



**(formerly Eurolife Brands Inc.)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE THREE MONTHS ENDED MARCH 31, 2021  
(Expressed in Canadian Dollars)**

## INTRODUCTION

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This management discussion and analysis (“**MD&A**”), prepared on May 28, 2021, should be read in conjunction with the unaudited consolidated financial statements for the period ended March 31, 2021 and the audited consolidated financial statements for the period ended December 31, 2020. All amounts are stated in Canadian dollars unless otherwise indicated. These financial statements together with this MD&A are intended to provide investors with a reasonable basis for assessing the financial performance of Plant & Co. Brands Ltd. (“the **Company**” or “**Plant&Co.**”).

Management of the Company is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures, and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, are complete and reliable. The Company’s board of directors (the “**Board**”) follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Company’s Audit Committee meets with management quarterly to review the financial statements and the MD&A and to discuss other financial, operating and internal control matters. The read is encouraged to review the Company’s statutory filing on [www.sedar.com](http://www.sedar.com).

## CAUTION REGARDING FORWARD-LOOKING STATEMENTS

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This MD&A contains certain statements that constitute forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as “expects”, “anticipates”, “believes”, “intends”, “estimates”, “potential”, “possible”, and similar expressions, or statements that events, conditions or results “will”, “may”, “could”, or “should” occur or be achieved. The forward-looking statements may include statements regarding exploration results and budgets, mineral resource estimates, work programs, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties, and other factors. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company’s expectations include uncertainties involved in disputes and litigation, fluctuations in commodity prices and currency exchange rates; uncertainty of estimates in capital and operating costs, recovery rates, production estimates and economic return; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; uncertainty regarding legalization; uncertainty regarding changes in laws, regulations and guidelines; and uncertainty as to timely availability of licenses, permits and other government approvals and other risks and uncertainties disclosed in other information released by the Company from time to time and filed with the appropriate regulatory agencies.

It is the Company’s policy that all forward-looking statements are based on the Company’s beliefs and assumptions, which are based on information available at the time these assumptions are made. The forward-looking statements contained herein are as at May 27, 2021 and are subject to change after this date and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws. Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is a significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties, and other factors such as those described above. The Company has no policy for updating forward-looking information beyond the procedures required under applicable securities laws.

Additional information related to the Company is available for view on SEDAR at [www.sedar.com](http://www.sedar.com) or by requesting further information from the Company’s head office in Vancouver.

## Company Background

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The Company was incorporated pursuant to the Canada Business Corporations Act on November 24, 2014 under the name Vapetronix Inc. The Company's corporate office is located at Suite 400 – 1681 Chestnut Street, Vancouver, British Columbia V6J 4M6. On June 23, 2017, the Company continued from the federal jurisdiction to the jurisdiction of British Columbia under the name Vapetronix Holdings Inc.

On April 2, 2015, the Company was acquired by PUF Ventures Inc., now AgraFlora Organics International Inc. ("**AGRA**"), a company listed on the Canadian Securities Exchange ("CSE"), pursuant to a share exchange agreement and the Company became a wholly-owned subsidiary of AGRA.

On September 7, 2017, the Company entered into an arrangement agreement with AGRA, whereby AGRA will distribute 100% of the common shares of the Company to the shareholders of AGRA on a pro rata basis. Effective October 4, 2017 each shareholder of AGRA received one common share of the Company for every 7 common shares of AGRA held. On closing of the arrangement on January 16, 2018, AGRA transferred its assets to the Company and the Company became a reporting issuer in the Provinces of British Columbia, Alberta and Ontario.

On September 11, 2017, the Company changed its name from Vapetronix Holdings Inc. to Weed Points Loyalty Inc. and on December 13, 2017, the Company changed its name from Weed Points Loyalty Inc. to Cannvas MedTech Inc. On July 13, 2018 the Company listed its common shares for trading on the CSE under the symbol "MTEC".

On August 12, 2019, the Company changed its name from Cannvas MedTech Inc. to Eurolife Brands Inc. and its symbol to "EURO" on the CSE. Concurrent with the name change, the Company effected a subdivision of its common shares on the basis of 4 new common shares for every one common share held.

On December 4, 2020, the Company changed its name from Eurolife Brands Inc. to Plant&Co. Brands Ltd. and changed its symbol on the CSE to "VEGN".

The Company shares continue to trade on the CSE under the symbol "VEGN", on the Frankfurt Stock Exchange as "VGP" and on the over-the-counter pink sheets as "VGANF".

## Company Operations

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Plant & Co. is a vertically integrated enterprise focused on the health and wellness sector. In 2019 the company followed a business model which focused on growth opportunities within the health and wellness sector in the European market. This focus has now shifted to the North American market and is reflected in three recent acquisitions the Company has made in the plant-based food sector. These three acquisitions establish the foundation to which Plant & Co will grow its operations in 2021.

Prior to the shift in focus to the plant-based food and wellness sector, Plant & Co. established three distinct technology platforms focused on the health and wellness aspects of CBD and THC products. These platforms will continue to be utilized albeit to a lesser degree within the overall operations of the Company.

With the acquisition of these plant-based focused businesses, Plant & Co. has established immediate revenue generation and profitability. The Company will continue to grow this base as well as acquire additional assets that provide synergies to existing assets as well as expand the product base and geographical footprint of the business.

## Company Highlights for the year mid-2019 to date and Outlook

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During the later part of 2019 and throughout 2020, the Company completed a number of transactions that have enhanced the operations of the Company and allowed it to develop its footprint in the plant-based market.

- On July 29, 2019, the Company entered into a share exchange agreement with 1216165 BC Ltd, for the issuance of 20,000,000 common shares of the Company at a deemed price of \$0.20 per common share. The Company has acquired the exclusive license to develop and market products under the trade name of True Focus utilizing proprietary intellectual property in the jurisdictions of South America, Albania, Belarus, Bosnia, Kosovo, Moldova, Montenegro, Russia, Serbia, Turkey and Ukraine.
- On November 26, 2019, the Company entered into an asset purchase agreement with 9385-4594 Quebec Inc., ("Quebec Co") whereby the Company will acquire all of the proprietary intellectual property of Quebec Co in the jurisdictions of Europe, South America, United States and Canada with an option and first right of approval on all

other global jurisdictions. On January 10, 2020, the transaction closed and the Company issued 566,667 common shares to Quebec Co. for a value of \$226,667.

The assets include trade names patented around the world for the Comfort, Bold and Delicious suite of hot sauces, formulas and formulations of the product.

- On January 15, 2020, the Company issued 1,211,000 units pursuant to a non-brokered private placement raising gross proceeds of \$605,500. Each unit consisted of one common share at \$0.50 and one transferable common share purchase warrant exercisable at \$0.75 per common share until January 15, 2022.
- On April 2, 2020 the Company announced a one month reprice for an aggregate of 5,929,592 common share purchase warrants (the "Warrants") to \$0.50 per common share until May 4, 2020. 150,000 common shares were exercised and issued for proceeds of \$75,000.
- On April 23, 2020 the Company entered into a Letter of Intent to acquire 100% of the issued and outstanding securities of CWE European Holdings Inc. ("CWE"), a Canadian Corporation, which owns and operates HANF Hemp Stores ("HANF") in Germany and Luxembourg. The transaction was terminated later in 2020 due to COVID related issued that effected both companies.
- On May 15, 2020, the Company signed a definitive agreement with Empower Clinics Inc. The agreement grants Empower an exclusive license to Company's Cannvas.me cloud based online educational platform in certain international jurisdictions which include six corporate clinics in Arizona, Oregon, and Oklahoma. The agreement includes a \$70,000 per year 3-year term with a 3-year renewable option plus a one-time share issuance of 100,000 worth of Empower Clinic Stock.
- On July 3, 2020, the Company effected a consolidation of its issued and outstanding common shares on the basis of one new common share for every ten common shares held.
- On August 11, 2020, the Company completed a non-brokered private placement for gross proceeds of \$1,076,400 through the issuance of 5,979,999 common shares of the Company at a price of \$0.18 per share.
- On September 18, 2020 the company announced that it has appointed Mr. Jerry Habuda to the Board of Directors.
- On October 27, 2020, the Company entered into an asset purchase agreement with Plant and Co. Marche Inc. ("Marche") whereby the Company agreed to purchase the assets of Marche for consideration of 2,336,000 common shares with a fair value of \$209,862. In connection with the purchase agreement, the Company issued 200,000 common shares with a fair value of \$17,968 as finders fees.

Marche is a Toronto based hybrid health and wellness brand offering niche products catering to health and wellness conscious consumers with a focus on plant-based, vegan, vegetarian, and specialty immune boosting products.

- On December 14, 2020, the Company completed a non-brokered private placement for gross proceeds of \$4,200,500 through the issuance of 21,002,500 units at \$0.20 per unit. Each unit consists of one common share and one common 2 year share purchase warrant exercisable into common shares of the Company at a price of \$0.25 per share
- On January 18, 2021, pursuant to a share purchase agreement, the Company acquired 100% of the issued and outstanding common shares of 2574578 Ontario Inc. and JDB Innovations Ltd., collectively referred to as "**Yamchops**" in exchange for payment of \$770,000 and the issuance of 344,828 common shares of the Company.

Yamchops is a plant-based butcher and marketplace restaurant offering protein alternatives, prepared foods, meals and specialty food products in Toronto. Yamchops is preparing for several franchise locations in North America.

- On February 12, 2021 the Company via its wholly owned subsidiary Plant & Company Brands Group Inc. completed an amalgamation with Holy Crap Brands Inc. ("**Holy Crap Brands**") whereby the Company issued 29,300,000 common shares and 4,000,000 share purchase warrants entitling the current Holy Crap Brands warrant holders to purchase one common share of the Company at a price of \$0.40.

Holy Crap Brands produces a high fiber plant based super-seed nutritional cereal that is sold online and in retail locations across Canada.

- Throughout the year the Company continued to operate its Nation-wide Cannabis Retail Budtending Education Program with Aphria Inc., an online education portal, accessed by many hundreds of cannabis retailers and staff across Canada.

## FINANCIAL PERFORMANCE

### SELECTED FINANCIAL INFORMATION

	For the Three months ended March 31, 2021	For the Three months ended March 31, 2020
Total Revenue	261,935	48,250
Net (loss) for the period	(4,070,087)	(1,217,492)
Net (loss) per share	(0.05)	(0.03)
Total comprehensive (loss)	(4,070,087)	(1,217,492)

  

	As at March 31, 2021	As at December 31, 2020
Total assets	11,865,584	5,291,133
Total long term financial liabilities	1,141,945	799,242
Working capital	1,891,777	4,029,124
Capital expenditures	nil	2,845

### RESULTS OF OPERATIONS

The following paragraphs provide information about the results of the Company's on-going operations for the three months ended March 31, 2021 and 2020.

#### **Revenue**

For the three months ended March 31, 2021 the Company generated revenue of \$261,935 as compared to \$48,250 for the corresponding period of 2020. Revenue is generated mostly from the sales of products by the two acquired entities Yamchops and Holy Crap Brands.

#### **Net Loss for the period-end**

For the three months ended March 31, 2021, the Company recorded a net loss of \$4,070,087 as compared to a net loss of \$1,217,482 for the respective period of 2020. The increased loss was primarily due to higher General and administrative costs and increased Share based compensation.

#### **General and administrative expense**

For the three months ended March 31, 2021, general and administrative expense totaled \$2,405,085 compared to \$768,649 for the corresponding period in 2020. General and administrative costs were higher as compared to the same period 2020 mostly due to increased advertising, marketing and business development costs which were higher due to a reorientation of the company from the cannabis sector to the plant based food sector.

The following table provides a breakdown of general and administrative expense for the three months ended March 31:

	2021	2020
Accounting and legal	77,285	26,798
Advertising and marketing	1,464,668	362,986
Investor relations	172,348	16,760
Consulting	315,677	98,201
Office and sundry	27,936	120,473
Business development	257,026	127,508
Hosting, licenses and subscriptions	20,658	15,923
Salaries and wages	69,487	-
<b>Total General and Administrative</b>	<b>2,405,085</b>	<b>768,649</b>

### **Share Based Compensation**

For the three months ended March 31, 2021 share-based compensation totaled \$2,197,449 as compared to \$398,070 for the corresponding period of 2020. The Company uses share-based compensation as a supplement to regular compensation in order to conserve cash. Instantaneous vesting provisions create a large expense during the period.

### **Depreciation and amortization expense**

The carrying value of computers, furniture and fixtures, leasehold improvements, right of use assets and vehicles on March 31, 2021 is \$921,839 (December 31, 2020- \$278,942). Amortization expense for these capital assets for the period ended March 31, 2021 was \$75,677 (2020 - \$19,679).

### **Capital expenditures and acquisitions**

The Company had \$709,202 of capital additions in the quarter ended March 31, 2021 due to the two corporate acquisitions.

### **SUMMARY OF QUARTERLY FINANCIAL RESULTS**

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The following is a summary of selected financial information compiled from the quarterly interim unaudited financial statements for the eight quarters ending December 31, 2020:

<b>Quarter Ended</b>	<b>Revenue</b>	<b>Loss for the Period (\$)</b>	<b>Loss per Share-Basic (\$)</b>
<b>31-Mar-21</b>	<b>261,935</b>	<b>(4,070,087)</b>	<b>(0.05)</b>
31-Dec-20	(29,392)	(2,370,520)	(0.05)
30-Sep-20	36,934	(551,553)	(0.01)
30-Jun-20	46,333	(240,101)	(0.01)
31-Mar-20	54,129	(1,217,492)	(0.03)
31-Dec-19	72,900	(2,044,324)	(0.30)
30-Sep-19	2,400	(2,035,786)	(0.10)
30-Jun-19	2,050	(1,273,132)	(0.30)

## LIQUIDITY AND CAPITAL RESOURCES

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### ***Cash and Working Capital***

The Company's cash on hand at March 31, 2021 is \$1,267,112 down from \$4,136,250 as at December 31, 2020, mostly due to the Yamchops corporate acquisition and higher general and administrative costs. Company had a working capital surplus of 1,891,777 on March 31, 2021 down from \$4,029,124 as at December 31, 2020.

As at the date of this MD&A, the Company has sufficient working capital to meet its ongoing financial obligations for the coming year.

### ***Cash Used in Operating Activities***

For the three months ended March 31, 2021, cash flows used in operating activities was \$2,157,703 as compared to \$402,878 in the same period of 2020. Cash used in operating activities was used for general operating activities.

### ***Outstanding Share Data***

The common shares of the Company trade on the CSE under the symbol "VEGN".

As at March 31, 2021 the Company has 98,265,831 shares issued and outstanding (2020 – 67,813,414).

On July 3, 2020 the Company completed a 10:1 share consolidation. All share numbers have been retroactively restated to reflect the consolidation.

The following individual transactions occurred throughout the periods of 2019 and 2020.

On January 18, 2019, the Company issued 600,000 common shares to directors and officers of the Company on exercise of stock options for proceeds of \$420,000.

On January 18, 2019, the Company issued 23,481 common shares with a fair value of \$17,611 for settlement of \$17,611 of accounts payable to consultants.

On January 21, 2019, the Company issued 400,000 common shares to directors and officers of the Company for milestone achievements attained during the period.

On January 24, 2019, the Company issued 195,000 common shares with a fair value of \$146,250 for settlement of \$146,250 of accounts payable to directors and consultants.

On March 26, 2019, the Company issued 15,200 common shares to a consultant of the Company with a fair value of \$10,070 as settlement for services rendered.

On March 27, 2019, the Company issued 300,000 common shares to a consultant of the Company on exercise of stock options for proceeds of \$187,500.

On June 11, 2019, the Company cancelled 544,000 common shares issued to directors and officers of the Company for exercised stock options that remained unpaid.

On June 26, 2019, the Company issued 1,193,540 common shares to directors and officers of the Company for milestone achievements attained during the period.

On July 9, 2019, the Company issued 302,439 common shares with a fair value of \$155,000 for settlement of \$155,000 of services rendered by consultants.

On July 16, 2019, the Company issued 2,003,000 common shares at a price of \$0.50 per share for gross proceeds of \$1,001,500 pursuant to a non-brokered private placement of units. Each unit consists of one common share and one common share purchase warrant entitling the holder to acquire an additional common share at \$0.75 per share. In addition, 15,000 finder's warrants were granted with a fair value of \$3,821 which was calculated using the Black-Scholes Option Pricing Model with the following inputs: expected price volatility of 95%, risk free interest rates of 1.56%, expected life of 2 years and no dividend yield.

On July 24, 2019, the Company issued 1,012,000 common shares at a price of \$0.50 per share for gross proceeds of \$506,000 pursuant to a non-brokered private placement of units. Each unit consists of one common share and one common share

purchase warrant entitling the holder to acquire an additional common share at \$0.75 per share. In addition, 16,900 finder's warrants were granted with a fair value of \$4,402, which was calculated using the Black-Scholes Option Pricing Model with the following inputs: expected price volatility of 95%, risk free interest rates of 1.43%, expected life of 2 years and no dividend yield.

On July 26, 2019, the Company issued 1,190,000 common shares at a price of \$0.50 per share for gross proceeds of \$595,000 pursuant to a non-brokered private placement of units. Each unit consists of one common share and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share at a price of \$0.75 per share for a period of 2 years.

On August 7, 2019, the Company issued 8,800,000 common shares with a fair value of \$880,000 as part of a share for share exchange to acquire licenses (Note 5).

On August 7, 2019, the Company issued 1,160,000 common shares to directors and officers of the Company for milestone achievements attained during the year.

On August 13, 2019, the Company issued 104,400 common shares to a consultant of the Company on exercise of stock options for proceeds of \$78,300.

On September 24, 2019, the Company issued 7,000 common shares to a consultant of the Company on exercise of stock options for proceeds of \$5,950.

On October 21, 2019, the Company issued 80,000 common shares to a consultant of the Company on exercise of stock options for proceeds of \$58,400.

On November 22, 2019, the Company granted an aggregate of 270,500 incentive stock options to certain consultants. The options are exercisable at \$0.50 per common share for a period of 2 years. 116,000 of these options were exercised on January 25, 2021.

On November 27, 2019, the Company issued 151,309 common shares for settlement of \$83,220 of services rendered by consultants.

On December 4, 2019, the Company issued 625,284 common shares to a consultant and a director of the Company on exercise of stock options for proceeds of \$327,906.

As at December 31, 2019, a total of \$299,157 (2018 - \$744,475) in proceeds from option exercises were outstanding, of which \$62,500 (2018 - \$62,500) was due from a third-party consultant and \$236,657 (2018 - \$681,975) was due from directors and officers.

On January 10, 2020, the Company issued 566,667 common shares with a fair value of \$226,667 to acquire intellectual property from 9385-4594 Quebec Inc.

On January 15, 2020, the Company issued 1,211,000 units at \$0.50 per unit raising gross proceeds of \$605,500. Each unit consisted of one common share of the Company and one transferable common share purchase warrant exercisable at \$0.75 per warrant for 2 years.

On January 24, 2020, the Company cancelled an aggregate of 193,076 common shares for nil consideration.

On January 28, 2020, the Company granted an aggregate of 685,000 incentive stock options to certain consultants. The options are exercisable at \$0.50 per common share for a period of 1-2 years. 231,000 of these options were exercised on May 12, 2020, January 4, 2021, January 6, 2021 and January 27, 2021. 90,409 of these options were cancelled on November 23, 2020 and 20,000 of these options expired on January 28, 2021.

On January 30, 2020, the Company granted an aggregate of 430,000 incentive stock options to certain directors and a consultant. The options are exercisable at \$0.50 per common share for a period of 2 years. 200,000 of these options were exercised on January 25, 2021.

On March 10, 2020, the Company issued 200,000 units of the Company at a price of \$0.50 per unit. Each unit consists of one common share and one transferable common share purchase warrant with an exercise price of \$0.75 per share, expiring 2 years from the date of issuance.

On March 9, 2020, the Company granted an aggregate of 200,000 incentive stock options to certain consultants. The options are exercisable at \$0.50 per common share for a period of 2 years. These options were exercised on May 12, 2020 and January 25, 2021.



On March 11, 2020, the Company issued 519,750 common shares to consultants of the Company to settle debt in the amount of \$259,875 and recognized a gain on settlement of \$77,963.

On April 1, 2020, the Company granted an aggregate of 10,000 incentive stock options to a consultant. The options are exercisable at \$0.50 per common share for a period of 2 years. These options were exercised on December 22, 2020.

On April 14, 2020, the Company issued 158,800 common shares on the exercise of warrants for settlement of \$79,400 of debt.

On April 28, 2020, the Company granted an aggregate of 75,000 incentive stock options to a consultant. The options are exercisable at \$0.50 per common share for a period of 2 years.

On May 12, 2020, the Company issued 200,000 common shares on exercise of options for total proceeds of \$100,000.

On May 13, 2020, the Company cancelled 250,000 shares returned by a director and officer of the company, previously issued for milestone achievements.

On August 10, 2020, the Company issued 5,979,999 common shares of the Company at a price of \$0.18 per share for a total value of \$1,076,400. Of this total, 1,606,184 common shares with a fair value of \$289,113 were issued.

On November 6, 2020, the Company issued 2,536,000 common shares with a fair value of \$227,830 pursuant to a share exchange agreement dated August 18, 2020 entered into with Marche and 83,333 common shares with a fair value of \$15,000 pursuant to a consulting agreement entered into with a director of the Company.

On November 23, 2020, the Company granted an aggregate of 3,300,000 incentive stock options to various consultants of the Company. The options are exercisable at \$0.255 per common share for a period of 2 years. 50,000 of these options were exercised on February 2, 2021.

On November 23, 2020, the Company cancelled 475,600 options.

On December 14, 2020, the Company issued 21,002,500 common shares at \$0.20 per common share pursuant to a non-brokered private placement raising total proceeds of \$4,200,500. Each unit consists of one common share and one transferable common share purchase warrant with an exercise price of \$0.25 per share, expiring 2 years from the date of grant. As part of this private placement an additional 631,750 finders' warrants were issued and valued at \$393,029 using the Black-Scholes Option Pricing Model with the following inputs: expected price volatility of 185%, risk free interest rates of 0.25%, expected life of 2 years and no dividend yield.

On December 22, 2020, the Company issued 10,000 common shares at \$0.50 per common share pursuant to an option exercise for total proceeds of \$5,000.

On January 18, 2021, the Company issued 344,828 common shares at \$0.58 per common share pursuant to a definitive share purchase agreement entered into with 2574578 Ontario Inc. and JDB Innovations Ltd. (previously defined as Yamchops) and each of the shareholders of Yamchops.

On January 18, 2021, the Company issued 109,589 common shares at \$0.73 per common share to a finder in connection with the Yamchops transaction.

On February 12, 2021, the Company issued 29,300,000 common shares at \$0.25 per common share pursuant to an amalgamation agreement dated November 25, 2020 among the Company, Plant & Company Brands Group Inc., a wholly-owned subsidiary of the Company, and Holy Crap Brands.

In January and March 2021, the Company granted an aggregate of 5,150,000 incentive stock options to various directors, officers and consultants of the Company. The options are exercisable at prices ranging from \$0.45 - \$0.78 per common share for a period of 2 years. 500,000 of these options were cancelled on March 3, 2021.

From January to March 2021, the Company issued 577,000 common shares pursuant to option and warrant exercises for total proceeds of \$281,500.

The Company has a stock option plan that allows it to grant options to its directors, officers, employees and consultants, provided that the aggregate number of options granted shall not at any time exceed 10% of the total number of issued and outstanding common shares of the Company.

As at December 31, 2020, there were 4,670,091 stock options outstanding for the purchase of common shares (December 31, 2019: 2,345,900).

The share options outstanding as at December 31, 2020 are as follows:

Grant date	Number of options outstanding	Exercise price	Expiry date
November 22, 2019	270,500	0.50	November 22, 2021
January 28, 2020	347,591	0.50	January 28, 2022
January 30, 2020	130,000	0.50	January 28, 2022
April 28, 2020	75,000	0.50	April 28, 2022
November 23, 2020	3,250,000	0.26	November 22, 2022
January 5, 2021	350,000	0.45	January 5, 2023
January 4, 2021	425,000	0.48	January 4, 2023
January 19, 2021	250,000	0.78	January 19, 2023
March 2, 2021	500,000	0.52	March 2, 2023
March 18, 2021	3,125,000	0.46	March 18, 2023
	8,723,091	0.40	

The Company recognized \$2,197,449 (2020 - \$398,070) in share-based compensation during the period ended March 31, 2021.

As at March 31, 2021, the Company had outstanding warrants as follows:

Expiry date	Exercise price	Remaining life (years)	Warrants outstanding
July 16, 2021	0.75	0.29	1,968,000
July 24, 2021	0.75	0.32	1,028,900
July 26, 2021	0.75	0.32	1,190,000
January 14, 2022	0.75	0.79	1,211,000
March 11, 2023	0.75	1.95	200,000
December 14, 2022	0.25	1.71	21,613,250
May 2, 2022	0.40	1.09	3,900,000
	0.36		31,111,150

## RELATED PARTY TRANSACTIONS

The Company incurred the following transactions with companies that are controlled by directors and related parties of the Company:

	Period ended March 31, 2021	Year ended December 31, 2020
Consulting and other fees	185,927	177,266
Stock-based compensation	1,639,088	97,479
	1,825,015	274,745

As at March 31, 2021, the CEO owed the Company \$20,558. As at December 31, 2020, the Company owed the CEO and related companies \$49,115, the CFO \$500 and a director \$500.

## ADDITIONAL INFORMATION

### Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet transactions.

### Legal proceedings

As at the current date, management was not aware of any legal proceedings involving the Company.

## Commitments - Contingent liabilities

As at the current date, management was not aware of any outstanding contingent liabilities or commitments relating to the Company's activities.

## FINANCIAL RISK MANAGEMENT

The Company is exposed to minimal financial instrument related risks. The Board of the Company approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

### ***Credit risk***

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist primarily of cash. The Company limits its exposure to credit risk by placing its cash with a high credit quality financial institution in Canada.

### ***Liquidity risk***

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments and with property exploration and development. The Company manages liquidity risk by maintaining adequate cash balances.

The Company's expected source of cash flow in the upcoming year will be through equity financing, Revenue from its digital platforms, and through revenue producing M&A activities. Cash on hand as of March 31, 2021 and expected cash flows for the next 12 months are sufficient to fund the Company's ongoing operational needs.

Based on the contractual obligations of the Company as at March 31, 2021, cash outflows of those obligations are estimated and summarized as follows:

Payment Due by Year	2021	2022	2023 and beyond	Total
Accounts payable and accrued liabilities	620,755	-	-	620,755
Notes payable	-	110,000	-	110,000
Right-to-use obligations	100,132	81,676	223,109	404,917
	720,887	191,676	223,109	1,135,672

### ***Market risk***

Market risk is a risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

### ***Interest rate risk***

Interest rate risk consists of two components: to the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk at minimal levels.

Current financial assets and current financial liabilities are generally not exposed to interest rate risk because of their short-term nature and maturity. At March 31, 2021, the Company was not affected by interest rate risk.

### ***Foreign currency risk***

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in foreign currency. Foreign currency risk is assessed as low.

### **Capital risk management**

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity and cash. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

### **FORWARD-LOOKING INFORMATION**

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Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the company, and other factors.

### **CAPITAL DISCLOSURE**

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The Company manages its capital structure and makes adjustments to it based on the funds available to the Company, in order to support the acquisition of a new business. The Board does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to acquire and sustain future development of a business. The Company has recently reactivated and acquired a business, which will require additional financial resources. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the current period. The Company is not subject to externally imposed capital requirements.

### **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION**

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The Company's financial statements and the other financial information included in this management report are the responsibility of the Company's management, and have been examined and approved by the Board. The financial statements were prepared by management in accordance with IFRS and include certain amounts based on management's best estimates using careful judgment. The selection of accounting principles and methods is management's responsibility.

Management recognizes its responsibility for conducting the Company's affairs in a manner to comply with the requirements of applicable laws and established financial standards and principles, and for maintaining proper standards of conduct in its activities. The Board supervises the financial statements and other financial information through its audit committee.

This committee's role is to examine the financial statements and recommend that the Board approve them, to examine the internal control and information protection systems and all other matters relating to the Company's accounting and finances. In order to do so, the audit committee meets annually with the external auditors, with or without the Company's management, to review their respective audit plans and discuss the results of their examination. This committee is responsible for recommending the appointment of the external auditors or the renewal of their engagement.

### **DIRECTORS**

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Certain directors of the Company are also directors, officers and/or shareholders of other companies. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required to act in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any directors in a conflict will disclose their interests and abstain from voting in such matters. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at the time.

As at the date of this MD&A, the directors of the Company are Shawn Moniz, Marco Contardi, Jerry Habuda and Lindsay Hamelin.