service providers all remain in normal operations. We do not expect the Covid-19 impact will affect our business and financial results materially.

The carrying amounts of our financial assets and liabilities as at November 30, 2020 represent their fair value going forward, and we do not expect material impairment resulting from Covid-19.

Our product sales and licensing activities have not been negatively impacted by Covid-19. We believe our response plan including the scheduled launch of hand sanitizer products will improve our operating and financial results.

All employees' and contractors' compensation was reduced by 20% to preserve working capital. We believe our response plan represents our positive contribution to the society and the business community, and we have sufficient funding resources going forward.

LICENSING ACTIVITIES

We currently have a catalogue of more than 200 proprietary formulas that we have acquired or developed in house through our product development team. We now have formulas for edibles, beverages, skin care and other beauty products, personal care products and therapeutic products, which are at various stages of commercialization and many of which include a part of the cannabis plant as an ingredient or are designed to be infused with cannabinoids.

Most of our formulas have been created based on the Ayurvedic system of medicine. We never use artificial ingredients and we never test our products on animals. We are dedicated to creating formulas for products that can be incorporated into daily rituals for health and beauty. In addition to launching products through our own in-house brands, we are developing relationships to license our formulas to third parties who can launch other brands using our formulas. To date we have been successful in generating substantial revenues from licensing. Our recent licensing agreements include the following:

(a) On December 19, 2018, we entered into a Product Distribution Agreement and Master Services Agreement with Nova Paths LLC ("Nova Paths") to manufacture and distribute our THC and CBD infused line of topical products through the state of Oregon. Pursuant to the agreements, we granted Nova Paths a non-exclusive license to our brand and proprietary product formulations for pain balm, analgesic pain gel, a pain patch, massage oil, capsules, and other products ("Wright & Well™ Line"). In addition, we appointed Nova Paths as our exclusive distributor for the Wright & Well™ Line in Oregon. Under the terms of the agreements, Nova Paths will retain a fee of 25% of the wholesale revenues from sales of the Wright & Well™ Line and pay the balance of wholesale revenue, less certain expenses, to Wright & Well™ Essentials Inc.

(b) On May 28, 2019, we entered into a license agreement with Kingdom Brands Management Inc. (formerly Antler Retail Holdings Inc.) ("Kingdom Management"), whereby we granted a perpetual non-exclusive license for 56 product formulas for THC and CBD infusion to Kingdom Management for sale in the United States. Pursuant to the license agreement, we received 5,000,000 common shares of Kingdom Brands Inc. (formerly Antler Retail Inc.) ("Kingdom"), the parent company of Kingdom Management, with a fair value of $829,148. We have a right of first refusal to act as distributor, to supply CBD and to act as the manufacturer on all CBD products developed by Kingdom Management using the licensed formulas.

(c) On July 10, 2019, we entered into a distribution agreement with 2699598 Ontario Corp. DBA Melorganics Hellas ("Melorganics"), whereby we granted Melorganics the right to distribute the Urban Juve™ line of cosmetic products in Greece and Cyprus. Pursuant to the distribution agreement, Melorganics is required to make the following annual minimum purchases from us: $300,000 in the first full contract year, $500,000 in the second full contract year and $500,000 in the third full contract year.

(d) On July 31, 2019, we entered into a license agreement with Kingdom, whereby we granted an indefinite non-exclusive license for 8 product formulas to Kingdom for sale world-wide excluding only the United States. Pursuant to the license agreement, we received 4,000,000 common shares of Kingdom, with a fair value of $663,318. We have a right of first refusal to act as distributor, to supply CBD and to act as the manufacturer on all CBD products developed by Kingdom using the licensed formulas.

(e) On August 14, 2019, we entered into a distribution agreement with Kingdom whereby we were granted a non-exclusive right to distribute Antler Real Men products worldwide to retailers and distribution companies for a term of 10 years. Pursuant to the distribution agreement, we shall receive a fee of 10% of revenues received by Kingdom from third-party distribution agreements and retail agreements for the sale of the products.

(f) On August 25, 2019, we entered into a license & distribution agreement with Melorganics, whereby we granted a non-exclusive license for 6 formulas, and know how to manufacture products based on those formulas, to Melorganics for sale worldwide. Pursuant to this license, we received 9,000,000 units of Melorganics, with a fair value of $900,000. Each unit consisted of one common share and one share purchase warrant exercisable at $0.40 per share for a period of two years. $90,000 of the fee was allocated to know-how and is being recognized as revenue over one year, and as of November 30, 2019, $66,082 (November 30, 2018 – $nil) of the fee was included in deferred revenue.

In the same agreement with Melorganics, there was a short form distribution agreement, which was superseded by a long form distribution agreement on September 25, 2019, whereby we granted Melorganics the exclusive right to distribute the Wright & Well™ brand of CBD products in Greece and Cyprus for a term of three years. Pursuant to the distribution agreement, the term of the agreement shall commence once at least 3 Wright & Well™ products are registered for sale within the European Union, after which $100,000 will be payable in cash or in units of Melorganics to us.

(g) On August 27, 2019, we entered into a distribution agreement with Organic Medical Growth OMG3 Inc. ("OMG3 Inc."), whereby we granted OMG3 Inc. the exclusive right to distribute the Urban Juve™ line of cosmetic products in Colombia and Brazil for 5 years. Pursuant to the distribution agreement, OMG3 Inc. is required to make the following annual minimum purchases from us: $500,000 in the first contract year, $1,000,000 in the second full contract year, $2,000,000 in the third full contract year, and the annual minimum purchase requirements shall increase by 5% each subsequent year.

On November 21, 2019, an addendum to the agreement was executed to add Costa Rica, El Salvador, Ecuador, Argentina, Panama and Peru to the territories included in the agreement.

(h) On September 9, 2019, we entered into a distribution agreement with Peak Performance Products Inc. ("Peak Performance"), whereby the Company granted Peak Performance the exclusive right to distribute the Urban Juve line of cosmetic products in Canada for a term of 2 years.

(i) On November 8, 2019, we entered into a distribution agreement with Eurolife Brands Inc. ("Eurolife"), whereby we granted Eurolife the exclusive right to distribute the NeonMind line of mushroom extract coffees in Germany, Switzerland and the UK for 1 year. Pursuant to the distribution agreement, Eurolife is required to make annual minimum purchases of $3,000 from us.

(j) On November 8, 2019, we entered into a distribution agreement with Melorganics, whereby we granted Melorganics the right to distribute the Urban Juve line of cosmetic products in Romania, Bulgaria and Serbia for 3 years. Pursuant to the distribution agreement, Melorganics is required to make annual minimum purchases of $150,000 from us.

(k) On November 19, 2019, we entered into a distribution agreement with Melorganics, whereby we granted Melorganics the exclusive right to distribute the NeonMind line of mushroom extract coffees in Greece, Cyprus, Romania, Bulgaria and Serbia for 3 years. Pursuant to the distribution agreement, Melorganics is required to make annual minimum purchases of $500,000 from us.

FINANCIAL HIGHLIGHTS

We refer the reader to the sections entitled "Overall Performance", "Discussion on Operations" and "Summary of Quarterly Results" of the MD&A for details on the items discussed below.

Select financial highlights for 2019 include the following:

- Revenue increased by 32% to $4.0 million in 2019 compared to $3.1 million in 2018.
- Assets grew by 31% to $3.4 million from $2.6 million at 2018 year-end.
- We expanded our product distribution network and delivered approximately $150,000 of Urban Juve™ products to a US company and $110,000 of Urban Juve™ products for distribution in Greece;
- We have no commercial debt, including short-term loans, long-term loans or convertible debentures.

OVERALL PERFORMANCE

We grew our total assets by 31% to $3.4 million from November 30, 2018 to November 30, 2019. This included an increase in cash, marketable securities as proceeds from licensing and consulting revenues, additions of intangible assets in product formulas and technology, and certain working capital assets including inventory to be deployed in the operations of our growing business.

Our revenue model currently includes the following sources of revenues:

- Product sales through ecommerce, retail and international distribution currently under brand names of Urban Juve™ and Wright & Well™, with Jack n Jane™ and NeonMind™ to be launched
- Licensing of our formulas and brands worldwide
- Executive and incubating services

Our revenues increased by 32% to $4,019,244 for the year ended November 30, 2019, as compared to $3,055,442 for the prior year.

All 11 Phase I Urban Juve™ products are registered for sale in the European Union, in addition to Canada and US. We are continuing to develop our Urban Juve™ product distribution internationally, and have fulfilled the following orders in the last three months:

- We received an initial order of approximately $100,000 worth of the eleven Urban Juve™ products currently in the market for distribution in Greece, which was fulfilled in Q4 2019; and
- We received one order from a U.S. company for approximately $150,000 worth of product which was fulfilled in Q4 2019;

Our net losses was $16,020,988 for the year ended November 30, 2019 as compared to $9,708,037 for the prior year. The increase in loss during the year ended November 30, 2019 was primarily driven by increased marketing and media expenses to support Urban Juve™ product sales and the launch of the Wright & Well™ brand, increased spending on product development, research and registration, and unrealized loss on marketable securities. We invested a large part of our expenses on advertising, marketing and media, and marketing and packaging design for our in-house brands with over 200 products in development, new websites, new formula acquisition, stability testing and product registration. We also invested in trademark and patent registrations.

ADJUSTED EBITDA

Adjusted EBITDA, a measure used by management to indicate operating performance, is defined as earnings before interest, taxes, depreciation and amortization, excluding certain non-operating amounts as shown below. Adjusted EBITDA is not a recognized term under IFRS and is not intended to be an alternative either to gross profit or income before taxes as a measure of operating performance or to cash flows from operating activities as a measure of liquidity.

Additionally, Adjusted EBITDA is not intended to be a measure of free cash flow available for discretionary use, as it does not consider certain cash requirements such as interest payments, tax payments and debt service requirements. We use Adjusted EBITDA to supplement IFRS results to provide a more complete understanding of the factors and trends affecting the business than IFRS results alone. Because not all companies use identical calculations, the presentation of Adjusted EBITDA may not be comparable to other similarly titled measurements used by other companies. Readers should not consider Adjusted EBITDA in isolation or as a substitute for profit (loss) for the year as determined by IFRS, or as a substitute for an analysis of our Financial Statements.

Reconciliation of Adjusted EBITDA for the years ended November 30, 2019 and 2018:

	For the years ended November 30,	
	2019	2018
Net loss for the year	$ (16,020,988)	$ (9,708,037)
Add:		
Depreciation & Amortization	90,393	20,985
Adjustments:		
Share-based compensation	2,728,834	3,663,470
Impairment on loan receivable	-	15,000
Loss from investment in associate	252,465	2,367,766
Loss on settlement of accounts payable	338,025	(20,918)
Loss from termination & amendment of licensing agreements	-	1,447,572
Loss (gain) on sale of marketable securities	(492,378)	(142,060)
Unrealized loss (gain) on marketable securities	2,410,654	(296,333)
Adjusted EBITDA	$ (10,692,995)	$ (2,652,555)

As aforementioned, we incurred expenses in the launch of our Urban Juve™ and Wright & Well™ product lines including advertising, marketing and media and information systems, and increased spend in product development, research and registration. The negative EBITDA was primarily driven by these expenses.

DISCUSSION ON OPERATIONS

Revenues

We realized an increase of 32% in revenues to $4,019,244 for the year ended November 30, 2019 as compared to $3,055,442 for the prior year.

- We signed and delivered licensing agreements with Kingdom and Kingdom Management, which generated revenue of $1,492,466, and a licensing & distribution agreement with Melorganics which generated revenue of $810,000, to grant them manufacturing and distribution rights for certain formulas of Urban Juve™ and Wright & Well™. We expect to continue to generate licensing revenues for years to come but the timing of the licensing revenue is mainly determined by timing of such contracts;

- Licensing revenue also included $333,333 (2018 - $157,078) for Urban Juve distribution rights of Italy market granted to a third party in 2018. The license generated a total revenue of $1,000,000 being recognized over a term of three years.

- All 11 Phase I Urban Juve™ products are registered for sale in the European Union, in addition to Canada and US. We are continuing to develop our Urban Juve™ product distribution internationally, and have fulfilled the following orders in the last three months:
  - We received an initial order of approximately $110,000 worth of the eleven Urban Juve™ products currently in the market for distribution in Greece, which was fulfilled in Q4 2019; and
  - We received one order from a U.S. company for approximately $150,000 worth of product which was fulfilled in Q4 2019.

- During the year ended November 30, 2019, the Company realized consulting revenue of $1,017,988 as compared to $1,098,364 for the prior year. The consulting revenue was primarily related to executive and incubating services and technology development series provided to a related party to launch its business and complete its initial public offering.

Advertising, Marketing and Media

Advertising, marketing and media expenses are related to our activities in promoting our corporate brand name, our wellness line of products, Urban Juve™, our THC/CBD infused product line of Wright & Well™, and brand creation and packaging design for upcoming brands of Jack n Jane™ and NeonMind™. For the year ended November 30, 2019, we incurred $6,586,032 in advertising, marketing and media expenses as compared to $885,667 for the prior year. These expenses included market studies, brand design, labelling artwork, primary packaging design, social media launch and maintenance, and creatives and contents for the website.

Breakdown of advertising, marketing and media is as follows:

	For the years ended November 30,	
	2019	2018
Promotions & Events	$ 311,829	$ 107,572
Marketing Expenses	886,352	624,657
Marketing Materials	172,948	4,900
Public Relations	78,285	40,292
Media	5,002,421	35,500
Product Samples and other	134,197	72,746
Total advertising, marketing and media	$ 6,586,032	$ 885,667

Amortization & Depreciation

Depreciation and amortization are related to computer equipment, furniture, telephone equipment, leasehold improvements and website development costs. For the year ended November 30, 2019, we incurred depreciation and amortization expenses of $90,393 as compared to $20,985 for the prior year. The increase in depreciation expenses was driven by expanded office and staffing, and the development of an e-commerce website.

Bad Debt Expense

We recognized a bad debt allowance of $119,844 in the current year due to material uncertainty about the collectability of certain accounts receivables. We did not require a bad debt allowance in the prior year.

Consulting Fees

We are an emerging business which engages consultants regularly to obtain expertise in various business areas including but not limited to marketing, technology, finance and accounting. For the year ended November 30, 2019, we incurred consulting expenses of $1,416,060 as compared to $1,292,735 for the prior year. Consulting fees increased due to IPO activities, Urban Juve™ product launch efforts, and the development of new product lines. Consulting services provided consisted primarily of corporate finance, CFO services, director services, and regulatory advisory services.

Distribution & Licensing Fees

Distribution fees were related to distribution rights to various plant-based product formulations from third parties and licensing fees to gain access to third parties brands and products and information technology. We paid distribution fees of $30,000 as progressive payment stated in the contract during the period ended February 28, 2019 as compared to $50,000 for the prior year. Distribution fees required under this contract was concluded as at the period ended February 28, 2019. For the year ended November 30, 2019, we also incurred licensing fees of $283,303 as compared to $462,500 for the prior year. Licensing fees for the current year related to licensing of product formulations for UJ Beverages and Yield Botanicals, while the prior year was related to a mobile payment technology license which was fully amortized at the quarter ended February 28, 2019.

Information Systems

We incurred expenses on Information Systems, primarily to establish our ERP system and ecommerce website and related backend transaction processing and support systems, as well as supporting our consulting services provided to third parties. During the year ended November 30, 2019, we incurred expenses in information systems of $732,738 as compared to $927,564 for the prior year. The decrease in information systems expenses during the year compared to the prior year was due to one-time costs incurred in setting up information systems in the prior year, which were not required in the current year.

Investor Relations

Investor relations expenses were incurred to enhance our investor relations program, and included investor relations consulting services and fees paid for news releases. For the year ended November 30, 2019, we incurred $430,531 as compared to $3,166 for the prior year. Investor relations expenses increased to support ongoing efforts to expand visibility within the North American and European investment community after we were listed on the Canadian Securities Exchange, the OTCQB Venture Market in the United States and The Frankfurt Stock exchange in Germany during the year. Such activities was not material for the prior year.

Listing fees

We incurred listing fees of $190,024 for the year ended November 30, 2019, which included one-time listing expense during our initial public offering in December 2018 and security listing costs to maintain our ongoing listing status. We did not incur such expenses for the prior year.

Office and Administrative Expenses

For the year ended November 30, 2019, we incurred office expenses of $870,700 as compared to $480,195 for the prior year. The increase in office expenses was driven by expanded staffing and increased activities to support our initial public offering and the launch of Urban Juve™ products. Insurance expenses increased significantly due to the addition of a Directors and Officers Liability insurance coverage.

Breakdown of office and administrative expenses is as follows:

	For the years ended November 30,	
	2019	2018
Insurance	$ 277,078	$ 29,338
Travel	170,187	133,688
Office rent	103,463	97,502
Office expenses	66,699	96,800
Telephone	38,515	30,312
Other expenses	214,758	92,555
Total office and administrative	$ 870,700	$ 480,195

Product Development, Research and Registration

Product development, research and registration expenses are related to product testing, research and regulatory registrations. For the year ended November 30, 2019, we incurred product testing costs of $627,938 as compared to $211,888 for the prior year. The increase in product development, research and registration was driven by our product launch and development of new products including skincare products, wellness products and wellness products edibles.

Professional Fees

Professional fees are primarily related to legal, accounting, recruiting and audit services. For the year ended November 30, 2019, we incurred professional fees of $675,840 as compared to $579,970 for the prior year. The increase in professional fees were mainly related to legal fees related to supporting IPO activities, licensing agreements and private placements.

Share-based Compensation

Share-based compensation is related to stock options granted to directors, officers, employees and consultants of the Company. For the year ended November 30, 2019, we incurred share-based compensation expense of $2,728,834 as compared to $3,663,470 for the prior year. This included $1,306,909 (2018 - $1,865,827) related to stock options granted to the directors and officers of the Company. The overall decrease in share-based compensation expenses was driven by the vesting schedule of underlying stock options as certain options granted at the beginning of our active business in 2017 and 2018 were fully vested during the prior year.

Wages

Wages expenses for the year ended November 30, 2019 was $1,650,270 as compared to $808,659 for the prior year. As we increase our activities in the licensing business and products sales and distribution for Urban Juve™, Wright & Well™, and preparation in the launch of Jack n Jane™ and NeonMind™, wage expenses are expected to increase significantly.

Gain (Loss) on Sale of Marketable Securities

We disposed of our holding of Vert Infrastructure Ltd. (formerly CROP Infrastructure Corp.) ("Vert") shares and a portion of our Loop Insights Inc. ("Loop") shares during the year ended November 30, 2019 and incurred a gain of $492,378 as compared to gain of $142,060 for the prior year. On November 2, 2018, we exercised 1,250,000 warrants pursuant to a warrant incentive program undertaken by Vert and received an additional 1,250,000 warrants, which are exercisable at $0.50 per share until November 2, 2020.

Unrealized Gain (Loss) on Marketable Securities and Investments

During the year ended November 30, 2019, fair value of our investment in shares of Active Pay Distribution Inc. was written down to $nil, resulting in an unrealized loss of $30,000, fair value of our investment in shares of Melorganics was written down to $nil, resulting in an unrealized loss of $900,000, fair value of our investment in shares and warrants of HeyBryan Media Inc. ("HeyBryan") decreased, resulting in an unrealized loss of $142,954, fair value of our investment in warrants of Vert decreased, resulting in an unrealized loss of $296,256, and fair value of our investment in shares of Loop decreased, resulting in an unrealized loss of $1,041,444. There was a net unrealized loss in our marketable securities and investments of $2,410,654 during the year, as compared to an unrealized gain of $836,728 for the prior year, which was reclassified into deficit upon adoption of *IFRS 9 Financial Instruments* in the current year.

Loss from Investment in Associate

During the year ended November 30, 2019, we recorded a proportionate loss from our investment in Kingdom of $252,465, as compared to a loss from investment in associate of $2,367,766 for the prior year for our investment in Loop. On October 30, 2018, we entered into a Termination and Release Agreement with Loop, whereby our investment was reduced from 11,900,000 common shares to 1,500,000 common shares of Loop. As a result of the reduced share ownership, the investment in Loop was no longer considered an associate and was reclassified to marketable securities.

Loss from Settlement of Accounts Payable

We settled certain accounts payable with shares and units during the year ended November 30, 2019 and incurred a loss of $338,025, compared to a gain of $20,918 for the prior year. However, we consider it beneficial to settle debts with shares as it preserves cash resources to develop our business.

Net Loss

We incurred a net loss of $16,020,988 for the years ended November 30, 2019 as compared to $9,708,037 for the prior year. The increase in loss during the year ended November 30, 2019 compared to the prior year was primarily driven by fees related to our IPO, the launch of Urban Juve™ products and related marketing and advertising expenses, and product development and marketing for the Wright & Well™ brand. We also incurred increased consulting fees and cost of information technologies related to the launch our Urban Juve™ product line and e-commerce website.

Comprehensive Loss

For the year ended November 30, 2019, we had a comprehensive loss of $16,021,814 as compared to $9,460,339 for the prior year.

Dividends

No dividends were declared or paid for the years ended November 30, 2019 and 2018.

SUMMARY OF QUARTERLY RESULTS

Since inception we have generated revenues of $6,804,686.

	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Revenue	$ 146,365	$ 1,895,751	$ 1,176,629	$ 800,499
Net loss	6,215,389	1,869,647	4,146,172	3,789,780
Basic & diluted loss per share	0.07	0.02	0.05	0.04

	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Revenue	$ 639,863	$ 416,650	$ 190,116	$ 1,808,813
Net loss	2,518,900	3,737,120	2,813,669	638,347
Basic & diluted loss per share	0.03	0.05	0.04	0.01

RESULTS OF THE FOURTH QUARTER

The Company's business is generally non-seasonal and its licensing revenue is highly driven by transactions which do not have a seasonal pattern.

For the fourth quarter ended November 30, 2019, the Company generated revenue of $146,000 including $86,000 licensing revenue and $60,000 consulting revenue as compared to revenue of $639,000 including $83,000 licensing revenue and $556,000 consulting revenue for the same period of the prior year. The Company incurred net loss of $6,215,000 which is primarily due to operational expenses to expand and develop our product lines, and to promote and increase awareness for our corporate brand and our new product lines.

LIQUIDITY

	November 30, 2019		November 30, 2018	
Current ratio[1]		0.95		3.31
Cash	$	145,140	$	36,211
Working capital surplus (deficit) [2]	$	(91,697)	$	1,789,550
Debt[3]	$	-	$	-
Equity attributable to Yield Shareholders	$	1,172,925	$	1,329,204

(1) Current ratio is current assets divided by current liabilities.
(2) Working capital is current assets minus current liabilities
(3) Debt is defined as any commercial debt.

Cash Position

As at November 30, 2019, we had $145,140 of cash as compared to $36,211 at November 30, 2018. For the year ended November 30, 2019, cash used in operating activities was $11,974,533, consisting of operating expenditures during the year to support our Urban Juve™ wellness product line and Wright & Well™ THC/CBD infused product line, and development of other product lines and formulas, as compared to cash used in operating activities of $4,091,887 for the prior year which was driven by operating expenses and increase in due to related parties. Cash provided by investing activities was $597,627 for the year ended November 30, 2019, driven by proceeds from the sale of marketable securities and offset by the purchase of equipment and website development costs as compared to cash provided by investing activities of $776,122 for the prior year driven by proceeds from the sale of marketable securities and termination fees from termination of licensing agreements, offset by purchase of equipment and marketable securities. Cash provided by financing activities was $11,486,660 for the year ended November 30, 2019, which was primarily from proceeds received from the issuance of common shares through IPO and issuance of special warrants through private placements, as well as the exercise of warrants and options by investors, as compared to $1,926,596 for the prior year, consisting mainly of proceeds from the issuance of common shares through private placements.

Working Capital

We had a working capital deficit of $91,697 as at November 30, 2019 as compared to a working capital surplus of $1,789,550 as at November 30, 2018. The decrease in working capital was primarily due to an increase in accounts payable and a decrease in fair value of marketable securities, offset by an increase in cash from IPO and special warrant subscriptions, and an increase in accounts receivable and inventory.

CAPITAL RESOURCES AND MANAGEMENT

As at November 30, 2019, we had cash of $145,140.

We are authorized to issue an unlimited number of common shares. As at November 30, 2019, there were 105,266,019 common shares issued and outstanding. We also had 39,795,907 share purchase warrants with weighted average exercise price of $1.25 and 13,597,828 stock options with weighted average exercise price of $0.46.

Our objective is to maintain a strong capital base to support the development of the business including the commercialization of over 200 formulas for cannabis and mushroom infused beverages, topicals, edibles and wellness products, including launching products through our own brands of commercialization of over 200 formulas for cannabis and mushroom infused beverages, topicals, edibles and wellness products, including launching products through our own brands of Urban Juve™, Wright & Well™, Jack n Jane™ and NeonMind™.

OFF-BALANCE SHEET ARRANGEMENTS

As at November 30, 2019 and 2018, we had no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

During the years ended November 30, 2019, and 2018, compensation of key management personnel and related parties were as follows:

	November 30, 2019	November 30, 2018
Consulting fees	$ 350,675	$ 1,084,287
Wages	718,966	249,424
Office and administration	–	4,500
Share-based compensation	1,306,909	1,865,827
	$ 2,376,550	$ 3,204,038

As at November 30, 2019, we owed $17,189 (2018 - $22,925) to the Chief Financial Officer ("CFO") of the Company and a company controlled by the CFO of the Company, which is included in accounts payable and accrued liabilities, and is unsecured, non-interest bearing, and due on demand.

As at November 30, 2019, we owed $3,227 (2018 - $580), of which $2,647 (2018 - $nil) is included in accounts payable and accrued liabilities, to a former director, Krystal Pineo, and a company controlled by the former director of the Company, KP Capital Inc., which is unsecured, non-interest bearing, and due on demand.

During the year ended November 30, 2019, we recognized licensing revenue of $1,492,466 (2018 - $nil) and consulting revenue of $3,564 (2018 - $2,580) from a company where the President and CEO of the Company and a former director of the Company are officers and directors. As at November 30, 2019, we held a deposit of $42,000 (2018 - $nil) for the purchase of products and a retainer of $6,525 (2018 - $6,525) from the related company, which are included in deferred revenue.

During the year ended November 30, 2019, we recognized consulting revenue of $1,014,424 (2018 - $762,742) from a company with common directors and officers and where the President and CEO of the Company is a significant shareholder. As at November 30, 2019, we were owed $41,556 (November 30, 2018 - $61,739) from the related company, and we held a deposit of $10,000 (November 30, 2018 - $10,000) from the related company, which is included in deferred revenue.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Significant areas requiring the use of estimates include the collectability of accounts receivable, the impairment of inventory, the useful life and carrying value of equipment and intangible assets, impairment of marketable securities and fair value of marketable securities without a public market, deferred revenue, fair value of share-based compensation, and measurement of unrecognized deferred income tax assets.

Judgments made by management in the application of IFRS that have a significant effect on the consolidated financial statements include the factors that are used in determining the application of the going concern assumption which requires management to consider all the available information about the future, which is at least but not limited to, 12 months from the year end of the reporting period.

Significant areas requiring the use of judgments made by management also include license and revenue contracts with multiple obligations and website development costs, which related to the development of e-commerce websites for Urban Juve and W&W Manufacturing. Management's judgment with respect to contracts with multiple performance obligations are determined based on identifying distinct goods or services and uses judgement to estimate the proportion of each distinct good or service within a contract. For website development, management will realize significant economic benefit to justify the capitalization of all costs relating to their development. All operational website costs incurred after their launch will be expensed as incurred. Urban Juve website costs are being amortized on a straight-line basis over an estimated useful life of 3 years. Website costs for the W&W Manufacturing website are not being amortized as it is not yet ready for use. Amortization will commence once the website launches.

Application of New and Revised Accounting Standards

(a) IFRS 9 - Financial Instruments ("IFRS 9")

We adopted all the requirements of IFRS 9 on December 1, 2018. IFRS 9 replaces *IAS 39, Financial Instruments: Recognition and Measurement* ("IAS 39"). IFRS 9 utilizes a revised model for recognition and measurement of financial instruments in a single, forward-looking "expected loss" impairment model.

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains three primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income (FVTOCI), and fair value through profit and loss (FVTPL).

The following is our new accounting policy for financial instruments under IFRS 9:

<u>Classification and subsequent measurement</u>

We completed a detailed assessment of our financial assets and liabilities as at December 1, 2018. The following table shows the original classification under *IAS 39* and the new classification under IFRS 9:

Financial instrument	Original Classification IAS 39	New Classification IFRS 9
Cash & cash equivalents	FVTPL	Amortized cost
Amounts receivable	Loans & receivables	Amortized cost
Marketable securities (shares)	Available-for-sale	FVTPL
Marketable securities (warrants)	Held-for-trading	FVTPL
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost
Due to related parties	Other financial liabilities	Amortized cost

Upon adoption of IFRS 9, the Company classified its investments at fair value through profit or loss retrospectively without restatement of comparative amounts, resulting in a reclassification of $836,728 from accumulated other comprehensive income to deficit on December 1, 2018. Future changes in the fair value of these investments will be recorded directly in the consolidated statement of operations. There was no other significant impact to the consolidated financial statements in relation to the adoption of IFRS 9.

(b) IFRS 15 - Revenue from Contracts with Customers ("IFRS 15")

On December 1, 2018, we adopted the requirements of IFRS 15. IFRS 15 covers principles that an entity shall apply to report useful information to users of the financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. We elected to apply IFRS 15 using a full retrospective approach. We have completed our assessment and there was no significant impact on the recognition or measurement of our revenue from customers.

Accounting Standards Issued but Not Yet Effective

Certain pronouncements have been issued by the IASB, or the IFRS Interpretations Committee that are mandatory for accounting years beginning on or after our fiscal year commencing December 1, 2019, or later years.

IFRS 16 - Leases ("IFRS 16")

We have not early adopted this new standard and does not believe the adoption of this standard will have a material impact on our consolidated financial statements. Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or not expected to have a significant impact on our consolidated financial statements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on our consolidated statement of financial position as at November 30, 2019, as follows:

The fair values of other financial instruments, including amounts receivables, accounts payable and accrued liabilities, and amounts due from and to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Balance November 30, 2019
Marketable securities	$118,491	$12,123	–	$130,614

Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligation. Our credit risk is primarily attributable to accounts receivable. We minimize our credit risk associated with our cash balance by dealing with major financial institutions in Canada. Accounts receivable is primarily comprised of trade accounts receivable and harmonized sales tax due from the Canadian government. The carrying amount of financial assets represents the maximum credit exposure.

Foreign Exchange Rate and Interest Rate Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in foreign exchange rates. We are exposed to foreign currency risk to the extent that the following monetary assets and liabilities are denominated in US dollars:

	November 30, 2019	November 30, 2018
	USD	USD
Cash	$ 5,633	$ 5,705
Accounts payable and accrued liabilities	(237,126)	(22,785)
Net exposure	$ (231,493)	$ (17,080)
Canadian dollar equivalent	$ (307,631)	$ (22,724)

A 10% change in the foreign exchange rate of US dollars is not expected to have a material impact on the consolidated financial statements.

We are not exposed to any significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting financial obligations due to shortage of funds. We manage liquidity risk by maintaining sufficient cash balances and adjusting our operating budget and expenditure. Liquidity requirements are managed based on expected cash flows to ensure that there are sufficient funds to meet short-term and specific obligations.

Price Risk

We are exposed to price risk with respect to our marketable securities, which consists of common shares and warrants held in publicly-traded companies and profitability depend upon the market price or the fair value of the common shares for those companies. The market price or the fair value of the common shares of those companies can fluctuate significantly, and there is no assurance that the future market price or the fair value of those companies will not decrease significantly.

Commitments

We have entered into multiple non-cancellable binding purchase orders for operational items that have yet to be fulfilled as of November 30, 2019, as well as various agreements for warehousing, marketing & investor relations, and consulting. Our annual contractual commitments for the next five years related to these items are as follows:

	Payments Due by Period:				
	Less than 1 Year	1-3 Years	4-5 Years	After 5 Years	Total
Purchase Commitments	$ 86,596	$ –	$ –	–	$ 86,596
Services Contracts	90,468	15,000	–	–	105,468
Rental Lease	100,477	185,096	30,849	–	316,422
	$ 277,541	$ 200,096	$ 30,849	–	$ 508,486

Other Commitments:

On September 2, 2017, our wholly-owned subsidiary, Urban Juve™, entered into an Asset Purchase and Distribution Agreement whereby Urban Juve™ was granted exclusive and international distribution rights to various plant and root-based products developed by a supplier. The term of the agreement is for twenty years and will be automatically renewed for twenty additional years unless terminated by the parties. As consideration for the distribution rights, we issued 3,600,000 common shares with a fair value of $180,000, paid an initial payment of $6,000 on the effective date of the agreement, and paid a second payment of $30,000 upon completion of our initial public offering. Urban Juve™ will also pay a royalty fee of 10% of the net revenues from the sale of any products under the agreement.

On September 2, 2017, in conjunction with the Asset Purchase and Distribution Agreement, Urban Juve™ entered into a consulting agreement with the same supplier whereby the supplier would create new products specifically for Urban Juve™ and provide consulting services on an ongoing basis. The term of the agreement is two years and will be automatically renewed for one additional year unless terminated by the parties. In consideration for the consulting services, Urban Juve™ will pay consulting fees of $5,000 per month, which will increase to $10,000 per month upon Urban Juve™ achieving $40,000 in monthly net revenues on the sale of the products.

On December 30, 2017, Urban Juve™ entered into an Asset Purchase and Distribution Agreement whereby Urban Juve™ would be granted exclusive Canadian distribution rights to various plant and root-based products developed by a supplier. The term of the agreement is for twenty years and will be automatically renewed for twenty additional years unless terminated by the parties. As consideration for the distribution rights, we paid $50,000 on the effective date of the agreement. Urban Juve™ will also pay a royalty fee of 10% of the net revenues (as defined in the agreement) from the sale of any products under the agreement.

CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all material information related to the Company, including our consolidated subsidiaries, is made known to senior management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") on a timely basis so that appropriate decisions can be made regarding public disclosure.

Internal Control over Financial Reporting ("ICOFR")

Our management, with the participation of our CEO and CFO, are responsible for establishing and maintaining adequate internal control over financial reporting. Under the supervision of the CEO and CFO, our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Our internal control over financial reporting includes policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS and that our receipts and expenditures are made only in accordance with authorization of management and our directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the annual or interim financial statements.

Limitations on the Effectiveness of Disclosure Controls and the Design of ICOFR

Our management, including the CEO and CFO, do not expect that our disclosure controls and procedures and ICFR will prevent all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable assurance that the control system objectives will be met. The likelihood of achievement is affected by limitations inherent in all internal control systems. These inherent limitations include the realities that judgments or decision making can be faulty, and that breakdowns occur because of simple errors or mistakes. Controls can also be circumvented in numerous ways including collusion, overrides and deception. In addition to the inherent limitations, the design of a control system must reflect that there are resource constraints, and the expected benefit of controls must be considered relative to the expected costs. Due to inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected. Further, no evaluation of controls can provide absolute assurance that all control issues within a company will be detected.

SUBSEQUENT EVENTS

Subsequent to November 30, 2019, the Company closed the following special warrant tranches:

- On December 6, 2019, the Company issued 1,262,500 special warrants at a price of $0.20 per special warrant for aggregate proceeds of $252,500. Each special warrant is exercisable without payment of additional consideration for one unit of the Company, where each unit consists of one common share of the Company and one share purchase warrant exercisable at $0.25 for a period of six months from the date of issuance for an additional common share of the Company. These units were qualified for distribution upon the deemed exercise of the special warrants on December 10, 2019.

- On December 20, 2019, the Company issued 1,731,291 special warrants at a price of $0.25 per special warrant for aggregate proceeds of $432,823. Each special warrant is exercisable without payment of additional consideration for one unit of the Company, where each unit consists of one common share of the Company and one share purchase warrant exercisable at $0.265 for a period of one year from the date of issuance for an additional common share of the Company. These units were qualified for distribution upon the deemed exercise of the special warrants on December 30, 2019.

- On January 3, 2020, the Company issued 2,483,332 special warrants at a price of $0.15 per special warrant for aggregate proceeds of $372,500. Each special warrant is exercisable without payment of additional consideration for one unit of the Company, where each unit consists of one common share of the Company and one share purchase warrant exercisable at $0.195 for a period of six months from the date of issuance for an additional common share of the Company. These units were qualified for distribution upon the deemed exercise of the special warrants on January 9, 2020.

- On February 6, 2020, the Company issued 226,071 special warrants at a price of $0.28 per special warrant for aggregate proceeds of $63,300. Each special warrant is exercisable without payment of additional consideration for one unit of the Company, where each unit consists of one common share of the Company and one share purchase warrant exercisable at $0.29 for a period of one year from the date of issuance for an additional common share of the Company. These units were qualified for distribution upon the deemed exercise of the special warrants on February 11, 2020.

- On February 14, 2020, the Company issued 1,363,300 special warrants at a price of $0.20 per special warrant for aggregate proceeds of $272,660. Each special warrant is exercisable without payment of additional consideration for one unit of the Company, where each unit consists of one common share of the Company and one share purchase warrant exercisable at $0.26 for a period of 16 months from the date of issuance for an additional common share of the Company. These units were qualified for distribution upon the deemed exercise of the special warrants on February 20, 2020.

- On March 6, 2020, the Company issued 3,840,625 special warrants at a price of $0.16 per special warrant for aggregate proceeds of $614,500. Each special warrant is exercisable without payment of additional consideration for one unit of the Company, where each unit consists of one common share of the Company and one share purchase warrant exercisable at $0.20 for a period of nine months from the date of issuance for an additional common share of the Company. These units were qualified for distribution upon the deemed exercise of the special warrants on March 11, 2020.

- On April 2, 2020, the Company issued 5,000,000 special warrants at a price of $0.10 per special warrant for aggregate proceeds of $500,000. Each special warrant is exercisable without payment of additional consideration for one unit of the Company, where each unit consists of one common share of the Company and one share purchase warrant exercisable at $0.13 for a period of one year from the date of issuance for an additional common share of the Company. These units were qualified for distribution upon the deemed exercise of the special warrants on April 7, 2020.

Subsequent to November 30, 2019, the Company granted the following stock options:

- The Company granted 150,000 stock options to an employee and a consultant, which are exercisable at $0.245 per share for a period of five years. The stock options are subject to a 4 month hold period and vest every 3 months thereafter for a period of 2 years in 8 equal tranches.

- The Company granted 1,300,000 stock options to officers of the Company, which are exercisable at $0.195 per share for a period of five years. The stock options vest every quarter over 2.5 years in 10 equal tranches, with the first tranche to vest 4 months after the grant date.

- The Company granted 400,000 stock options to a director of the Company, which are exercisable at $0.28 per share for a period of five years. The stock options have a vesting schedule of 25% at 4 months, 6 months, 9 months and 12 months after the grant date.

- The Company granted 100,000 stock options to an employee, which are exercisable at $0.28 per share for a period of five years. The stock options vest over 30 months in 10 equal tranches commencing 4 months after the grant date.

- The Company granted 200,000 stock options to a consultant, which are exercisable at $0.285 per share for a period of five years. 100% of the stock options vest 4 months after the grant date.

- The Company granted 50,000 stock options to an employee, which are exercisable at $0.21 per share for a period of five years. The stock options vest over 30 months in 10 equal tranches commencing 4 months after the grant date.

- The Company granted an aggregate of 1,18,000 stock options to its directors, officers, employees and consultants, which are exercisable at $0.21 per share for a period of five years. The stock options fully vest 4 months after the grant date.

- The Company granted 100,000 stock options to a consultant, which are exercisable at $0.205 per share for a period of five years. The stock options vest over 8 equal quarters, commencing 4 months after the grant date.

- The Company granted 100,000 stock options to an employee, which are exercisable at $0.205 per share for a period of five years. 20% of the stock options vest 6 months after the grant date, and 10% in each quarter thereafter.

Subsequent to November 30, 2019, the Company closed a private placement for 1,000,000 units of the Company at a price of $0.25 per unit for gross proceeds of $250,000. Each unit consists of one common share and one share purchase warrant exercisable at $0.265 per share for a period of 12 months from the date of issuance.

Subsequent to November 30, 2019, a new wholly-owned subsidiary, Jack n Jane Essentials Inc. (“Jack n Jane”), was incorporated in the province of British Columbia, Canada.

The following events were subsequent to November 30, 2019 and relate to the Company’s subsidiary, NeonMind:

- NeonMind closed private placements totalling 12,076,500 units at a price of $0.05 per unit for aggregate proceeds of $603,825. Each unit consists of one common share and one share purchase warrant exercisable at $0.50 per share for a period of two years from the date of issuance. In connection with the private placements, NeonMind paid total finder's fees of $52,233 and issued 1,044,650 finder's warrants exercisable at $0.05 per share for a period of two years.

- NeonMind closed multiple private placements for a total of 537,500 units at a price of $0.08 per unit for aggregate proceeds of $43,000. Each unit consists of one common share and one share purchase warrant exercisable at $0.40 per share for a period of two years from the date of issuance.

- NeonMind granted 1,100,000 stock options to an advisor, officer and employee. The options are exercisable at $0.05 per share for a period of five years, and vest immediately.

- NeonMind granted 10,000,000 stock options to its directors, which are exercisable at $0.02 per share for a period of five years. The stock options will vest on the earlier of: (a) $1,000,000 in financing being completed by NeonMind, or, (b) a preliminary prospectus being filed for NeonMind.

- NeonMind granted 1,000,000 stock options to its officers, which are exercisable at $0.05 per share for a period of five years. The stock options vest every 3 months over a 30-month period in 10 equal tranches.

- NeonMind granted 100,000 stock options to an advisor. The options are exercisable at $0.10 per share for a period of five years, and vest immediately.

- NeonMind issued 210,000 units with a fair value of $10,500 to an officer in exchange for consulting services. Each unit consists of one common share and one share purchase warrant exercisable at $0.50 per share for a period of two years from the date of issuance.

- NeonMind acquired 5,825,000 common shares of Translational Life Sciences Inc. ("TLS"), which makes up approximately 18% of TLS, in exchange for 15,000,000 units of NeonMind. Each unit consists of one common share and one share purchase warrant exercisable at $0.50 per share for a period of two years from the date of issuance.

- NeonMind entered into a license agreement with Kingdom, whereby NeonMind granted Kingdom the rights to use and sublicense its mushroom extract manufacturing technology in the United States, in exchange for $500,000, payable in 5,000,000 common shares of Kingdom.