



YELLOW STEM TECH INC.

Form 2A
LISTING STATEMENT

Dated: June 20, 2022

1. GLOSSARY OF TERMS

The following is a glossary of certain definitions used in this Listing Statement. Terms and abbreviations used in the financial statements of the Company set out in the appendices to this Listing Statement are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

“Acquisition” means the Company’s acquisition of 150 Siacoin mining rigs in consideration of US\$525,000.

“Affiliate” means a company that is affiliated with another company, which occurs if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same person.

A company is “controlled” by a person if:

- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that person, and
- (b) the voting securities, if voted, entitle the person to elect a majority of the directors of the company.

A person beneficially owns securities that are beneficially owned by:

- (a) a company controlled by that person, or
- (b) an Affiliate of that person or an Affiliate of any company controlled by that person.

“Arm’s Length Transaction” means a transaction which is not a Related Party Transaction.

“Asset Purchase Agreement” means the agreement dated March 18, 2022 between the Company and Enigma pertaining to the Acquisition.

“Associate” means, when used to indicate a relationship with a person or company:

- (a) an issuer of which the person or company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer;
- (b) any partner of the person or company;
- (c) any trust or estate in which the person or company has a substantial beneficial interest or in respect of which the person or company serves as trustee or in a similar capacity; and
- (d) in the case of a person, a relative of that person including:
 - (i) that person’s spouse or child, or
 - (ii) any relative of that person or of his or her spouse who has the same residence as that person,

but where the Exchange determines that two persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member company or

holding company of a Member company, then such determination shall be determinative of their relationships in the application of Rule D with respect to that Member firm, Member company or holding company (as "Member" is defined in Exchange Policies).

- "BCBCA"** means the *Business Corporations Act* (British Columbia).
- "Board"** means the board of directors of the Company.
- "Blockchain"** means a public transaction ledger which records transactions in chronological order.
- "BTC"** means Bitcoin cryptocurrency.
- "Change of Business" or "COB"** means, for transactions undertaken by issuers listed on the Exchange, a transaction or series of transactions which will redirect an issuer's resources and which changes the nature of its business, for example, through the acquisition of an interest in another business which represents a material amount of the issuer's market value, assets or operations, or which becomes the principal enterprise of the issuer.
- "Change of Control"** includes situations where after giving effect to the contemplated transaction and as a result of such transaction:
- (a) any one Person holds a sufficient number of the voting shares of the issuer or Resulting Issuer to affect materially the control of the issuer or Resulting Issuer, or
 - (b) any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding hold in total a sufficient number of the voting shares of the issuer or Resulting Issuer to affect materially the control of the issuer or Resulting Issuer;
- where such Person or combination of Persons did not previously hold a sufficient number of voting shares to affect materially the control of the issuer or Resulting Issuer. In the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, hold more than 20% of the voting shares of the issuer or Resulting Issuer is deemed to materially affect the control of the issuer or Resulting Issuer.
- "Change of Name"** means the change of the Company's name from "*Hemp for Health Inc.*" to "*Yellow Stem Tech Inc.*", undertaken in conjunction with Closing.
- "CEO"** means Chief Executive Officer.
- "CFO"** means Chief Financial Officer.
- "Closing"** means the closing of the COB Transactions.
- "Closing Date"** means the date on which Closing occurred.

“COB Transactions”	mean the transactions which constituted a change of business for the Company, being, collectively, the Acquisition, the Hosting, and the Change of Name.
“Company”	means Yellow Stem Tech Inc., as incorporated on October 1, 2018 pursuant to the BCBCA as “Hemp for Health Inc.”, which changed its name as part of the COB Transactions on June 20, 2022.
“Consolidation”	means that share consolidation which occurred on December 2, 2021, pursuant to which every two previously outstanding common shares of the Company were consolidated or replaced with one new Share.
“Control Person”	means, in respect of an issuer, any person or company that holds or is one of a combination of persons or companies that holds a sufficient number of any of the securities of that issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of the issuer, except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.
“Cryptocurrency”	means a digital medium of exchange that uses encryption techniques to control the creation of monetary units and to verify the transfer of funds; which cryptocurrencies are intended to provide many of the same functions as long-established fiat currencies, but do not have the backing of a government or other body.
“Debt Settlement”	means that transaction whereby 8,002,500 post-consolidated Shares were issued on December 3, 2021 in full settlement of an aggregate of \$400,125 of outstanding debt.
“Definitive Agreements”	means, together, the Asset Purchase Agreement and the Operating Agreement.
“Enigma”	Means Enigma Data Technologies LLC, a private company incorporated on March 4, 2021 pursuant to the <i>General Corporation Law</i> of the State of Delaware, headquartered in Dover, Delaware; being the agent under the Asset Purchase Agreement and the host/operator under the Operating Agreement.
“Exchange” or “CSE”	means the Canadian Securities Exchange.
“Exchange Policies”	means the policies of the Exchange, as amended from time to time.
“Financing”	means a private placement which closed in two tranches on December 9, 2021 and February 2, 2022, and raised aggregate gross proceeds of \$1,197,500 through the distribution of 23,950,000 units at \$0.05 per unit (each unit consisting of one post-consolidated Share and one-half of one warrant).
“Hosting”	means the set-up, hosting and operation of the Company’s mining Rigs by Enigma, in accordance with the Operating Agreement.

“Insider”	means, in relation to an issuer, means: <ul style="list-style-type: none"> (a) a director, senior officer of the issuer; (b) a director, senior officer of the entity that is an Insider or subsidiary of the issuer; (c) a person that beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the issuer; or (d) the issuer itself if it holds any of its own securities.
“kwh”	means kilowatt hour.
“Listing Statement”	means this Listing Statement, together with all appendices attached hereto and including the summary hereof.
“MD&A”	means management’s discussion and analysis.
“NEO”	means “Named Executive Officer”, and has the meaning ascribed to it in Form 51-102F6 – <i>Statement of Executive Compensation</i> under National Instrument 51-102 – “ <i>Continuous Disclosure Obligations</i> ”.
“Non-Arm’s Length Party”	means, in relation to an issuer, a promoter, officer, director, other Insider or Control Person of that issuer and any Associates or Affiliates of any such person; and in relation to an individual, means any Associate of the individual or entity of which the individual is a promoter, officer, director, Insider or Control Person.
“Operating Agreement”	means the agreement dated March 18, 2022 between the Company and Enigma pertaining to the Hosting.
“Promoter”	has the meaning specified in the <i>Securities Act</i> (British Columbia).
“Related Party Transaction”	has the meaning ascribed to that term in Exchange Policies, and includes a transaction that involves Non-Arms-Length Parties, or other circumstances which may compromise the independence of the issuer with respect to the transaction.
“Resulting Issuer”	means the Company upon Closing of the COB Transactions, being exactly the same as the Company prior to Closing, but having completed the Acquisition, closed the Operating Agreement, and effected the Change of Name.
“Rigs”	mean the 150 Siacoin mining rigs to be acquired by the Company pursuant to the Asset Purchase Agreement.
“SEDAR”	means the System for Electronic Document Analysis and Retrieval, the electronic filing system for the disclosure documents of public companies and investments funds across Canada, available at www.sedar.com .
“Shareholders”	means the holders of Shares.

“Shares”	means the post-Consolidation common shares without par value in the capital of the Company / Resulting Issuer, as constituted as of the date of this Listing Statement.
“Sia”	means a decentralized cloud storage platform, called “Sia”, which uses blockchain technology in connection with data storage.
“Siacoin”	means a cryptocurrency called Siacoin.
“Stock Option Plan”	means the Company’s stock option plan as currently in effect, and as will continue in effect for the Resulting Issuer.
“TSX Trust”	means TSX Trust Company, the Company’s register and transfer agent.

FORWARD-LOOKING INFORMATION

This Listing Statement contains forward-looking information within the meaning of applicable Canadian securities legislation with respect to the Company and the Resulting Issuer. Forward looking information may include, but is not limited to: information with respect to amounts and use of available funds; cash flow from operations; anticipated developments in operations in future periods; planned asset acquisitions; future business operations; the adequacy of financial resources; the costs and timing of development of the Company’s business; the costs, timing and receipt of approvals, consents and permits under applicable legislation; executive compensation approaches and practices; and the composition of directors and committees.

Any statements that express, involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words and phrases such as “may”, “is expected to”, “anticipates”, “estimates”, “intends”, “plans”, “projection”, “could”, “vision”, “goals”, “objective” and “outlook”) are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, the Company and the Resulting Issuer have made certain assumptions, as contemplated below.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause actual events or results to differ from those expressed or implied by the forward-looking information, including, without limitation:

- risks related to the fact that the Resulting Issuer may not have sufficient funds to effectively compete in the cryptocurrency mining business;
- there may be many factors beyond the Resulting Issuer’s control which adversely affect its ability to carry out its business plan;
- changes in the market price of various cryptocurrencies;
- the Resulting Issuer may incur greater losses than forecast;
- general economic conditions may adversely affect the Resulting Issuer’s growth and profitability;

- there are inherent risks in cryptocurrency mining activities and conditions or events that are beyond the Resulting Issuer’s control;
- government regulations or actions may alter or prohibit investment in the Company’s cryptocurrency business and may result in a restriction in the use of cryptocurrencies;
- the current value of cryptocurrencies and the value of the Company’s future holdings of cryptocurrencies may be extremely volatile as a result of momentum pricing;
- there may be fraud or security failures of the cryptocurrency exchange(s) on which the Company’s cryptocurrencies are exchanged resulting in closures of such cryptocurrency exchange(s) or complete losses of the Company’s cryptocurrency balance;
- the algorithm for cryptocurrencies may change, resulting in the Company losing its competitive advantage;
- there is the possibility of cost overruns or unanticipated expenses;
- there are risks associated with obtaining and renewing necessary licences and permits;
- future sales or issuances of equities securities may have a dilutive effect on the shareholders of the Resulting Issuer and affect the value of the Shares;
- there may be conflicts of interests of certain directors and officers of the Resulting Issuer;
- the Resulting Issuer does not intend to pay any cash dividends in the foreseeable future;
- there is reliance on management and dependence on key personnel;
- uninsurable risks;
- litigation; and
- operations are to be conducted through a third party that will host the cryptocurrency mining activities.

This list is not exhaustive of factors that may affect any of the forward-looking information contained in this Listing Statement. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Forward-looking information involves statements about the future and is inherently uncertain, and the actual achievements of the Company or the Resulting Issuer or other future events or conditions may differ materially from those reflected in the forward-looking information due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in this Listing Statement under the heading “Risk Factors” and elsewhere in this Listing Statement. Forward-looking information contained in this Listing Statement is based on the beliefs, expectations and opinions of management of the Company on the date the statements are made, and the Company does not assume any obligation to update forward-looking information, whether as a result of new information, future events or otherwise, other than as required by applicable law. In making the forward-looking statements in this Listing Statement, the Company has applied several material assumptions which may prove to be inaccurate, including, but not limited to, the assumptions that any financing needed to fund the operations of the Resulting Issuer will be available on reasonable terms. Other assumptions are discussed throughout this Listing Statement and, in particular in the “Risk Factors” section of this Listing Statement. For the reasons set forth above, prospective investors should not place undue reliance on forward-looking information.

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Schedule "A" – Interim Financial Statements for the nine months ended January 31, 2022

Schedule "B" – Management Discussion and Analysis for the nine months ended January 31, 2022

Schedule "C" – Annual Audited Financial Statements for the fiscal years ended April 30, 2021 and 2020

Schedule "D" – Management Discussion and Analysis for the fiscal year ended April 30, 2021

2. CORPORATE STRUCTURE

2.1 Corporate Name and Head and Registered Office

Yellow Stem Tech Inc. (the “Company”)

The Company’s head office and registered office is located at Suite 750 – 580 Hornby Street, Vancouver, British Columbia V6C 3B6

2.2 Jurisdiction of Incorporation

The Company was incorporated on October 1, 2018 pursuant to the BCBCA, as 1181427 B.C. Ltd. On October 3, 2018, the Company changed its name to “Euro Grow Ltd.”, and on May 3, 2019 to “Hemp for Health Inc.” The Company subsequently changed its name to “Yellow Stem Tech Inc.” on June 20, 2022.

The Company’s Shares were initially listed on the CSE on November 21, 2019, and traded under the symbol “HFH”. The Company’s Shares currently trade under the symbol “YY”. The Company is a reporting issuer in British Columbia and Ontario.

2.3 Intercorporate Relationships

The Company has no subsidiaries or affiliated entities.

2.4 Fundamental Change

The Company was originally listed and began trading on the CSE on November 21, 2019 under the symbol “HFH”, following completion of its initial public offering (“IPO”).

Following the Company’s closing of its IPO and listing on the CSE, the Company continued its business of growing hemp in the Tuscany region of Italy. Proceeds from the Company’s prior sales of securities were primarily used to fund the purchase of hemp seed, the planting, nurturing and cultivation of the Company’s hemp crops, and selling the harvested hemp biomass. Due to a combination of (i) softening of the demand for hemp and hemp based products, and (ii) the COVID-19 pandemic, the Company elected to cease its hemp growing operations.

Commencing in November 2021, following the discontinuance of its operations in Italy, the Company undertook:

- (i) a share consolidation on the basis of one new Share for every two previously outstanding common shares (the “Consolidation”),
- (ii) a debt settlement whereby 8,002,500 post-consolidated Shares were issued in full settlement of an aggregate of \$400,125 of outstanding debt (the “Debt Settlement”). Included in this were 1,452,500 Shares issued to Robert Eadie and Gary Arca (directors and officers of the Company) for outstanding fees and advances; and
- (iii) a private placement which raised aggregate gross proceeds of \$1,197,500 through the distribution of 23,950,000 units at \$0.05 per unit (each unit consisting of one post-consolidated Share and one-half of one Warrant), (the “Financing”).

Pursuant to the Definitive Agreements between the Company and Enigma:

- (i) the Company purchased 150 Siacoin mining rigs (the “Rigs”) for US\$525,000 (the “Acquisition”). Under the Asset Purchase Agreement, Enigma was engaged to source and acquire the Rigs directly from the manufacturer, for and on behalf of (and in the name of) the Company, and to take delivery of the same; and
- (ii) the Company engaged Enigma to set-up, host and operate the Rigs for and on behalf of the Company, and to provide technical advisory services and other related services (the “Hosting”), in consideration of US\$525,000 in Shares (being 2,668,000 Shares at the deemed price of \$0.25 per Share) and an all-in cost of US\$0.055 per kwh per Rig, including electricity, rent, cooling, general Rig maintenance and management.

In addition to the Acquisition and Hosting, the Company changed its name to Yellow Stem Tech Inc.

The COB Transactions amounted to a “fundamental change” and a “Change of Business” as defined in Exchange Policies; which required the Company to obtain both the approval of a majority of its Shareholders (as received by way of consent resolution) and the CSE.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 General Development of the Business

Since incorporation in 2018, the Company’s principal business was growing hemp in the Tuscany region of Italy pursuant to a production agreement between the Company’s former Italian subsidiary and a farmers’ cooperative. The Company’s closed its IPO and listed on the CSE in November 2019. It planted its first crop of hemp in the spring/summer of 2020, which was harvested in the fall of that year. With restrictions imposed during the COVID global pandemic, the Company was unable to effectively continue its farming operations in Italy, and its various production agreements with the farmers expired, resulting in the Company ceasing operations in 2021.

The Company then restructured its share capital by completing the Financing, the Debt Settlement, and the Consolidation (see item 2.4 above).

The Company has since completed the COB Transactions, such that the Company is now involved in the mining for the cryptocurrency – Siacoin.

3.2 Significant Acquisitions and Dispositions

In conjunction with the Company discontinuing its operations in Italy, it disposed of its wholly-owned Italian subsidiary, Hemp for Health H4H S.R.L. (“HFH Italy”), in order to avoid ongoing fees and obligations required by Italian regulations governing Italian corporations. On May 20, 2022, the Company sold HFH Italy to Emiliano Vanni (the “Purchaser”), a former director of the Company, in consideration of (i) €1.00, (ii) the Purchaser agreeing to assume all of the ongoing liabilities of HFH Italy effective from May 20, 2022; (iii) the Purchaser agreed to repay to the Company 70% of all VAT taxes recovered by HFH Italy within 18 months of the date of the agreement; and (iv) the Company forgiving all of the outstanding loans and amounts owing by HFH Italy to the Company.

Pursuant to the Definitive Agreements, the Company acquired 150 Siacoin mining Rigs and engaged Enigma to set-up, host and operate the Rigs on behalf of the Company. (See Section 2.4 “*Fundamental*

Change” for full particulars of the transactions). The expected effects of this significant acquisition on the operating results of the Company are that (i) the Company will realize cash flow from operations on a relatively consistent and non-seasonal basis, and (ii) such cash flow from operations will exceed the Company’s set operating costs of US\$0.055 per kwh per Rig. There are several business risks associated with this new venture – see “Risk Factors” and “Forward Looking Information”.

3.3 Financing Activities

Since November 18, 2019, the Company has issued the following securities:

Date	Number and Type of Securities ¹	Issue/Exercise Price Per Security ⁽¹⁾	Aggregate Issue/Exercise Price	Nature of Consideration Received
November 19, 2019	196,000 Shares	\$0.40	\$78,400	Cash
March 10, 2020	2,050,000 Shares	\$0.40	\$820,000	Cash
December 3, 2021	8,002,500 Shares	\$0.05	N/A	Debt settlement
December 9, 2021	13,450,000 Shares	\$0.05	\$672,500	Cash
December 9, 2021	6,725,000 Warrants	\$0.10	N/A	N/A
December 9, 2021	520,000 Finders’ Warrants	\$0.10	N/A	N/A
February 2, 2022	10,500,000 Shares	\$0.05	\$525,000	Cash
February 2, 2022	5,250,000 Warrants	\$0.10	N/A	N/A
On Closing of the COB Transactions	2,668,000 Shares	\$0.25	N/A	Operating Agreement

1. All number of securities and amounts are on a post-consolidated basis.

4. NARRATIVE DESCRIPTION OF THE BUSINESS

As referred to in Item 2.4 above, the Company underwent a Change of Business by acquiring 150 Siacoin mining Rigs and engaging Enigma to set-up, host and operate the Rigs and conduct cryptocurrency mining activities.

Sia is similar to cloud storage solutions like those offered by tech giants Amazon or Google, only rather than trusting a company to manage and store their data, its users rely on blockchain technology and a distributed network of global computers. To accomplish this, files stored through the Sia network are sliced into tiny pieces, so only a small portion of each file is stored on any one hard drive. The files are also encrypted, so network users can be confident their data is safe from unauthorized access. Those looking to store files on another Sia user’s hard drive then pay for the privilege by using Siacoin, the platform’s native cryptocurrency.⁽¹⁾

Siacoin is the coin of the Sia blockchain that provides the hosting space. Consumers who lease the hosting space from Sia and utilize the Sia network’s hard drive space, spend Siacoin in trade for the capability to save files and objects. The Sia blockchain utilizes an arrangement of smart contracts named ‘File contracts’ which maintain the record of all the incoming and outgoing information on the servers and their locations. Smart contracts are an understanding between two parties or people in the form of computer language or code. Smart contracts work on the blockchain, a digital ledger in which transactions performed in a cryptocurrency are written step by step and publicly”.⁽¹⁾

1. <https://cryptoticker.io/en/smart-contracts-guide/>

How a Cryptocurrency Works

A cryptocurrency is a form of encrypted and decentralised digital currency, transferred directly between peers across the Internet, with transactions being settled, confirmed and recorded in a distributed public ledger, known as a blockchain.

Units of a cryptocurrency exist only as data on the Internet, and are not issued or controlled by any single institution, authority, or government. Whereas most of the world's money currently exists in the form of paper and metal managed by central authorities such as banks, units of a cryptocurrency exist as electronic records in a decentralised tamper-proof transaction database called a blockchain. The ledger is publicly available to anyone and secured with public key encryption.

Each cryptocurrency uses a source code that comprises the basis for the cryptographic and algorithmic protocols governing the blockchain. No single entity owns or operates the network, the infrastructure of which is collectively maintained by a decentralised user base. As the network is decentralised, it does not rely on either governmental authorities or financial institutions to create, transmit or determine the value of the coins. Rather, the value of a coin is determined by the market supply of and demand for the coins, the prices set in transfers by mutual agreement or barter as well as the number of merchants that accept the coins. Because coins are digital files that can be transferred without the involvement of intermediaries or third parties, there are little or no transaction costs in direct peer-to-peer transactions. Coins can be used to pay for goods and services or can be converted to fiat currencies, such as the US dollar, at rates determined by various exchanges. There are a number of exchanges established to facilitate conversion of one digital currency to another, or to fiat currencies. Additionally, third party service providers are also used for transfers but they may charge significant fees for processing transactions.

In a cryptocurrency network, every peer has their own copy of the blockchain, which contains records of every historical coin transaction - effectively containing records of all account balances. Each account is identified solely by its unique public key (making it effectively anonymous), and is secured with its associated private key (kept secret, like a password). The combination of private and public cryptographic keys constitutes a secure digital identity in the form of a digital signature, providing strong control of ownership.

Assuming, for example, that Party A is sending some quantity of Siacoin to Party B, the amount of Siacoin to send is combined with Party B's public key and some information from the previous transaction(s) that Party A's Siacoins came from, into a message that Party A signs with his private key. The transaction message is then broadcasted out into the wide Siacoin network, where it is received by Siacoin miners who (with high-performance computers running specialized automatic Siacoin mining software) verify the transaction, group it with others into a transaction block, and work to solve the proof-of-work cryptographic puzzle that links the new block to the blockchain.

Each time a new block of transactions is created, data from that block is used to create a hash that is stored along with the block. One piece of data used is the hash from the most recent block in the blockchain. Each block's hash is created using the hash of the block before it, acting as a sort of tamper-evident seal that confirms the validity of the new block and all earlier blocks. Alterations made to any earlier block would make the hashes of all subsequent blocks invalid, the discrepancy would be easily detected by future miners, and that broadcast would be discarded in favour of one from a different peer. Thus, consensus of the majority of miners is represented by the longest blockchain.

Miners compete to solve new blocks; a miner that verifies and solves a new block is awarded some quantity of newly-generated coins, in an amount which is usually proportional to the miner's contributed hash rate/work, (plus a small transaction fee) as an incentive to invest their computer power, as mining

is critical to the continuing functioning and security of the cryptocurrency network. The difficulty of the proof-of-work puzzles is automatically adjusted so that a new block is mined on a specified basis, adapting as the total mining power active on the network increases over time.

Blockchain safety is ensured by a number of different protocols, such as proof-of-work and proof-of-stake. Proof-of-work is currently the most widely used, including currencies such as Bitcoin, Ether and Siacoin. Proof-of-work functions on the basis of a distributed consensus system dependent on the participation of 'miners' who through their computing work verify the blockchain transactions.

How does Sia work?

The Sia blockchain operates using a proof-of-work consensus mechanism, the same kind of system Bitcoin uses to verify and secure transactions. Mining nodes on the Sia network run specialized computing equipment (like the Rigs acquired by the Company) in order to compete for the opportunity to add new blocks to the Sia blockchain. When a miner successfully adds a new block to the Sia blockchain, they receive block rewards and any fees attached to the transactions they store. The Company proposes to become a miner on the Sia network.

The Sia network permits users to save data in a decentralized method. Users upload files by paying the network utilizing Siacoins. The expenses are considerably lower than the prices which standard cloud storage demands.

Users prepay for storage within file contracts, setting aside a fixed amount of Siacoin to be spent on storing and transferring data. Users use Siacoin to buy storage capacity, and hosts deposit Siacoin into each file contract as collateral. File contracts typically last 90 days. Sia automatically renews contracts when they are within a certain window of expiring. If contracts are not renewed, Sia returns any unused coins to the user / renter at the end of the contract period. As individual hosts go offline, Sia automatically moves renter data to new hosts in a process called file repair.

At the end of a file contract, the host must prove that she is storing the uploader's data. This is called a storage proof. If the storage proof appears on the blockchain within a certain timeframe, the host is paid. If not, the host is penalized.

How to mine Siacoin

The supply of the Siacoin cryptocurrency is unlimited. This is because it matches the effectively unlimited amount of data that can be created and stored.

As of March 1, 2022, there were 50,230,912,992 Siacoin tokens in circulation, and the price was \$0.009645 per token. As mentioned above, one way to earn Siacoin is by renting excess storage space to the Sia network. The other option is to mine Siacoin and earn tokens to keep the Sia network safe and running.

At the time of the launch of the Sia network, the block reward was 300,000 Siacoins. This decreased by one each block, to a block height of 30,000 – which was reached at block 270,000. Unlike Bitcoin, Siacoin's block reward never stops. This means that miners will always have an incentive to be part of the Sia network.

Beyond its current price and reward, Siacoin's value has remained fairly stable over time, if compared to most other cryptocurrencies. Moreover, thanks to its functionality, which allows renting storage in the cloud, it is an interesting asset that attracts the attention of many users.

The Company's Change of Business

Pursuant to the Definitive Agreements, the Company engaged Enigma to (i) acquire 150 Siacoin mining rigs (at a cost of US\$525,000) on behalf of the Company, and (ii) separately to set-up, host and operate the Company's cryptocurrency mining business, in consideration of the issuance of 2,668,000 Shares and paying an operating fee of US\$0.055 per kwh per Rig.

The 2,668,000 Shares issued to Enigma (i) were issued at the deemed price of \$0.25 per Share; and (ii) are subject to resale restrictions of four months and one day from the date of issue.

The Rigs are expected to be delivered within 30 days following Closing, at which time the 2,668,000 Shares will be issued; and the Company will pay to Enigma US\$0.055 per kwh per Rig for hosting and operating the Rigs, including electricity, rent, cooling, general Rig maintenance and management. The Hosting will be for a period of two years, with an option to renew for an additional two years at the same price per kilowatt hour.

Enigma will host the Rigs at Enigma's facility located in the State of New York, USA.

The Company's management previously operated Bitcoin mining rigs in 2018 as a business through another public company. That company is still operating and involved in various cryptocurrency and blockchain endeavors. Further, Enigma is very experienced in operating cryptocurrency mining rigs and through its equity interest in the Company, will be motivated to see the Company succeed.

The industry is based upon mining both finite and infinite cryptocurrencies which change in value depending on market conditions and mining difficulty. There are numerous public and private entities, as well as individuals, that mine all types of cryptocurrencies, although it is management's understanding that large scale SIA public mining operations are not readily found. Ultimately, the market value of the cryptocurrencies as compared to cost to mine will be the determinant of whether to continue mining operations (which may also be suspended, if required, without significant costs). In the past few years, cryptocurrency market prices have tended to exceed the cost models and have proven lucrative, despite the increase in competing mining operations.

The Company has chosen to mine a non-traditional cryptocurrency using more efficient mining rigs which utilize less power. The Company's footprint with its initial operations will be quite small in the vast cryptocurrency mining market.

Name Change

In connection with completion of the COB Transactions, the Company changed its name to *Yellow Stem Tech Inc.* to more accurately reflect its new business focus.

Arm's Length Transaction

Both the Acquisition and the Hosting are Arm's Length Transactions, as Enigma is unrelated to the Company.

Business Objectives and Milestones

The Company's business objectives that it expects to accomplish in the forthcoming 12 month period are to (i) receive delivery of and initiate operation of the Rigs; and (ii) pursue business opportunities that are synergistic with its new business. There are no specific milestones to be completed regarding these business objectives as the Rigs have been ordered and Enigma has been engaged to receive, install and operate the Rigs. The cost of the Rigs is US\$525,000, and delivery of the Rigs is expected within 30 days from the date of this Listing Statement. The installation and start-up of the Rigs is expected to occur within 20 days of their receipt, for no additional cash cost to the Company (however the Company will be issuing 2,668,000 Shares to Enigma in that regard). There are no other business opportunities identified by the Company at this time, and there is no assurance any new acquisitions or business opportunities will arise on terms acceptable to the Company, or at all.

Although the Company will have sufficient funds on Closing to commence its new business, it may require additional financing in order for it to expand its operations (through the acquisition of additional mining rigs, or mining for additional cryptocurrencies, or the like). There is no assurance that the Company will be able to raise such funding on terms acceptable to it, or at all. See "Risk Factors".

Funds Available

The Company currently has approximately \$1,005,500 of available funds, following the Financing, the Debt Settlement and payment of remaining trade payables. The Company expects to use its available funds over the next 12 months are outlined below:

Use of Funds	Amount (C\$)¹
Purchase 150 Siacoin mining rigs (US\$525,000)	\$675,000
Costs associated with operating the Rigs ²	\$nil
Expected General and Administrative costs ³	204,000
Unallocated Working Capital	126,500
Total	\$1,005,500

1. Canadian dollar equivalent of US\$, based on an exchange conversion of \$1.286 Cdn dollars to one US dollar.
2. The Company's costs of operating the Rigs are US\$0.055 per kwh per Rig, which are expected to (i) aggregate US\$51 per Rig per month of operation (US\$7,650 per month for all 150 Rigs), and (ii) be paid for from cash flow from operations (being the value of mined Siacoin).
3. The Company's general and administrative expenses are expected to consist of the following for the next 12 months:

G&A Expense	Amount
Audit and accounting	\$20,000
Legal and corporate	\$36,000
Management fees	\$60,000
Rent and other office costs	\$30,000
Shareholder communication	\$16,000
CSE fees	\$20,000
CSE monthly fee and SEDAR fees	\$10,000
Office and miscellaneous	\$12,000
Total	\$204,000

Should cash flow from operation of the Rigs be less than the cost to the Company (US\$0.055 per kwh per Rig), the Company will be required to use some of its unallocated working capital to pay such deficiency, or may be required to raise additional funds (there being no assurances the Company will be able to raise such funds on terms acceptable to it, or at all).

4.2 Asset Backed Securities

The Company does not have any asset-backed securities outstanding.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 Annual Information

The Company's audited financial statements for the fiscal years ended April 30, 2021 and 2020, are attached hereto as Schedule "C" and are available on SEDAR. The Company's unaudited financial statements for the nine months ended January 31, 2022 are attached hereto as Schedule "A" and are available on SEDAR.

The following financial data summarizes selected financial data for the Company prepared in accordance with IFRS, and is derived from the Company's audited annual financial statements for the years ended April 30, 2021 and 2020, and the Company's interim financial statements for the nine-month period ended January 31, 2022. The information set forth below should be read in conjunction with the Company's annual and interim financial statements and the related notes thereto attached hereto as Schedules "A" and "C" and available on SEDAR at www.sedar.com.

Item	Nine Months Ended Jan. 31, 2022	Fiscal Year Ended April 30, 2021	Fiscal Year Ended April 30, 2020	Fiscal Year Ended April 30, 2019
Revenues	Nil	Nil	Nil	Nil
Expenses	\$541,804	\$1,116,445	\$2,136,754	\$236,584
Total Loss	(\$457,949)	(\$1,508,166) ¹	(\$2,125,740) ²	(\$236,584)
Current Assets	\$774,716	\$24,920	\$ 969,926	\$2,172,493
Total Assets	\$779,786	\$31,373	\$1,143,223	\$2,172,493
Current Liabilities	\$564,760	\$494,023	\$97,707	\$31,277
Working Capital (Deficit)	\$209,956	(\$469,103)	\$872,219	\$2,141,216
Shareholders' Equity (Deficit)	\$215,026	(\$462,650)	\$1,045,516	\$2,141,216
Income (Loss) per Share	(\$0.03)	(\$0.06)	(\$0.10)	(\$0.04)
No. of Shares Outstanding	33,533,501	24,162,001 ³	24,162,001 ³	18,460,001 ³

1. Includes \$317,824 for write-off of VAT receivable, and \$73,897 as an allowance for doubtful debt.

2. Includes \$11,014 of interest earned.

3. Number of Shares is expressed on a pre-Consolidation basis.

5.2 Quarterly Information

The results for each of the eight most recently completed quarters ending at the end of the most recently completed financial year, namely April 30, 2021, are summarized below:

	April 30, 2021	Jan 31, 2021	Oct. 31, 2020	July 31, 2020
Revenue	nil	nil	nil	\$38,180
Net Income (loss)	(\$480,426) ⁴	(\$432,816) ³	(\$1,495,149) ²	\$900,225 ¹
Basic and diluted income (loss) per Share	(\$0.02)	(\$0.02)	(\$0.06)	\$0.04
	April 30, 2020	Jan 31, 2020	Oct. 31, 2019	July 31, 2019
Revenue	nil	nil	nil	nil
Net Income (loss)	(\$491,720)	(\$396,618)	(\$607,067)	(\$630,335)
Basic and diluted income (loss) per Share	(\$0.02)	(\$0.02)	(\$0.03)	(\$0.03)

1. Includes \$1,300,000 of unrealized fair value adjustment on biological assets, \$311,846 of costs of biological assets, and general and administrative expenses of \$126,109.
2. Includes a reduction of \$1,000,000 of the previous unrealized fair value adjustment on biological assets, an additional \$306,643 of costs of biological assets, and general and administrative expenses of \$188,506.
3. Includes a further reduction of \$300,000 of the previous unrealized fair value adjustment on biological assets, and general and administrative expenses of \$132,816 (which included \$91,441 of research and development).
4. Includes a write-off of VAT receivable of \$317,824; an allowance for doubtful debt on loan of \$73,897; and general and administrative expenses of \$669,014 (which included \$570,172 of research and development).

5.3 Dividends

The Company has not paid and does not anticipate that any dividends will be paid on its Shares in the foreseeable future.

5.4 Foreign GAAP

The Company's financial information is not prepared or presented on the basis of foreign GAAP.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

The Company's MD&A for the nine months ended January 31, 2022 and for the year ended April 30, 2021 are attached to this Listing Statement as Schedules "B" and "D" respectively.

7. MARKET FOR SECURITIES

The Company is a reporting issuer in each of British Columbia and Ontario. It became a reporting issuer in those two jurisdictions on November 4, 2019. The Company's Shares are currently listed for trading on the CSE. Its Shares first started trading on the CSE on November 21, 2019. Prior to Closing, the Company's Shares traded under the symbol "HFH"; and following Closing, the Company's Shares have traded under the symbol "YY".

8. CONSOLIDATED CAPITALIZATION

The Company's authorized share capital consists of an unlimited number of Common Shares without par value. As the date of this Listing Statement, the outstanding capital of the Company consists of the following, after giving effect to the COB Transactions:

Designation of Security	Number Authorized	Amount Outstanding
Common Shares	Unlimited	46,701,501 ¹
Warrants	n/a	11,975,000
Finders' warrants	n/a	520,000
Stock Options	10% of issued Shares	nil

1. Includes 2,668,000 Shares issued pursuant to the Operating Agreement. See Item 10.6 below – Prior Sales.

9. OPTIONS TO PURCHASE SECURITIES

The Company has established a Stock Option Plan under which the Company is authorized to grant stock options of up to 10% of its issued and outstanding shares, from time to time. As at the date of this Listing Statement, there are no options granted under the Plan.

Summary of Stock Option Plan

The purpose of the Plan is to provide the Company with a Share-related mechanism to attract, retain and motivate directors, employees, executive officers and consultants, to reward or compensate such persons from time to time for their contributions toward the long term goals of the Company, and to enable and encourage such persons to acquire Shares as long-term investments.

The Plan is administered by our directors. The material terms of the Plan are as follows:

1. The aggregate maximum number of options which may be granted under the Plan at any one time is 10% of the number of Shares the Company has outstanding at the time of grant.
2. The term of any options granted under the Plan will be fixed by the Board at the time such options are granted, provided that options will not be permitted to exceed a term of ten years.
3. The exercise price of any options granted under the Plan will be determined by the Board, in its sole discretion, but shall not be less than the greater of the closing market prices of the Company's Shares on (a) the trading day prior to the date of grant of the Options; and (b) the date of grant of the Options.
4. The Board may impose vesting periods on any options granted.
5. All options will be non-assignable and non-transferable (except upon the death of an option holder, in which case any outstanding options may be exercised by the option holder's successors).
6. If an option expires or terminates for any reason without having been exercised in full, the un-purchased Shares subject thereto shall again be available for the purposes of the Plan.

7. The Board shall not grant options to any one person in a 12 month period which will, when exercised, exceed 5% of the issued and outstanding Shares of the Company (calculated at the date such options are granted); and
8. Once options are granted, they may not be amended or varied.

If the option holder ceases to be a director of the Company (other than by reason of death, disability or termination for just cause), then the option granted shall expire on no later than the 90th day following the date that the option holder ceases to be a director of the Company, subject to the terms and conditions set out in the Plan. If the option holder holds his or her Option as an employee or consultant of the Company (other than an employee or consultant performing Investor Relations Activities) and such Option Holder ceases to be an employee or consultant of the Company other than by reason of death, the Expiry Date of the Option shall be the 30th day following the date the Option Holder ceases to be an employee or consultant of the Company, unless the Option Holder ceases to be such as a result of (i) termination for cause; or (ii) an order of a Regulatory Authority, in which case the Expiry Date shall be the date the Option Holder ceases to be an employee or consultant of the Company. If the Option holder is engaged in investor relations activities and ceases to be an employee, consultant or management company employee of the Company (other than by reason of death or termination for just cause), then the option granted shall expire on the date that the Option Holder ceases to be an employee or consultant of the Company. If the option holder's position as a director, officer, employee or consultant is terminated for just cause, then the option granted shall expire the date of termination for just cause.

As of the date of this Listing Statement, there are no outstanding options. Based on there being 46,701,501 Shares outstanding, a total of 4,670,150 options will be eligible to be granted under the Plan.

10. DESCRIPTION OF THE SECURITIES

10.1 General

Common Shares: The Company is authorized to issue an unlimited number of Shares, of which there are 46,701,501 Shares outstanding as of the date of this Listing Statement.

Shares are not subject to any future call or assessment and do not have any pre-emptive, conversion or redemption rights, and all have equal voting rights. There are no special rights or restrictions of any nature attached to any Shares, all of which rank equally as to all benefits which might accrue to Shareholders. All Shareholders are entitled to receive a notice of any general meeting. At any general meeting, subject to the restrictions on joint registered owners of Shares, every Shareholder has one vote for each Share of which he is the registered owner. Voting rights may be exercised in person or by proxy. Shareholders are entitled to share pro rata in any: (i) dividends if, as and when declared by the Board, and (ii) such of the Company's assets as are distributable to them upon liquidation of the Company. Rights pertaining to the Shares may only be amended in accordance with applicable corporate law.

Warrants: There are 11,975,000 Warrants outstanding as of the date of this Listing Statement, with various exercise prices and expiry dates. See Section 14.2 for full particulars.

Finders' Warrants: There are 520,000 Finders' Warrants as of the date of this Listing Statement. Each Warrant entitles the holder to acquire one Share at \$0.10 until December 9, 2023.

All outstanding warrants are subject to anti-dilution provisions, such that in the event of any future consolidation, share split, corporate re-organization or similar event, the number of Shares that may be acquired and exercise price of the Warrants will be adjusted accordingly.

Options: There are currently no options outstanding under the Company’s Stock Option Plan

10.2 Debt securities

The Company has no debt securities that are to be listed on the CSE.

10.4 Other securities

The Company has no other securities that are to be listed on the CSE.

10.5 Modification of terms:

The rights and restrictions applicable to the Common Shares may only be modified by special resolution of the Shareholders, at a duly called meeting.

10.6 Other Attributes:

There are no rights attaching to the Common Shares that are materially limited or qualified by the rights of any other class of securities, nor is there any other class of securities which ranks ahead of or equally with the Common Shares.

10.7 Prior Sales

In the past 12 months, the Company has issued the following securities:

Date	Number and type of Securities ¹	Issue/Exercise Price per Security	Aggregate Issue / Exercise Price	Nature of Consideration Received
December 3, 2021	8,002,500 Shares	\$0.05	N/A	Debt settlement
December 9, 2021	13,450,000 Shares	\$0.05	\$672,500	Cash
December 9, 2021	6,725,000 Warrants	\$0.10	N/A	N/A
December 9, 2021	520,000 Finders’ Warrants	\$0.10	N/A	N/A
February 2, 2022	10,500,000 Shares	\$0.05	\$525,000	Cash
February 2, 2022	5,250,000 Warrants	\$0.05	N/A	N/A
Closing	2,668,000 Shares	\$0.25	N/A	Hosting

(1) All number of securities and amounts are on a post-Consolidation basis.

10.8 Stock Exchange Price

The Company’s Shares commenced trading on the CSE on November 21, 2019. The following summarizes the trading of the Company’s Shares on the CSE in the months of February to May 2022 and the immediately preceding seven quarters.

Period	Price Ranges	Volume Traded
May 2022	\$0.04 – 0.08	269,400
April 2022	\$0.07 - \$0.10	87,320

March 2022	\$0.06 - \$0.15	278,531
February 2022 ¹	\$0.065 - \$0.18	378,185
Quarter ended January 31, 2022	\$0.05 - \$0.19	857,725
Quarter ended October 31, 2021	\$0.07 - \$0.13	450,041
Quarter ended July 31, 2021	\$0.06 - \$0.20	674,283
Quarter ended April 30, 2021	\$0.20 - \$0.20	4,772
Quarter ended January 31, 2021	\$0.10 - \$0.20	459,218
Quarter ended October 31, 2020	\$0.09 - \$0.27	443,447
Quarter ended July 31, 2020	\$0.44 - \$0.20	231,132

1. The Company's Shares were halted from trading from February 23, 2022 to February 28, 2022 pending dissemination of a news release regarding the COB Transactions.

11. ESCROWED SECURITIES

A total of 2,000,000 Shares were placed in escrow pursuant to an escrow agreement dated August 15, 2019, in conjunction with the Company's initial public offering and listing on the CSE. A total of 1,700,000 Shares (85%) have been released to date, such that 300,000 Shares remain in escrow.

Shares held in escrow are done so in accordance with National Policy 46-201, *Escrow for Initial Public Offerings* ("NP 46-201"), which sets out a national escrow regime applicable to initial public distributions. Pursuant to that policy, Shares are released over a period of three years, as to 10% on listing, and an additional 15% every six months thereafter. The remaining 300,000 Shares will be released on November 21, 2022.

Designation or Class	Number of Securities Currently Held in Escrow ¹	Percentage of Class
Common Shares	300,000	0.64%

The following is a list of those shareholders who currently own Escrowed Shares:

Shareholder	Number
Robert Eadie, <i>Mexico City, Mexico</i>	216,000
Gary Arca, <i>North Delta, B.C.</i>	84,000
Total	300,000

Securities Subject to Resale Restrictions

As of the date of this Listing Statement no securities are subject to any resale restrictions, other than the 2,668,000 Shares issued pursuant to the Operating Agreement are subject to a statutory hold period expiring four months and a day from the Closing Date.

12. PRINCIPAL SHAREHOLDERS

To the knowledge of our directors and officers, no person will beneficially own, as of the Closing Date, directly or indirectly, or exercise control or direction over, more than 10% of our Shares.

13. DIRECTORS AND OFFICERS

13.1-13.5 Name, Address, Occupation and Security Holding

The name, province or state and country of residence, and position with the Company, of each of our directors and executive officers are set out in the table below. Details of their principal business or occupation in which they have been engaged during the immediately preceding five years are as set out under "Management of the Company" following the table.

Name, Position, Province or State and Country of Residence	Principal Occupation or Employment for the Past Five Years	Date Elected or Appointed	Number of Shares and Percentage ¹
Robert Eadie ⁽²⁾ <i>President, CEO and Director</i> Mexico City, Mexico	Executive Chairman & CEO of Starcore International Mines Ltd., a gold and silver producer listed on the Toronto Stock Exchange; director and officer of several publicly traded companies listed on the Canadian Stock Exchange ("CSE").	October 1, 2018	3,466,501 7.42%
Gary Arca <i>CFO, Corporate Secretary & Director</i> Delta, BC, Canada	CFO of Starcore International Mines Ltd., listed on the Toronto Stock Exchange; director and officer of several publicly traded companies listed on the TSX-V and the CSE; member of the Canadian Institute of Chartered Professional Accountants and the British Columbia Institute of Chartered Professional Accountants.	November 5, 2018	2,053,500 4.39%
Gina Pala ⁽²⁾ <i>Director</i> Victoria, B.C.	Currently a Principal at AlliedOne Consulting since 2018 and IM/IT Strategic Advisor/Interim CIO at BCFSa since 2019. Prior thereto, Senior Vice President, Information Technology at BC Investment Management Corporation from 2010 to 2017.	June 30, 2019	50,000 0.10%
Tanya Lutzke ⁽²⁾ <i>Director</i> Vancouver, B.C.	Police Constable with the City of Vancouver from 2005 to present.	March 18, 2022	NIL

1. Based on closing of the COB Transactions, with 46,701,501 Shares outstanding.
2. Member of the audit committee.

The term of office for the directors and members of the committees expires at each annual general meeting. The Board, after each such meeting, appoints committees for the ensuing year.

The Company currently have one Board committee, being an audit committee which presently consists of Robert Eadie, Gina Pala and Tanya Lutzke.

As of the date hereof, our directors and executive officers, including spouses and associates, as a group beneficially own, directly or indirectly, or exercise control or direction over 5,733,000 Shares representing 12.27% of the Company's 46,701,501 issued and outstanding Common Shares.

13.6 Cease Trade Orders

Other than as disclosed below, none of our directors or executive officers or a shareholder holding sufficient securities of the Company to materially affect the control of the Company are, as at the date of this Listing Statement, or have been within 10 years before the date of this Listing Statement, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or
- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- In February 2016, Starcore International Mines Ltd. ("Starcore") was the subject of an administrative enforcement action by the Securities & Exchange Commission in the United States (the "SEC"), due to its failure to meet its reporting obligations under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") which resulted in revocation of its Exchange Act registration by order of the SEC pursuant to section 12(j) of the Exchange Act. At the time of the enforcement action by the SEC, Messrs. Eadie and Arca were directors of Starcore.

13.7 Penalties and Sanctions

None of our directors, executive officers or any shareholder holding a sufficient number of our securities to materially affect control of the Company:

- (a) is, as at the date of this Listing Statement, or has been within the 10 years before the date of this Listing Statement, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (b) has, within the 10 years before the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder;
- (c) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

- (d) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

13.8 Bankruptcies

No director or officer of the Company, or a shareholder holding sufficient securities of the Company to materially affect the control of the Company, or a personal holding company of any such persons has, within the 10 years before the date of the Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer.

13.9 Conflicts of Interest

Our directors are required to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests which they may have in any project or opportunity of the Company. However, our directors and officers may serve on the boards and/or as officers of other companies which may compete in the same industry as the Company, giving rise to potential conflicts of interest. To the extent that such other companies may participate in ventures in which we may participate, they may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such conflicts of interest arise at a meeting of our directors, such conflicts of interest must be declared, and the declaring parties must abstain from voting for or against the approval of such participation. The remaining directors will determine whether or not we will participate in any such project or opportunity.

Our directors and officers are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest, and we will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. Such directors or officers in accordance with the *Business Corporations Act* (BC) will disclose all such conflicts and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

13.10 Management

Further information on the business experience and professional qualifications of our directors, officers and promoters is set forth below:

ROBERT EADIE, CEO, President and Director

Mr. Eadie, age 55, has been a director and our President since December, 2010, and Chief Executive Officer since March 2018. Mr. Eadie is a self-employed business owner, and is currently President, CEO and a director of Starcore International Mines Ltd., a company listed on the Toronto Stock Exchange, since October 2003. Mr. Eadie is also a director and officer of several publicly traded companies listed on the TSX Venture Exchange and the CSE.

Mr. Eadie is not an employee of the Company, and, in his capacity as CEO, will dedicate a minimum of 45% of his time to the affairs of the Company. Mr. Eadie is not currently subject to any written employment agreement or other written non-competition and confidentiality agreement with the Company.

GARY ARCA, CFO, Corporate Secretary and Director

Mr. Arca, age 61, has been a director of the Company since January 8, 2018 and the Chief Financial Officer and Corporate Secretary since March 2018. He has over 35 years of management and accounting experience. He is currently a director and CFO of Starcore International Mines Ltd., a company listed on the Toronto Stock Exchange. He is a Chartered Professional Accountant (CPA) and is a member of the Chartered Professional Accountants of Canada (since May 1985) and Chartered Professional Accountants of BC.

Mr. Arca is not an employee of the Company, and, in his capacity as CFO, will dedicate a minimum of 25% of his time to the affairs of the Company. Mr. Arca is not currently subject to any employment agreement or other written non-competition and confidentiality agreement with the Company.

GINA PALA, Director

Ms. Pala, age 55, has been a director of the Company since June 30, 2019. She is a senior IT Executive with over 20 years in both the public and private sectors specializing in financial services and technology. In her current role as IM/IT Strategic Advisor at the Financial Institutions Commission, she provides strategic IM/IT advice and leadership. Previously in the role of Senior Vice President, Information Technology at BC Investment Management Corporation (BCIMC), Ms. Pala provided technology leadership and managed a team of over 70 IT specialists.

Ms. Pala is not an employee of the Company, and in her role as a director and a member of the Audit Committee, she will dedicate a minimum of 10% of her time to the affairs of the Company. Ms. Pala is not currently subject to any employment agreement or other written non-competition and confidentiality agreement with the Company.

TANYA LUTZKE, Director

Ms. Lutzke, age 53, has been a director of the Company since March 18, 2022. Currently a police constable in the City of Vancouver, she has over 10 years' experience in financial services, the banking industry and law enforcement. Most recently, from March 2018 to November 17, 2021, she served as a director of iMining Technologies Inc., a company listed on the TSX Venture Exchange, engaged in cryptocurrency and related technologies.

Ms. Lutzke is not an employee of the Company, and in her role as a director and a member of the Audit Committee, she will dedicate a minimum of 10% of her time to the affairs of the Company. Ms. Lutzke is not currently subject to any employment agreement or other written non-competition and confidentiality agreement with the Company.

14. CAPITALIZATION

The following tables provide information about our capitalization as of the date of this Listing Statement, and refers to our outstanding Common Shares:

Issued Capital	Number of Securities (non-diluted)	Number of - Securities ⁽¹⁾ (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
<u>Public Float</u>				
Total outstanding (A)	46,701,501	59,196,501	100%	100%
Held by Related Persons ⁽²⁾ (B)	5,670,001	6,540,001	12.14%	11.05%
Total Public Float (A-B)	41,031,500	52,656,000	87.86%	88.95%
<u>Freely-Tradeable Float</u>				
Number of outstanding securities subject to resale restrictions ⁽³⁾ (C)	300,000	300,000	0.64%	0.51%
Total Tradeable Float (A-C)	46,401,501	58,896,001	99.36%	99.49%

(1) Includes 11,975,000 Warrants and 520,000 Finders' Warrants.

(2) Related Persons or employees of the Company, or persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Company (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Company upon exercise or conversion of other securities held). See below.

(3) Includes restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders. In this instance, 300,000 previously existing escrow shares.

Securities Held by Related Persons

For purposes of row (B) in the above table, the following is a list of the securities held by related persons:

Name	Shares	Warrants	Options
Robert Eadie	3,466,501	500,000	Nil
Gary Arca	2,153,500	370,000	Nil
Gina Pala	50,000	Nil	Nil
Total	5,670,001	870,000	Nil

Public Security holders (Registered)

For the purposes of this table, "public security-holders" are registered Shareholders other than related persons enumerated in section (B) of the previous chart.

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of Shares</u>
1 – 499 securities	0	-
500 – 999 securities	30	15,000
1,000 – 1,999 securities	2	2,250
2,000 – 2,999 securities	3	7,500
3,000 – 3,999 securities	0	-
4,000 – 4,999 securities	0	-
5,000 or more securities	35	41,006,750
Totals	62	41,031,500

Public Security holders (Beneficial)

The following table includes (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Company has been given written confirmation of shareholdings.

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of Shares</u>
1 – 499 securities	14	2,591
500 – 999 securities	44	22,623
1,000 – 1,999 securities	16	18,721
2,000 – 2,999 securities	10	24,500
3,000 – 3,999 securities	2	7,500
4,000 – 4,999 securities	3	13,290
5,000 or more securities	114	40,741,065
Unable to confirm	-	201,210
Totals	203	41,031,500

Non-Public Security-holders (Registered)

The following table includes “non-public security holders”, being those related persons enumerated in section (B) of the issued capital chart.

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of Shares</u>
1 – 499 securities	0	-
500 – 999 securities	0	-
1,000 – 1,999 securities	0	-
2,000 – 2,999 securities	0	-
3,000 – 3,999 securities	0	-
4,000 – 4,999 securities	0	-
5,000 or more securities	3	5,670,001
Totals	3	5,670,001

14.2 Securities Convertible or Exchangeable into Shares

The following table details securities convertible or exchangeable into Shares.

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of Common Shares upon conversion / exercise
Finders' Warrants exercisable at \$ 0.10 with an expiry date of December 9, 2023	520,000	520,000
Warrants exercisable at \$0.10 with an expiry date of December 9, 2023	6,725,000	6,725,000
Warrants exercisable at \$0.10 with an expiry date of February 2, 2024	5,250,000	5,250,000
Totals	12,495,000	12,495,000

14.3 Listed securities reserved for issuance not included in item 14.2

There are no other Shares reserved for issuance that are not included in section 14.2.

15. EXECUTIVE COMPENSATION

For purposes hereof, "Named Executive Officer" or "NEO" means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as CEO, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as CFO, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

At the date of this Listing Statement the Company has two NEO's – Robert Eadie, President and CEO; and Gary Arca, CFO and Corporate Secretary.

A. Compensation and Discussion Analysis

The Company currently does not have a Compensation Committee. Executive compensation is considered by the members of the Board who review proposed compensation and determine if it is competitive with similar companies and whether it recognizes and rewards executive performance consistent with the success of the Company's business. These programs are intended to attract and retain capable and experienced people. It is the Company's philosophy to ensure that compensation goals and objectives, as applied to actual compensation paid to the Company's CEO and other executive officers, are aligned with the Company's overall business objectives and with shareholder interests.

In addition to industry comparables, the Board considers a variety of factors when determining both compensation policies and programs and individual compensation levels. These factors include the long-range interests of the Company and its shareholders, overall financial and operating performance of the Company and the assessment of each executive's individual performance and contribution toward meeting corporate objectives.

B. Option-based awards

The Company currently has in place a 10% "rolling" stock option plan (the "**Plan**") for the purpose of attracting and motivating directors, officers, employees and consultants of the Company and advancing the interests of the Company by affording such persons with the opportunity to acquire an equity interest in the Company through rights granted under the Plan to purchase shares of the Company.

The Company's Plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Company takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the Plan, and closely align the interests of the executive officers with the interests of shareholders. For a description of the Plan, see Item 9 – *Options to Purchase Securities – Summary of Stock Option Plan*.

Under the Company's Plan, the Company is authorized to grant stock options of up to 10% of its issued and outstanding shares, from time to time. As at the date hereof, there are no outstanding options under its Plan.

C. Summary Compensation Table

The compensation paid to the NEOs and directors during the Company's most recently completed financial years ended of April 30, 2021 and 2020 is as set out below:

Table of compensation excluding compensation securities							
Name and position	Year Ended April 30	Salary, consulting fee, retainer or commission ⁽¹⁾ (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Robert Eadie President, CEO and Director	2021 2020	18,000 100,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	18,000 100,000
Gary Arca CFO, Corporate Secretary & Director	2021 2020	7,500 55,000	Nil Nil	Nil Nil	Nil Nil	Nil 9,000	7,500 55,000
Gina Pala Director	2021 2020	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Emiliano Vanni ⁽²⁾ Former Director	2021 2020	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

(1) Includes the dollar value of cash and non-cash base salary earned during a financial year covered, including amounts paid and accrued as unpaid.

(2) Resigned as a director on February 25, 2022.

Stock options and other compensation securities

There are no share-based awards and option-based awards outstanding as at the date of this Listing Statement.

Exercise of Compensation Securities During the Year

There were no compensation securities exercised during the fiscal year ended April 30, 2021, or during the interim period to the date of this Listing Statement.

E. Pension Plan Benefits

The Company does not provide a defined plan or a defined contribution plan for any of its executive officers or employees, nor does it have a deferred compensation plan for any of its executive officers.

F. Termination of Employment, Change in Responsibilities and Employment Contracts

There is no written employment contract between the Company and any Named Executive Officer.

There are no compensatory plan(s) or arrangement(s), with respect to the Named Executive Officers pertaining to the resignation, retirement or any other termination of employment of an officer's employment or from a change of a NEO's responsibilities following a change in control.

G. Securities Authorized for Issuance under Equity Compensation Plans

The only equity compensation plan which the Company has in place is the Company's share incentive stock option plan the material terms of which are set forth above.

The following table sets out equity compensation plan information as at the date of this Listing Statement.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c) ⁽¹⁾
Equity compensation plans as approved by securityholders	Nil	N/A	4,670,150
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total			4,670,150

(1) Based on 46,701,501 shares outstanding.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No officer, director, employee or former officer, director or employee of the Company (i) has been indebted to the Company at any time during the most recently completed financial year or is currently indebted to the Company for any purpose, or (ii) is the subject of a guarantee, support agreement (including, but is not limited to, an agreement to provide assistance in the maintenance or servicing of any indebtedness and an agreement to provide compensation for the purpose of maintaining or servicing any indebtedness of the borrower), letter of credit or other similar arrangement or understanding.

The Company is indebted to Robert Eadie for approximately \$372,400 (€260,000) for advances made by him in 2021 to fund the ongoing operations of HFH Italy. The Company has issued a Promissory Note to Mr. Eadie regarding the loan, which is unsecured, non-interest bearing, and repayable on demand.

17. RISK FACTORS

An investment in the securities should be considered highly speculative due to the nature of the Company's proposed new business and the present stage of development. We have no history of earnings, have limited cash reserves, no history of operations involving cryptocurrencies, have not paid dividends, and are unlikely to pay dividends in the immediate or near future. An investment in securities of the Company should only be made by knowledgeable and sophisticated investors who are willing to risk and can afford the loss of their entire investment and who are able to understand the unique nature and risks of the Company, cryptocurrencies and mining. Potential investors should consult with their professional advisors to assess an investment in the Company. In evaluating the Company and its business, investors should carefully consider, in addition to other information contained in this Listing Statement, the risk factors below. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or in connection with its operations.

Risks Related to our Business

COB Transactions Not Approved

The completion of the COB Transactions is subject to Exchange approval. There can be no assurance that all necessary approvals will be obtained. If the COB Transactions are not completed, the Company will continue to search for other opportunities; however, it will have incurred significant costs associated with the COB Transactions.

The Exchange may refuse to accept the COB Transactions if the Resulting Issuer fails to meet the minimum listing requirements prescribed by the Exchange upon completion of the COB Transactions, or the consideration proposed to be paid by the Company in connection with the Acquisition and Hosting is objectionable to the Exchange.

Additional Funding Requirements

Further acquisitions of additional mining rigs will require additional capital; and the ongoing Hosting operations may require monthly payments over and above the revenue generated by the new mining business. Although the Company has adequate funds to operate for the next 12 months, there is no assurance that it will be successful in obtaining the required financing for these or other purposes, including for general working capital.

Market Risk for Securities

There can be no assurance that an active trading market for the Resulting Issuer's Shares will be established and sustained. Upon resumption of trading, the market price for the Shares could be subject to wide fluctuations. Factors such as government regulation, cryptocurrency price fluctuations, share price movements of peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the Company's securities. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Liquidity and Future Financing Risk

The Company may operate at a loss until its business becomes established and the Company may require additional financing in order to fund future operations and expansion plans. The Company's ability to secure any required financing to sustain operations will depend in part upon prevailing capital market conditions and business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to management. If additional financing is raised by issuance of additional Shares from treasury, control may change and Shareholders may suffer dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may be required to scale back its current business plan or cease operating.

Dividend Risk

The Company has not paid dividends in the past and does not anticipate paying dividends in the near future. The Company expects to retain earnings to finance further growth.

Risks Related to the Company's COB New Business

No Operating History

The Company has no operating history in the cryptocurrency mining industry, which can make it difficult for investors to evaluate the Company's operations and prospects and may increase the risks associated with investment in the Company.

Regulatory changes or actions may alter the nature of an investment in the Company or restrict the use of cryptocurrencies in a manner that adversely affects the Company's operations

As cryptocurrencies have grown in both popularity and market size, governments around the world have reacted differently to cryptocurrencies with certain governments deeming them illegal while others have allowed their use and trade. Ongoing and future regulatory actions may alter, perhaps to a materially adverse extent, the ability of the Company to continue to operate.

The effect of any future regulatory change on the Company or any cryptocurrency that the Company may mine is impossible to predict, but such change could be substantial and have a material adverse effect on the Company.

Governments may in the future curtail or outlaw the acquisition, use or redemption of cryptocurrencies. Ownership of, holding or trading in cryptocurrencies may then be considered illegal and subject to sanction. Governments may also take regulatory action that may increase the cost and/or subject cryptocurrency companies to additional regulation.

Governments may in the future take regulatory actions that prohibit or severely restrict the right to acquire, own, hold, sell, use or trade cryptocurrencies or to exchange cryptocurrencies for fiat currency. By extension, similar actions by other governments, may result in the restriction of the acquisition, ownership, holding, selling, use or trading in the Shares. Such a restriction could result in the Company liquidating its cryptocurrency inventory at unfavorable prices and may adversely affect the Company's shareholders.

The value of cryptocurrencies may be subject to momentum pricing risk

Momentum pricing typically is associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for anticipated future appreciation in value. Cryptocurrency market prices are determined primarily using data from various exchanges, over-the-counter markets, and derivative platforms. Momentum pricing may have resulted, and may continue to result, in speculation regarding future appreciation in the value of cryptocurrencies, inflating and making their market prices more volatile. As a result, they may be more likely to fluctuate in value due to changing investor confidence in future appreciation (or depreciation) in their market prices, which could adversely affect Company's shareholders.

Cryptocurrency exchanges and other trading venues are relatively new and, in most cases, largely unregulated and may therefore be more exposed to fraud and failure

To the extent that cryptocurrency exchanges or other trading venues are involved in fraud or experience security failures or other operational issues, could result in a reduction in cryptocurrency prices.

Cryptocurrency market prices depend, directly or indirectly, on the prices set on exchanges and other trading venues, which are new and, in most cases, largely unregulated as compared to established,

regulated exchanges for securities, derivatives and other currencies. For example, in earlier years, a number of BTC exchanges were closed due to fraud, business failure or security breaches. In many of these instances, the customers of the closed BTC exchanges were not compensated or made whole for the partial or complete losses of their account balances in such BTC exchanges. While smaller exchanges are less likely to have the infrastructure and capitalization that provide larger exchanges with additional stability, larger exchanges may be more likely to be appealing targets for hackers and “malware” (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information or gain access to private computer systems) and may be more likely to be targets of regulatory enforcement action.

Banks may not provide banking services, or may cut off banking services, to businesses that provide cryptocurrency-related services or that accept cryptocurrencies as payment

A number of companies that provide cryptocurrency-related services have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such companies have had their existing bank accounts closed by their banks. Banks may refuse to provide bank accounts and other banking services to cryptocurrency-related companies or companies that accept cryptocurrencies for a number of reasons, such as perceived compliance risks or costs. The difficulty that many businesses that provide cryptocurrency-related services have and may continue to have in finding banks willing to provide them with bank accounts and other banking services may be currently decreasing the usefulness of cryptocurrencies as a payment system and harming public perception of cryptocurrencies or could decrease its usefulness and harm its public perception in the future. Similarly, the usefulness of cryptocurrencies as a payment system and the public perception of cryptocurrencies could be damaged if banks were to close the accounts of many or of a few key businesses providing cryptocurrency-related services. This could decrease the market prices of cryptocurrencies and adversely affect the value of the Company’s cryptocurrency inventory.

The further development and acceptance of the cryptographic and algorithmic protocols governing the issuance of and transactions in cryptocurrencies is subject to a variety of factors that are difficult to evaluate

The use of cryptocurrencies to, among other things, buy and sell goods and services and complete other transactions, is part of a new and rapidly evolving industry that employs digital assets based upon a computer-generated mathematical and/or cryptographic protocol. The growth of this industry in general, and the use of cryptocurrencies in particular, is subject to a high degree of uncertainty, and the slowing, or stopping of the development or acceptance of developing protocols may adversely affect the Company’s operations. The factors affecting the further development of the industry, include, but are not limited to:

- Continued worldwide growth in the adoption and use of cryptocurrencies;
- Governmental and quasi-governmental regulation of cryptocurrencies and their use, or restrictions on or regulation of access to and operation of the network or similar cryptocurrency systems;
- Changes in consumer demographics and public tastes and preferences;
- The maintenance and development of the open-source software protocol of the network;
- The availability and popularity of other forms or methods of buying and selling goods and services, including new means of using fiat currencies;

- General economic conditions and the regulatory environment relating to digital assets; and
- Negative consumer sentiment and perception of cryptocurrencies generally.

Acceptance and/or widespread use of cryptocurrency is uncertain

Currently, there is relatively small use of BTCs and/or other cryptocurrencies in the retail and commercial marketplace in comparison to relatively large use by speculators, thus contributing to price volatility that could adversely affect the Company's operations, investment strategies, and profitability.

As relatively new products and technologies, cryptocurrency has not been widely adopted as a means of payment for goods and services by major retail and commercial outlets. Conversely, a significant portion of cryptocurrency demand is generated by speculators and investors seeking to profit from the short-term or long-term holding of cryptocurrencies.

The relative lack of acceptance of cryptocurrencies in the retail and commercial marketplace limits the ability of end-users to use them to pay for goods and services. A lack of expansion by cryptocurrencies into retail and commercial markets, or a contraction of such use, may result in increased volatility or a reduction in their market prices, either of which could adversely impact the Company's operations, investment strategies, and profitability.

The Company may be required to sell its cryptocurrency coins to pay for expenses. It may do so irrespective of then-current coin prices. Consequently, the Company's coins may be sold at a time when the price is low, resulting in a negative effect on the Company's profitability.

The Company's operations, investment strategies, and profitability may be adversely affected by competition from other methods of investing in cryptocurrencies

The Company competes with other users and/or companies that are mining cryptocurrencies and other potential financial vehicles, possibly including securities backed by or linked to cryptocurrencies through entities similar to the Company. Market and financial conditions, and other conditions beyond the Company's control, may make it more attractive to invest in other financial vehicles, or to invest in cryptocurrencies directly which could limit the market for the Company's Shares and reduce their liquidity.

The Company's coins may be subject to loss, theft or restriction on access. Access to the Company's coins could also be restricted by cybercrime (such as a denial of service attack) against a service at which the Company maintains a hosted online wallet. Any of these events may adversely affect the operations of the Company and, consequently, its investments and profitability.

The loss or destruction of a private key required to access the Company's digital wallets may be irreversible. The Company's loss of access to its private keys or an experience of a data loss relating to the Company's digital wallets could adversely affect its investments.

Cryptocurrencies are controllable only by the possessor of both the unique public and private keys relating to the local or online digital wallet in which they are held, which wallet's public key or address is reflected in the network's public blockchain. The Company will publish the public key relating to digital wallets in use when it verifies the receipt of cryptocurrency transfers and disseminates such information into the network, but it will need to safeguard the private keys relating to such digital wallets. To the extent such private keys are lost, destroyed or otherwise compromised, the Company will be unable to access its coins and such private keys will not be capable of being restored by network. Any loss of private keys relating to digital wallets used to store the Company's Siacoins could adversely affect its investments and profitability.

Incorrect or fraudulent coin transactions

Cryptocurrency transactions are irrevocable and stolen or incorrectly transferred coins may be irretrievable. As a result, any incorrectly executed or fraudulent coin transactions could adversely affect the Company's investments.

Coin transactions are not, from an administrative perspective, reversible without the consent and active participation of the recipient of the transaction. In theory, cryptocurrency transactions may be reversible with the control or consent of a majority of processing power on the network. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer of a coin or a theft of coin generally will not be reversible and the Company may not be capable of seeking compensation for any such transfer or theft. Although the Company's transfers of coins will regularly be made by experienced members of the management team, it is possible that, through computer or human error, or through theft or criminal action, the Company's coins could be transferred in incorrect amounts or to unauthorized third parties, or to uncontrolled accounts.

If the award of coins for solving blocks and transaction fees are not sufficiently high, miners may not have an adequate incentive to continue mining and may cease their mining operations

If the number of coins awarded for solving a block in the blockchain decreases, the incentive for miners to continue to contribute processing power to the network will transition from a set reward to transaction fees. Either the requirement from miners of higher transaction fees in exchange for recording transactions in the blockchain or a software upgrade that automatically charges fees for all transactions may decrease demand for the relevant coins and prevent the expansion of the network to retail merchants and commercial businesses, resulting in a reduction in the price of the relevant cryptocurrency that could adversely impact the Company's cryptocurrency inventory and investments.

In order to incentivize miners to continue to contribute processing power to the network, the network may either formally or informally transition from a set reward to transaction fees earned upon solving for a block. This transition could be accomplished either by miners independently electing to record on the blocks they solve only those transactions that include payment of a transaction fee or by the network adopting software upgrades that require the payment of a minimum transaction fee for all transactions. If transaction fees paid for the recording of transactions in the blockchain become too high, the marketplace may be reluctant to accept network as a means of payment and existing users may be motivated to switch between cryptocurrencies or back to fiat currency. Decreased use and demand for coins may adversely affect their value and result in a reduction in the market price of coins.

If the award of coins for solving blocks and transaction fees for recording transactions are not sufficiently high to incentivize miners, miners may cease expending processing power to solve blocks and confirmations of transactions on the blockchain could be slowed temporarily. A reduction in the processing power expended by miners could increase the likelihood of a malicious actor or botnet obtaining control in excess of 50 percent of the processing power active on the blockchain, potentially permitting such actor or botnet to manipulate the blockchain in a manner that adversely affects the Company's mining activities.

Any reduction in confidence in the confirmation process or processing power of the network may adversely impact the Company's mining activities, inventory of coins, and future investment strategies.

The price of coins may be affected by the sale of coins by persons investing in coins or tracking cryptocurrency markets

To the extent that persons investing in coins or tracking cryptocurrency markets form and come to represent a significant proportion of the demand for coins, large redemptions of the securities of those persons or the sale of coins by such persons could negatively affect cryptocurrency prices and therefore affect the value of any inventory held by the Company.

Risk related to technological obsolescence and difficulty in obtaining hardware

To remain competitive, the Company must continue to invest in hardware and equipment required for the Company's mining activities. Should competitors introduce new equipment or software embodying new technologies, the Company recognizes its hardware and equipment and its underlying technology may become obsolete and require substantial capital to replace such equipment. The increase in interest and demand for cryptocurrencies has led to a shortage of mining hardware. The rate of change in the nature and speed of mining equipment continues to develop rapidly. The Company's Rigs could become obsolete faster than anticipated. There is no assurance the Company will be able to afford new equipment from time to time in order to remain competitive; and its inability to do so may have adverse consequences on its operations and cash flow.

Management Experience and Dependence on Key Personnel, Employees and third party providers

The Company's success is currently largely dependent on the performance of the Company's directors and officers. The members of the Company's management team have experience in the cryptocurrency industry, but will still engage the skills and experience of Enigma's management team in hosting the Company's mining Rigs. The experience of these individuals is a factor which will contribute to the Company's continued success and growth. The amount of time and expertise expended on the Company's affairs by each of Enigma's management team will vary according to the relative size of the Company's operations compared to the other operations being managed by Enigma. Investors who are not prepared to rely on the Company's and Enigma's management teams should not invest in the Company's securities.

Enigma will be responsible for hosting the Company's cryptocurrency mining Rigs, and while there will be little or no discretion in the manner in which the Company's Rigs are operated, the inability of the Company to control the operations directly may have a material adverse effect on the Company's profitability, results of operation and financial condition.

As the Company will not be directly operating its cryptocurrency mining business, and will have limited input into how the operations are conducted. As such, the Company may have limited access to data on the operations. This could affect its ability to assess the value of the operations and Enigma's performance. This could also result in delays in cash flow from that anticipated by the Company. This may have a material adverse effect on the Company's profitability, results of operation and financial condition.

Uninsured or Uninsurable Risks

The Company intends to insure its operations in accordance with technology industry practice. However, given the novelty of cryptocurrency mining and associated businesses, such insurance may not be available, uneconomic for the Company, or the nature or level may be insufficient to provide adequate insurance coverage. The Company may become subject to liability for hazards against which the Company

cannot insure or against which the Company may elect not to insure because of high premium costs or for other reasons. The payment of any such liabilities would reduce or eliminate the funds available for operations. Payments of liabilities for which the Company does not carry insurance may have a material adverse effect on the Company's financial position.

General Business Risks

COVID 19 Pandemic

The precise impacts of the global emergence of Coronavirus disease (COVID-19) on the Company are currently unknown. Rules in all jurisdictions are changing rapidly and the Company will need to evaluate and evolve with measures as they are announced. Government restrictions on the movement of people and goods may cause our operations to slow or cease. This may cause the Company to enact force majeure under one or more of its agreements. Such disruptions in work may cause the Company to miss actual or self-imposed deadlines, push out earlier forecasts, and increase fiscal losses. In addition, the outbreak of COVID-19 has caused considerable disruption to the world economy and financial markets which could have a materially adverse impact on the ability of the Company to raise additional funding in the future and could negatively impact, among other factors, the Company's share price.

Military and Geopolitical Matters

Recent military conflicts in eastern Europe, and geopolitical tensions in other parts of the world, may escalate and cause unknown adverse consequences on world economics, stock markets and cryptocurrencies. These changes could be severe, and have significant adverse consequences on the Company's proposed new business.

Conflicts of Interest

Certain of our directors and officers are, and may continue to be, involved in the cryptocurrency industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers may conflict with our interests. Directors and officers of the Company with conflicts of interest will be subject to and must follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies. Notwithstanding this, there may be corporate opportunities which we are not able to procure due to a conflict of interest of one or more of our directors or officers.

The Company's business, operating results and financial condition could be adversely affected by any of the risks outlined above. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also impair the operations of the Company. If any such risks actually occur, the financial condition, liquidity and results of operations of the Company could be materially adversely affected and the ability of the Company to continue its business could be adversely affected.

An investment in the Company's Shares is speculative and will be subject to material risks; and investors should not invest in securities of the Company unless they can afford to lose their entire investment.

18. PROMOTERS

Robert Eadie may be considered to be a Promoter of the Company, as he was primarily responsible for originally forming, organizing and financing the Company, for developing its former hemp growing business, for completing the Company's initial public offering and listing on the CSE, and for locating the new business opportunity to mine for Siacoins. Information about Mr. Eadie is disclosed elsewhere in this Listing Statement in connection with his role as an officer and director of the Company. See "Directors and Officers" and "Executive Compensation" for details.

Mr. Eadie is the President and CEO of the Company, and holds an aggregate of 3,466,501 Shares (representing 7.42% of the Company's outstanding Shares) and 500,000 share purchase warrants.

Mr. Eadie will be entitled to receive management fees, and stock options under the Company's Plan. See "*Options and Other Rights to Purchase Securities*"; "*Directors and Executive Officers – Management of the Company; Cease Trade Orders, Bankruptcies, Penalties or Sanctions*"; and "*Interest of Management and Others in Material Transactions*" for disclosure regarding the Promoter.

19. LEGAL PROCEEDINGS

19.1 – 19.2 Material Legal Proceedings and Regulatory Actions

As of the date of this Listing Statement, the Company is not a party to any legal proceedings or any regulatory actions. No legal proceedings are contemplated by the Company, and the Company is not aware of any material legal proceedings or regulatory actions being contemplated against it or any of its assets.

The Company has not been subject to any penalties or sanctions imposed against it by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date of this Listing Statement.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

For purposes of this Listing Statement, "informed person" means:

- (a) any director or executive officer of the Company;
- (b) a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Company's outstanding Shares; and
- (c) any associate or affiliate of any of the foregoing persons.

Other than (i) the sale of HFH Italy to a former director as disclosed herein, and (ii) the loans by Robert Eadie to HFH Italy, and (iii) Shares issued for outstanding debts to Robert Eadie and Gary Arca, both directors of the Company (see Item 2.4 – *Debt Settlement*), no informed person has had any material interest, direct or indirect, in any material transaction with the Company since its incorporation that has materially affected or is reasonably expected to materially affect the Company.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditor

Davidson & Company LLP, Chartered Professional Accountants, with offices at 1200 – 609 Granville Street, Vancouver, British Columbia, V7Y 1G5, have been the Company's auditor since the Company's incorporation, however upon completing the audit of the Company's April 30, 2022 fiscal year end financial statements, they will not be continuing as auditors. The Company has yet to formally engage a replacement auditing firm.

Transfer Agent and Registrar

The Company's register and transfer agent is TSX Trust Company, with offices at 2700 – 650 W. Georgia Street, Vancouver, British Columbia.

22. MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Company, currently in effect:

1. Asset Purchase Agreement between Enigma and the Company, dated March 18, 2022 pertaining to the Acquisition of the Rigs. (See Item 4 – *Narrative Description of the Business*).
2. Operating Agreement between Enigma and the Company, dated March 18, 2022 pertaining to the Hosting of the Rigs. (See Item 4 – *Narrative Description of the Business*).
3. Escrow Agreement dated August 15, 2019 among the Company, TSX Trust Company, and each of Robert Eadie and Gary Arca. (See Item 11 – *Escrowed Securities*).

Copies of all material contracts may be inspected at our registered office at suite 750 – 580 Hornby Street, Vancouver, BC, during normal business hours. The material contracts are also available on SEDAR.

23. INTEREST OF EXPERTS

The only persons who are named as having prepared or certified a part of this Listing Statement or prepared or certified a report or valuation described or included in this Listing Statement are the Company's auditors, Davidson & Company LLP.

No direct or indirect interest in any asset of the Company or of a Related Person of the Company has been received or is to be received by a person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Listing Statement or prepared or certified a report or valuation described or included in this Listing Statement.

24. OTHER MATERIAL FACTS

There are no other material facts that are not disclosed under the preceding items and that are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the Company and its securities.

25. FINANCIAL STATEMENTS

Attached hereto are the following financial statements of the Company:

- (i) audited financial statements for the fiscal years ended April 30, 2021 and 2020 – Schedule “C”;
and
- (ii) unaudited financial statements for the nine months ended January 31, 2022 - Schedule “A”.

Additional historical financial statements for the Company can be found under the Company’s profile on SEDAR.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, **Hemp for Health Inc.** (the "Company") hereby applies for the listing of its common shares on the CSE. The foregoing contains full, true and plain disclosure of all material information relating to the Company. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver, B.C., this 20th day of June, 2022.

"Robert Eadie"

Robert Eadie, CEO

"Gary Arca"

Gary Arca, CFO

"Gina Pala"

Gina Pala, Director

"Tanya Lutzke"

Tanya Lutzke, Director

"Robert Eadie"

Robert Eadie, Promoter

Schedule "A"

**Interim Financial Statements of the Company
for the nine months ended January 31, 2022**

Hemp for Health Inc.
Condensed Interim Consolidated Financial Statements
For the nine months ended January 31, 2022
(Unaudited)

**NOTICE TO READER OF THE AMENDED UNAUDITED CONDENSED INTERIM
CONSOLIDATED FINANCIAL STATEMENTS**

These financial statements have been refiled to remove the notice of no auditor review of interim financial statements. Additionally, please be advised that a number of non-material changes were made to the Condensed Interim Consolidated Statement of Financial Position as at January 31, 2022; and the Condensed Interim Consolidated Statements of Operations and Comprehensive Loss, the Condensed Interim Consolidated Statements of Cash Flows and the Condensed Interim Consolidated Statement of Changes in Equity (Deficiency) for the nine month period ended January 31, 2022 and the Notes to the Condensed Interim Consolidated Financial Statements.

The accompanying notes form an integral part of these unaudited condensed interim consolidated
financial statements

HEMP FOR HEALTH INC.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Stated in Canadian Dollars)
(Unaudited)

As at	January 31, 2022	April 30, 2021
Assets		
Current		
Cash	\$ 761,562	\$ 12,348
Amounts receivable (note 4)	1,175	593
Prepaid expenses and advances (note 4)	11,979	11,979
Total Current Assets	774,716	24,920
Non-Current assets		
Fixed assets	5,070	6,453
Total Assets	\$ 779,786	\$ 31,373
Liabilities		
Current		
Trade and other payables (note 10)	\$ 189,540	\$ 211,523
Advances payable (note 5)	375,220	282,500
Total Liabilities	564,760	494,023
Equity (Deficiency)		
Share capital (note 6)	4,337,605	3,324,180
Share subscriptions received (note 6)	115,000	-
Reserves (note 6)	90,860	83,660
Accumulated deficit	(4,328,439)	(3,870,490)
Total Equity (Deficiency)	215,026	(462,650)
Total Liabilities and Equity (Deficiency)	\$ 779,786	\$ 31,373

Basis of preparation and going concern (note 2)
Subsequent events (notes 6 and 11)

APPROVED ON BEHALF OF THE DIRECTORS:

“Robert Eadie”

Robert Eadie, Director

“Gary Arca”

Gary Arca, Director

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements

HEMP FOR HEALTH INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND
COMPREHENSIVE LOSS
(Stated in Canadian Dollars)
(Unaudited)

	For the three months ended January 31,		For the nine months ended January 31,	
	2022	2021	2022	2021
Expenses:				
Audit and accounting fees/(recoveries) (note 10)	\$ (2,527)	\$ 12,275	\$ 10,687	\$ 23,075
Foreign exchange loss (gain)	(3,470)	173	(3,371)	11,000
Legal and corporate services	13,303	17,426	17,219	63,128
Management and consulting fees (note 10)	1,500	-	34,500	-
Office, rent and administration (note 10)	8,271	4,490	31,512	47,665
Research and development (note 3)	106,744	391,441	417,478	671,750
Shareholder communications and marketing	1,556	3,229	5,942	161,876
Transfer agent and filing fees	7,806	2,250	14,575	9,109
Travel and accommodations	13,262	1,532	13,262	40,137
Total expenses	(146,445)	(432,816)	(541,804)	(1,027,740)
Other item:				
Amounts payable forgiven (note 10)	83,855	-	83,855	-
Total loss and comprehensive loss for the period	\$ (62,590)	\$ (432,816)	\$ (457,949)	\$ (1,027,740)
Basic and diluted loss per share for the period	\$ (0.00)	\$ (0.04)	\$ (0.03)	\$ (0.09)
Weighted average shares outstanding – basic and diluted - Note 7	24,961,408	12,081,001	16,374,470	12,081,001

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements

HEMP FOR HEALTH INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Stated in Canadian Dollars)
(Unaudited)

For the nine months ended January 31,	2022	2021
Cash provided by (used in):		
Operating activities		
Loss for the period	\$ (457,949)	\$ (1,027,740)
Items not involving cash:		
Amortization	1,383	1,383
Trade and other payables forgiven	83,855	-
	(372,711)	(1,026,357)
Change in non-cash working capital items		
Amounts receivable	(582)	(50,590)
Prepaid expenses and advances	-	106,779
Trade and other payables	(45,213)	301,858
Cash outflow for operating activities	(418,506)	(668,310)
Financing activities		
Share issuances	672,500	-
Share subscriptions	115,000	-
Share issue costs	(52,000)	-
Advances, net of repayments	432,220	-
Cash inflow for financing activities	1,167,420	-
Total increase/ (decrease) in cash	749,214	(668,310)
Cash, beginning of period	12,348	714,421
Cash, end of period	\$ 761,562	\$ 46,111

Supplemental cash flow information:

Finders' warrants issued as share issuance costs	\$ 7,200	-
Shares issued to settle trade and other payables	\$ 60,625	-
Shares issued to settle advances payable	\$ 339,500	-

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements

HEMP FOR HEALTH INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)
(Stated in Canadian Dollars)
(Unaudited)

	Number of Shares Outstanding	Share Capital	Share subscription received	Reserves	Accumulated Deficit	Total Equity (Deficiency)
Balance – April 30, 2020	12,081,001	3,324,180	-	83,660	(2,362,324)	1,045,516
Loss for the period	-	-	-	-	(1,027,740)	(1,027,740)
Balance – January 31, 2021	12,081,001	3,324,180	-	83,660	(3,390,064)	17,776
Loss for the period	-	-	-	-	(480,426)	(480,426)
Balance – April 30, 2021	12,081,001	3,324,180	-	83,660	(3,870,490)	(462,650)
Debt settlement	8,002,500	400,125	-	-	-	400,125
Private placement of \$0.05	13,450,000	672,500	-	-	-	672,500
Share subscription	-	-	115,000	-	-	115,000
Share issuance costs	-	(59,200)	-	7,200	-	(52,000)
Loss for the period	-	-	-	-	(457,949)	(457,949)
Balance – January 31, 2022	33,533,501	\$ 4,337,605	\$ 115,000	\$ 90,860	\$ (4,328,439)	\$ 215,026

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements

HEMP FOR HEALTH INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the nine months ended January 31, 2022 and 2021
(Stated in Canadian Dollars)
(Unaudited)

Note 1 **Corporate Information**

Hemp for Health Inc. (the “Company”) was incorporated on October 1, 2018 under the *Business Corporations Act* of British Columbia. The Company is listed on the Canadian Securities Exchange (the “CSE”) under the trading symbol “HFH”. Until recently, the Company was in the business of growing, processing, packaging and selling cannabidiol and related hemp-based products in Europe. The Company set up a wholly-owned Italian subsidiary, Hemp For Health H4H s.r.l. (“H4Hsrl”) to operate the business interests in Italy. See Note 11 for disclosure of a “Change of Business”, whereby the Company proposes to change its business to mining for cryptocurrencies. The change of business is subject to the approval of the CSE and the Company’s shareholders.

The registered address and the Company’s corporate office and principal place of business is 750 – 580 Hornby Street, Vancouver, British Columbia, Canada.

On December 2, 2021, the Company’s outstanding common shares were consolidated on the basis of two existing shares for one new share. All share, per share, and warrant amounts have been retroactively restated.

Note 2 **Basis of Preparation and Going Concern**

a) Statement of Compliance

These unaudited condensed interim consolidated financial statements for the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These unaudited condensed interim consolidated financial statements, for the nine month period ended January 31, 2022, have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting, and do not include all the information required for full annual financial statement. For summary of significant accounting policies, see Note 3 of the Company’s April 30, 2021 audited annual financial statements. These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company’s April 30, 2021 audited annual financial statements.

The updated amended financial statements were authorized for issue by the Board of Directors on May 18, 2022.

b) Basis of Measurement and Going Concern

The unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis, except for cashflow information. The preparation of condensed interim consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company’s accounting policies. The areas involving a higher degree of

HEMP FOR HEALTH INC.

Notes to the Condensed Interim Consolidated Financial Statements

January 31, 2022

(Stated in Canadian Dollars) (Unaudited) - Page 2

Note 2 Basis of Preparation and Going Concern – (cont'd)

b) Basis of Measurement and Going Concern – (cont'd)

judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 of the Company's April 30, 2021 audited annual financial statements.

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

The Company has not generated revenue from operations and incurred a loss of \$457,949 during the nine month period ended January 31, 2022. While the Company has been successful in obtaining the necessary financing through the issuance of common shares in the past, there is no assurance it will be able to raise funds in this manner in the future. As at January 31, 2022, the Company had \$761,562 in cash, working capital of \$209,956 and no long-term debt.

These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of operations, and at amounts different from those in the accompanying consolidated financial statements.

c) Basis of Consolidation

These unaudited condensed interim consolidated financial statements include the accounts of the Company and its subsidiary, which is controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from the entity's activities. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposal or loss of control.

The Company's wholly-owned subsidiary, H4Hsrl, carries out its operations in Italy. All intra-group transactions, balances, income and expenses are eliminated, in full, on consolidation. Legal, corporate and foreign regulatory fees and taxes related to the Italian subsidiary are included in legal costs. All other expenses are included in the related expense categories, including office and administration.

The unaudited condensed interim consolidated financial statements are presented in Canadian dollars ("CDN"), which is the functional currency of the Company and its subsidiary.

HEMP FOR HEALTH INC.

Notes to the Condensed Interim Consolidated Financial Statements

January 31, 2022

(Stated in Canadian Dollars) (Unaudited) - Page 3

Note 3 Research and Development - Crops Costs

During the year ended April 30, 2020, the Company entered into agreements with various agricultural groups to cultivate and harvest hemp on behalf of the Company on up to 150 hectares of farmland. The agreements are for an initial 5 year period with an option to renew for 5 years. The payments to these farmers are fully expensed to research and development as the Company is still testing plant strains and has had no significant revenue.

During the period ended January 31, 2022, research and development costs were \$417,478 (including VAT taxes due to uncertainty of recovery – see note 4), with respect to planting in 2021, including seedling costs crop costs from the farmers. Any revenue realized from this crop will be credited against the research and development costs as realized. During the period ended January 31, 2021, the Company expensed crop costs as research and development, along with seed costs and consulting fees for a total of \$709,930, excluding VAT taxes incurred (see note 4). This is offset by \$38,180 of proceeds received on sale of the test crop biomass for a net expense of \$671,750.

Note 4 Amounts Receivable and Prepaid Expenses and Advances

During the years ended April 30, 2021 and 2020, \$317,824 (211,221 Euro) was paid for VAT taxes in Italy and is receivable against future VAT paid. (April 30, 2020 - \$165,000 (112,640 Euro)). During the year ended April 30, 2021, management determined that there is uncertainty of recovery of these amounts without significant revenues or operations in Italy and, therefore, has written down the receivable to nil. Management will continue to apply for the refund of these taxes, and any further VAT taxes incurred, under Italian tax guidelines and may use these credits to offset any VAT payable on future sales. Additional VAT taxes paid or accrued in the current period ended January 31, 2022, have been directly expensed to the related expenditure.

Also, during the prior year ended April 30, 2021, management determined that advances of 50,000 Euro (CAD\$73,897) to a potential distribution partner were uncollectible and has written the amounts down to nil.

Note 5 Advances Payable

The Company had signed a letter of intent (“LOI”) with Pacific Hemp Company Pty Ltd. (“PHC”), whereby the Company would acquire 100% of the outstanding shares of PHC. The LOI expired on May 17, 2021, as PHC was unable to meet its minimum obligations. PHC advanced the Company a 60 day refundable deposit pursuant to the extension of the original agreement of \$152,500 (100,000 Euros). This amount was settled by the issuance of 3,050,000 shares at \$0.05 per share during the period ended January 31, 2022 (see note 6).

During the period ending January 31, 2022, the CEO and director of the Company advanced 260,000 Euros (approximately \$373,520) to the Company’s Italian subsidiary, H4Hsrl on behalf of the Company, to pay certain crop costs and administrative expenses of H4Hsrl. These advances are non-interest bearing and are due on demand. During the period ending January 31, 2022, the Company was advanced \$189,700, including \$14,700 by the CFO and director of the Company and companies controlled by him, as non-interest bearing advances due on demand. \$188,000 of these advances were settled by the issuance of 3,760,000 shares at \$0.05 per share during the period ending January 31, 2022 (see note 6).

HEMP FOR HEALTH INC.

Notes to the Condensed Interim Consolidated Financial Statements

January 31, 2022

(Stated in Canadian Dollars) (Unaudited) - Page 4

Note 6 Share Capital and Reserves

a) Common share issuances

The Company is authorized to issue an unlimited number of no par value common shares, issuable in series. The holders of common shares are entitled to one vote per share at meetings of the Company and to receive dividends, which may be declared from time-to-time. To date, equity financings have provided the main source of financing.

No dividends have been declared by the Company since its inception. All shares are ranked equally with regard to the Company's residual net assets.

Consolidation

On December 2, 2021, the Company's outstanding common shares were consolidated on the basis of two existing shares for one new share (the "Consolidation"). Prior to the consolidation, the Company's authorized share capital was an unlimited number of common shares without par value, of which 24,162,001 shares were issued and outstanding, with a further 8,529,000 shares reserved for issuance upon the exercise of outstanding warrants. Upon completion of the share consolidation, there were 12,081,001 common shares issued and outstanding.

Financings

The Company completed a financing in two tranches to raise a total of \$1,197,500 in gross proceeds as follows:

- On December 9, 2021, the Company closed Tranche 1 of its non-brokered private placement, raising \$672,500 in gross proceeds through the issuance of 13,450,000 units at a price of \$0.05 per unit. Each unit consists of one share and one-half of one common share purchase warrant, with each whole warrant entitling the holder to purchase one common share of the Company at a price of \$0.10 per share for a period of 2 years, provided that in the event the closing price of the Company's shares is equal to or greater than \$0.20 per share for 30 consecutive trading days at any time following four months after the date of closing, the Company may, by notice to the warrant holders, reduce the remaining exercise period of the warrants to not less than 30 days following the date of such notice.

Aggregate compensation of \$52,000 and 520,000 finders' warrants (having the same general terms as the warrants forming part of the units) was paid by the Company as finders' fees, valued at \$7,200 using the Black Scholes method. Assumptions used in the model were a stock price and exercise price of \$0.10, no dividend, a 2 year expected life, a 100% volatility and a risk free rate of 0.95%

- Subsequent to January 31, 2022 on February 2, 2022, the Company closed the final tranche of its non-brokered private placement, with the final tranche raising \$525,000 through the issuance of 10,500,000 units at a price of \$0.05 per unit. Each unit has the same terms as Tranche 1 above. No finders' fees were payable in this final tranche. Proceeds of \$115,000 were received prior to January 31, 2022.

HEMP FOR HEALTH INC.

Notes to the Condensed Interim Consolidated Financial Statements

January 31, 2022

(Stated in Canadian Dollars) (Unaudited) - Page 5

Note 6 Share Capital and Reserves – (cont'd)a) Common share issuances – (cont'd)Debt Settlement

The Company issued 8,002,500 post-consolidated shares in full settlement of outstanding debt in the aggregate amount of \$400,125, representing \$60,625 in fees and \$339,500 in advances owing. Included in this were 1,452,500 shares issued to officers and directors for outstanding fees and advances of \$72,625.

b) Warrants

A summary of the Company's outstanding share purchase warrants at January 31, 2022, April 30, 2021 and April 30, 2020 is as follows:

	Number of warrants	Weighted average exercise price
Balance, April 30, 2020	4,754,900	\$ 0.60
Warrants expired	(373,000)	0.60
Balance, April 30, 2021	4,381,900	0.60
Warrants expired	(117,400)	0.60
Warrants granted	7,245,000	0.10
Balance, January 31, 2022	11,509,500	\$ 0.29

A summary of the Company's outstanding share purchase warrants is presented below:

Number of Warrants	Exercise Price	Expiry Date
2,865,000	\$0.60	April 26, 2022 ⁽¹⁾
302,500	\$0.60	May 6, 2022 ⁽¹⁾
1,097,000	\$0.60	March 10, 2022
7,245,000	\$0.10	December 9, 2023
11,509,500	\$0.29	

(1) 3,167,500 warrants were extended from April 26 and May 6, 2021 to April 26 and May 6, 2022.

During the period ended January 31, 2022, 117,400 warrants exercisable at \$0.30 per share expired unexercised. Subsequent to January 31, 2022, an additional 5,250,000 warrants were issued exercisable at \$0.10 per share expiring February 2, 2024, and 4,264,500 warrants exercisable at \$0.60 per share expired unexercised.

b) Share-Based Payments

The Company's Board has adopted a Stock Option Plan available to eligible directors, officers, employees and consultants to acquire up to 10% of common shares then outstanding (the "Plan"). Under the Plan, options may be granted by the Board at an option price in accordance with regulatory policy for a maximum term of 10 years. No amounts are paid or payable by the recipient on receipt and the options are not dependent on any performance-based criteria. Share purchase options will vest at the discretion of the Company and in accordance with regulatory policy. No share purchase options have been granted in prior periods and none were granted during the period ended January 31, 2022.

HEMP FOR HEALTH INC.

Notes to the Condensed Interim Consolidated Financial Statements

January 31, 2022

(Stated in Canadian Dollars) (Unaudited) - Page 6

Note 7 Loss Per Share

The denominator for the calculation of loss per share, being the weighted average number of common shares for the nine-month periods ended January 31, 2022 and 2021 is as follows:

For the period ending January 31,	2022	2021
Issued and outstanding, beginning of the period	12,081,001	12,081,001
Weighted average shares issued during the period	4,293,469	-
Basic and diluted weighted average number of shares	16,374,470	12,081,001

Note 8 Capital Management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in equity (deficiency) as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, sell assets to reduce debt or return capital to shareholders. The Company is not subject to externally imposed capital requirements.

Note 9 Financial Instruments

As at January 31, 2022, the Company's financial instruments consist of cash, amounts receivable, advances payable, and trade and other payables. The fair value of the Company's amounts receivable, advances payable, and trade and other payables approximate their carrying value, which is the amount on the statements of financial position, due to their short-term maturities or ability of prompt liquidation. The Company's cash is carried at FVTPL, where fair value is calculated in accordance with level 1 of the fair value hierarchy.

a) Currency Risk

Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. At January 31, 2022, US dollar amounts were converted at a rate of \$1.27 Canadian dollars to \$1 US dollar and Euro were converted at a rate of \$1.4234 Canadian dollars to 1 Euro. A 10% increase or decrease in the US dollar exchange may increase or decrease loss for the period by approximately \$2,545. A 10% increase or decrease in the EUR\$ exchange rate will decrease or increase loss for the period by approximately \$19,781.

HEMP FOR HEALTH INC.

Notes to the Condensed Interim Consolidated Financial Statements

January 31, 2022

(Stated in Canadian Dollars) (Unaudited) - Page 7

Note 9 Financial Instruments – (cont'd)

b) Interest Rate Risk

The Company's cash earns interest at a variable interest rate. Because of the nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as of January 31, 2022. Future cash flows from interest income on cash will be affected by interest rate fluctuations. Interest rate risk consists of two components, i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and ii) To the extent that changes in prevailing market interest rates differ from the interest rates in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company's exposure to interest rate fluctuations is minimal.

c) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk with respect to its cash, the balance of which at January 31, 2022 is \$761,562 (April 30, 2021 – \$12,348). As at that date, cash was held at a chartered Canadian financial institution and the Company does not consider the risks to be significant.

Liquidity risk arises from the excess of financial obligations over available financial assets due at any point in time. Additional cash requirements could be met with the issuance of additional share capital; however, there is no assurance the Company will be able to raise funds in this manner in the future. As at January 31, 2022, the Company was holding cash of \$761,562 (April 30, 2021 – \$12,348).

Note 10 Related Party Transactions – note 5

The following is a summary of charges incurred by the Company with related parties for the nine month period ended January 31, 2022 and 2021:

<u>Period ended January 31,</u>	<u>2022</u>	<u>2021</u>
Audit and accounting	\$ -	\$ 7,500
Management fees	27,500	-
Office and administration	-	10,000
Total	\$ 27,500	\$ 17,500

During the nine months ended January 31, 2022, the Company incurred fees and operational expenses totalling \$27,500 (January 31, 2021: \$17,500) from companies controlled by an officer and director of the Company and by another officer and director. As of January 31, 2022, the Company had amounts payable to officers and directors, and companies with directors in common of \$7,042 (April 30, 2021: \$50,789).

HEMP FOR HEALTH INC.

Notes to the Condensed Interim Consolidated Financial Statements

January 31, 2022

(Stated in Canadian Dollars) (Unaudited) - Page 8

Note 10 Related Party Transactions – (cont'd)

During the period ended January 31, 2022, \$83,855 in amounts payable for fees, expenses and advances were forgiven as debts to the Company. Included in these amounts was \$62,567 of amounts owing to officers and directors and companies controlled by officers and directors which included amounts payable for fees and advances.

Note 11 Subsequent Event

Change of Business

Subsequent to January 31, 2022, the Company entered into a binding letter of agreement to engage a third party to host cryptocurrency mining activities on behalf of the Company. The decision to undertake a fundamental change of business of the Company was triggered by an opportunity presented to the Board in the cryptocurrency industry.

Pursuant to an asset purchase agreement and an operating agreement, both dated March 18, 2022, the Company will engage Enigma Data Technologies LLC, a Delaware based company (the "Provider") to initially source and acquire 150 Siacoin mining rigs for the aggregate purchase price of US\$525,000 (paid). The Company will then engage the Provider to set-up, host and operate the cryptocurrency mining activities in exchange for 2,668,000 shares of the Company. The Company will be responsible for ongoing operating costs, to be at an all-in cost of US\$0.055 per kilowatt hour per mining rig. The shares of the Company to be received by the Provider will be subject to a hold period of four months and one day, commencing on the day the shares are issued upon receipt of all required approvals.

The above transactions will result in a change of business for the Company, as such term is defined in CSE policies, in that the Company will be changing its business to mining for cryptocurrencies from growing and processing hemp into CBD products. The change of business is subject to the approval of the CSE and the Company's shareholders.

In conjunction with the change of business, the Company will be changing its name to more accurately reflect its new business focus.

Schedule "B"

**Management Discussion and Analysis
for the nine months ended January 31, 2022**

Form 51-102-F1

HEMP FOR HEALTH INC.

MANAGEMENT DISCUSSION & ANALYSIS

For the period ended January 31, 2022

Directors and Officers as at May 18, 2022

Directors:

Robert Eadie
Gary Arca
Gina Pala
Tanya Lutzke

Officers:

President & CEO – Robert Eadie
CFO & Corporate Secretary – Gary Arca

Contact Name: Robert Eadie

Contact e-mail: robert@hempforhealth.eu

HEMP FOR HEALTH INC.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the period ended January 31, 2022

1.1 Date of This Report

This Management's Discussion & Analysis ("MD&A") should be read in conjunction with the unaudited condensed consolidated financial statements of Hemp for Health Inc. (the "Company" or "HFH") for the period ended January 31, 2022. All dollar amounts herein are expressed in Canadian Dollars unless stated otherwise.

Management 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 financial statements and MD&A, is complete and reliable. The Company's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board of Directors' 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 reader is encouraged to review the Company's statutory filings on www.sedar.com

This MD&A is prepared as of May 18, 2022.

This MD&A includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. Due largely to the pandemic, the Company was unable to continue its hemp operations in Italy. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its further effects on the Company's proposed new business or ability to raise funds.

1.2 Overall Performance

Recent Events

Hemp for Health Proposes to Mine for Cryptocurrency

Change of Business Triggered

On February 25, 2022, the Company announced that it had entered into a binding letter agreement whereby it will engage a third party to host cryptocurrency mining activities on behalf of HFH. The decision to undertake a fundamental change (as such term is defined in the Canadian Securities Exchange Policy 8) involving a change of business of the Company, was triggered by an opportunity presented to the Board in the cryptocurrency industry.

Pursuant to the agreement dated February 22, 2022, HFH will initially acquire 150 Siacoin mining rigs for the aggregate purchase price of US\$525,000 sourced by Enigma Data Technologies LLC, a Delaware based company (the "Provider"). The Company will then engage the Provider to set-up, host and operate the cryptocurrency mining activities, in exchange for which the Provider will receive 2,668,000 shares of HFH, at a deemed value of \$0.25 a share. HFH will be responsible for ongoing operating costs, to be at an all-in cost of US\$0.055 per kilowatt hour per mining rig. HFH may add additional mining rigs from time to time. The shares of the Company to be received by the Provider will be subject to a hold period of four months and one day, commencing on the day the shares are issued upon receipt of all required approvals.

The above transactions will result in a change of business for HFH, as such term is defined in CSE policies, in that HFH will be changing its business to mining for cryptocurrencies from growing and processing hemp into CBD products. The change of business is subject to the approval of the Canadian Securities Exchange ("CSE") and the Company's shareholders. In this regard, HFH anticipates it will obtain such approval by way of consent resolution. HFH will prepare and file a Listing Statement in the form prescribed by the CSE.

The transactions with the Provider were negotiated at arm's length. There will be no new control blocks or insiders created. There will be no change in the board of directors of HFH other than the appointment of a new director to replace the recently created vacancy (see below), and there will be no change of management. As such, no new escrow of any new or previously issued shares is expected to occur. Closing of the transactions is subject to a number of conditions precedent, including due diligence investigations, negotiation of a definitive agreement with the Provider, raising any required funds, and shareholders' and CSE approvals; and there is no assurance all of the conditions will be satisfied.

In conjunction with HFH's change of business, the Company will also be changing its name to more accurately reflect its new business focus.

Director Resignation

The Company also announces the resignation of Emiliano Vanni of Arezzo, Italy as a director of the Company. The Company thanks Emiliano for his years of service and invaluable assistance in Hemp for Health's business in Italy.

Description of Business

Until recently, the Company was in the business of growing, processing, packaging and selling cannabidiol and related hemp based products in Italy through its wholly owned Italian subsidiary, Hemp For Health H4H S.R.L. ("H4H srl"). See **Section 1.2 -Recent Events for disclosure of a "Change of Business Triggered"**, whereby the Company will be changing its business to mining for cryptocurrencies from growing and processing hemp into CBD products. The change of business is subject to the approval of the CSE and the Company's shareholders.

1.3 Selected Annual Information

The highlights of financial data for the Company's three most recently completed year-ends, which are calculated in accordance with International Financial Reporting Standards ("IFRS"), are as follows:

	April 30, 2021	April 30, 2020	April 30, 2019
	\$	\$	\$
(a) Total revenues	-	Nil	Nil
(b) Total expenses	(1,508,166)	(2,136,754)	(236,584)
(c) Net loss	(1,508,166)	(2,125,740)	(236,584)
(d) Loss per share—basic and diluted	(0.06)	(0.10)	(0.04)
(e) Total assets	31,373	1,143,223	2,172,493
(f) Total long-term liabilities	Nil	Nil	Nil
(g) Cash dividends declared per share	Nil	Nil	Nil

1.4 Discussion of Acquisitions, Operations and Financial Condition

The following should be read in conjunction with the January 31, 2022 unaudited condensed consolidated financial statements of the Company and notes attached thereto.

Annual Results and 2021 Growth Expectations

The Company entered into agreements with various agricultural groups to cultivate and harvest hemp on behalf of the Company on up to 150 hectares of farmland in the province of Sienna, Italy based on a 5-year initial agreement with the option to renew for an additional 5 years including planting, watering, harvesting and natural fertilizers.

The Company's first year of operations was focused on a test crop which included the CBD Carmagnola strain in the Tuscan valley. Of the 3 hectares of this strain planted, the yield was approximately 3,000 kilos of biomass and 340 kilos of hemp flower. The majority of this product was sold in bulk.

The 2020 growing season was programmed to plant 150 hectares (Ha) from 4 different strains of seed, however, due to the COVID-19 pandemic, fundraising and operations were adversely affected in the first part of 2020. As a result, management determined that it was best to reduce the planting to 59 Ha to best utilize the funds raised in March, 2020, and to allow for a more manageable crop in these uncertain times.

The Company completed the hemp harvest for the 2020 growing season whereby 9 Ha was dedicated to dry flower and 50 Ha dedicated to biomass with hemp varieties that contain high levels of CBD with trace amounts of THC below 0.2% content. The hemp biomass and flowers were cleaned, dried and then weighed while samples were sent to two separate laboratories for analysis of CBD, CBG and THC. At April 30,

2021, it was determined that the raw hemp biomass did not have any economic value to warrant further processing or sale due to low levels of CBD oil content. The Dry Flower and related biomass did have economic values of CBD oil content and amounted to over 20,000 kg. However, due to the uncertainty of sales in the saturated European market at this time and with continuing concerns regarding the COVID-19 pandemic, management decided to write the value of the biomass to \$Nil as at April 30, 2021 and will realize sales, if any, against research and development expenses at the time realized.

During the period ended January 31, 2022, research and development costs were \$417,478 (including VAT taxes due to uncertainty of recovery), with respect to the planting of 20 hectares in 2021, including seedling costs of \$148,500 (103,700 Euro) and the remainder being crop costs from the farmers. Any revenue realized from this crop will be credited against the research and development costs as realized.

Environmental Protection

The operation of our business has no extraordinary environmental protection requirements. As a result, the Company does not anticipate that any environmental regulations or controls will materially affect the business.

1.5 Results of Operations

The loss and comprehensive loss for the nine months ended January 31, 2022, is \$457,949 and for the comparative period ended January 31, 2021, there was a loss and comprehensive loss of \$1,027,740:

<i>For the period ended January 31,</i>	<i>2022</i>	<i>2021</i>	<i>Variance</i>
Expenses			
Audit and accounting	10,687	23,075	(12,388)
Foreign exchange loss	(3,371)	11,000	(14,371)
Legal	17,219	63,128	(45,909)
Management and consulting	34,500	-	34,500
Office and administration	31,512	47,665	(16,153)
Research and development expense	417,478	671,750	(254,272)
Shareholder communication and marketing	5,942	161,876	(155,934)
Transfer agent and filing fees	14,575	9,109	5,466
Travel and accommodations	13,262	40,137	(26,875)
Total Expenses	541,804	1,027,740	(485,936)
Other item:			
Amounts payable forgiven	83,855	-	83,855
Total loss and comprehensive loss for the period	\$ (457,949)	\$ (1,027,740)	\$ 569,791

During the periods ended January 31, 2022 and 2021, the Company expensed crop costs as research and development, along with seedling costs, farmer planting costs and consulting fees for a total of \$417,478 in 2022 and \$709,930 in 2021. The January 31, 2021 cost were offset by \$38,180 of proceeds received on sale of the test crop biomass for a net expense of \$671,750. During the prior year, the Company incurred marketing and shareholder expenses of \$161,876, legal expenses of \$63,128 and travel and accommodations costs of \$40,137 largely in relation to costs in Italy. These are compared to \$5,942, \$17,219 and \$13,262 in the current year, respectively, related to operations in Canada and Italy. The current year costs are much lower due to COVID restrictions resulting in a lack of funding and lower activity over

2021. Legal, corporate and foreign regulatory fees and taxes related to the Italian subsidiary are included in legal costs. All other expenses are included in the related expense categories, including office and administration.

Financings, Principal Purposes & Milestones

Consolidation

On December 2, 2021, the Company's outstanding common shares were consolidated on the basis of two existing shares for one new share (the "Consolidation"). Prior to the consolidation, the Company's authorized share capital was an unlimited number of common shares without par value, of which 24,162,001 shares were issued and outstanding, with a further 8,529,000 shares reserved for issuance upon the exercise of outstanding warrants. Upon completion of the share consolidation, there were 12,081,001 common shares issued and outstanding, subject to further share issuances, post-consolidation, as discussed below pursuant to the financing and the settlement of debts. Subsequent to the consolidation and the share issuances noted below under the "Financing" and "Debt Settlement", there are 44,033,501 post consolidated common shares outstanding and 16,759,500 Warrants expiring from April 2022 to February 2024, exercisable at prices between \$0.10 and \$0.60 per share.

Financings

The Company completed a financing in two tranches to raise a total of \$1,197,500 in gross proceeds as follows:

On December 10, 2021, the Company closed Tranche 1 of its non-brokered private placement, raising \$672,500 in gross proceeds through the issuance of 13,450,000 units at a price of \$0.05 per Unit. Each Unit will consist of one post-consolidated share and one-half of one common share purchase warrant, with each whole Warrant entitling the holder to purchase one post-consolidated common share of the Company at a price of \$0.10 per share for a period of 2 years, provided that in the event the closing price of the Company's Shares is equal to or greater than \$0.20 per share for 30 consecutive trading days at any time following four months after the date of closing, the Company may, by notice to the Warrant holders, reduce the remaining exercise period of the Warrants to not less than 30 days following the date of such notice.

Aggregate compensation of \$52,000 and 520,000 finders' warrants (having the same general terms as the Warrants forming part of the Units) was paid by the Company as finders' fees, valued at \$7,200 using the Black Scholes method.

Subsequent to January 31, 2022 on February 2, 2022, the Company closed the final tranche of its non-brokered private placement, with the final tranche raising \$525,000 through the issuance of 10,500,000 units at a price of \$0.05 per Unit. Each Unit has the same terms as Tranche 1 above. No finders' fees were payable in this final tranche.

Debt Settlement

The Company issued 8,002,500 post-consolidated shares in full settlement of outstanding debt in the aggregate amount of \$400,125, representing \$60,625 in fees and \$339,500 in advances owing. Included in this were 1,452,500 shares issued to officers and directors for outstanding fees and advances \$72,625.

1.6 Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Q3 31-Jan-22	Q2 31-Oct-21	Q1 31-Jul-21	Q4 30-Apr-21
Loss for period	\$ (62,590)	\$ (353,658)	\$ (41,701)	\$ (480,426)
Per share – basic and diluted	\$ (0.00)	\$ (0.02)	\$ (0.00)	\$ (0.04)

	Q3 31-Jan-21	Q2 31-Oct-20	Q1 31-Jul-20	Q4 30-Apr-20
Loss for period	\$ (132,816)	\$ (495,149)	\$ (399,775)	\$ (491,720)
Per share – basic and diluted	\$ (0.01)	\$ (0.04)	\$ (0.03)	\$ (0.04)

Discussion

The Company reports a loss of \$62,590 for the quarter ending January 31, 2022 compared to a loss of \$132,816 in the comparative quarter ended January 31, 2021. For more detailed discussion on the quarterly production results and financial results for the quarter ended January 31, 2022, please refer to *Sections 1.5 under "Results of Operations"*.

1.7 Liquidity and Capital Resources

As at January 31, 2022, the Company had \$761,562 (April 30, 2021 - \$12,348) in cash, working capital of \$209,956 and no long-term debt. The Company's ability to continue as a going concern is dependent upon its existing working capital and obtaining the necessary financing to meet its obligations and pay its liabilities arising from normal business operations when they come due.

The Company's working capital will not meet corporate, development, administrative and property obligations for the coming year. As a result, the Company will require additional financing and, while the Company has been successful in raising equity financing through the issuances of common shares in the past, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be available on acceptable terms. As such, there remains significant doubt as to the Company's ability to continue as a going concern (see financing - *section 1.5 - Financings, Principal Purposes & Milestones*).

1.8 Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed.

1.9 Transactions with Related Parties

The following is a summary of charges incurred by the Company with related parties during the period ended January 31, 2022 and 2021:

<u>Period ended January 31,</u>	2022	2021
Audit and accounting	\$ -	\$ 7,500
Management fees	27,500	-
Office and administrative expense	-	10,000
Total	\$ 27,500	\$ 17,500

During the nine months ended January 31, 2022, the Company incurred fees and operational expenses totalling \$27,500 (January 31, 2021: \$17,500) from companies controlled by an officer and director of the Company and by another officer and director. As of January 31, 2022, the Company had amounts payable to officers and directors, and companies with directors in common of \$7,042 (April 30, 2021: \$50,789).

During the period ending January 31, 2022, the CEO and director of the Company advanced 260,000 Euros (approximately \$373,520) to the Company's Italian subsidiary, H4Hsrl on behalf of the Company, to pay certain crop costs and administrative expenses of H4Hsrl. These advances are non-interest bearing and are due on demand.

During the period ended January 31, 2022, \$83,855 in amounts payable for fees, expenses and advances were forgiven as debts to the Company. Included in these amounts was \$62,567 of amounts owing to officers and directors and companies controlled by officers and directors which included amounts payable for fees and advances.

See *Section 1.5 – Debt Settlement* for related party share issuances for settlement of advances and fees.

1.10 Critical Accounting Estimates

a) Going concern

Management makes an assessment about the Company's ability to continue as a going concern by taking in to account the consideration of the various factors discussed in Note 2 of the January 31, 2022 unaudited interim consolidated financial statements.

Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences applicable to the Company. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recuperated.

1.11 Changes in Accounting Policies

N/A

1.12 Financial and Other Instruments

As at January 31, 2022, the Company's financial instruments consist of cash, amounts receivable, advances payable, and trade and other payables.

The fair value of the Company's amounts receivable, advances payable, and trade and other payables approximates their carrying value, which is the amount on the statement of financial position, due to their short-term maturities or ability of prompt liquidation.

a) Currency Risk

Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. At January 31, 2022, US dollar amounts were converted at a rate of \$1.2700 Canadian dollars to \$1 US dollar and Euro were converted at a rate of \$1.4234 Canadian dollars to 1 Euro. A 10% increase or decrease in the US dollar exchange rate may increase or decrease loss for the period by approximately \$2,545. A 10% increase or decrease in the EUR\$ exchange rate will decrease or increase loss for the period by approximately \$19,781.

b) Interest Rate Risk

The Company's cash earns interest at a variable interest rate. Because of the nature of this financial instrument, fluctuations in market rates do not have a significant impact on estimated fair values as of January 31, 2022. Future cash flows from interest income on cash will be affected by interest rate fluctuations. Interest rate risk consists of two components:

- (i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
- (ii) To the extent that changes in prevailing market interest rates differ from the interest rates in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company's exposure to interest rate fluctuations is minimal.

c) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk with respect to its cash, the balance of which at January 31, 2022 is \$761,562 (April 30, 2021 - \$12,348). As at that date, cash and short-term investment were held at a chartered Canadian financial institution and the Company does not consider the risks to be significant.

d) Liquidity Risk

Liquidity risk arises from the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. Additional cash requirements could be met with the issuance of additional share capital; however there is no assurance the Company will be able to raise funds in this manner in the future. As at January 31, 2022, the Company was holding cash of \$761,562 (April 30, 2021 - \$12,348).

1.13 Disclosure of Outstanding Share Capital as at May 18, 2022:

	Number	Book Value
Common Shares	44,033,501	\$ 4,862,605

See *Section 1.2 -Recent Events* for discussion of the Company's subsequent financing which result in the current outstanding shares balance.

A summary of the Company's outstanding share purchase warrants is presented below:

Number of Shares	Exercise Price	Expiry Date
2,865,000	\$0.60	April 26, 2022
302,500	\$0.60	May 6, 2022
7,245,000	\$0.10	December 23, 2023
5,250,000	\$0.10	February 2, 2024
15,662,500	\$0.14	

During the period ended January 31, 2022, 234,800 warrants exercisable at \$0.30 per share expired unexercised. Subsequent to January 31, 2022, an additional 5,250,000 warrants were issued exercisable at \$0.10 per share expiring February 2, 2024, and 4,264,500 warrants exercisable at \$0.60 per share expired unexercised.

1.14 Approval

The Board of Directors, upon the recommendation of the Audit Committee, has approved the disclosure contained in this MD&A.

Schedule "C"

**Annual Audited Financial Statements of the Company
for the fiscal years ended April 30, 2021 and 2020**

Hemp for Health Inc.

Consolidated Financial Statements

For the years ended April 30, 2021 and April 30, 2020

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Hemp for Health Inc.

Opinion

We have audited the accompanying consolidated financial statements of Hemp for Health Inc. (the "Company"), which comprise the consolidated statements of financial position as at April 30, 2021 and 2020, and the consolidated statements of operations and comprehensive loss, cash flows, and changes in equity (deficiency) for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 of the consolidated financial statements, which indicates that the Company incurred a loss of \$1,508,166 during the year ended April 30, 2021 and, as of that date, had a working capital deficit of \$469,103. As stated in Note 2, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

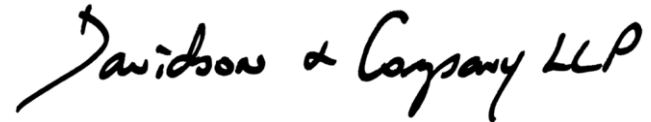
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Stephen Hawkshaw.

A handwritten signature in black ink that reads "Davidson & Caspary LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

August 24, 2021

HEMP FOR HEALTH INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Stated in Canadian Dollars)

As at	April 30, 2021	April 30, 2020
Assets		
Current		
Cash	\$ 12,348	\$ 714,421
Amounts receivable	593	58,223
Prepaid expenses and advances	11,979	197,282
Total Current Assets	24,920	969,926
Non-Current assets		
Fixed assets	6,453	8,297
Long term receivable (note 6)	-	165,000
Total Assets	\$ 31,373	\$ 1,143,223
Liabilities		
Current		
Trade and other payables (note 12)	\$ 211,523	\$ 97,707
Advances payable (notes 12 and 13)	282,500	-
Total Liabilities	494,023	97,707
Equity (Deficiency)		
Share capital (note 7)	3,324,180	3,324,180
Reserves (note 7)	83,660	83,660
Accumulated deficit	(3,870,490)	(2,362,324)
Total Equity (Deficiency)	(462,650)	1,045,516
Total Liabilities and Equity (Deficiency)	\$ 31,373	\$ 1,143,223

Basis of preparation and going concern (note 2)
Subsequent events (notes 7 and 13)

APPROVED ON BEHALF OF THE DIRECTORS:

“Robert Eadie”
Robert Eadie, Director

“Gary Arca”
Gary Arca, Director

The accompanying notes form an integral part of these consolidated financial statements

HEMP FOR HEALTH INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Stated in Canadian Dollars)

	For the year ended April 30,	
	2021	2020
Expenses:		
Audit and consulting fees (note 12)	\$ 42,075	\$ 70,875
Foreign exchange loss	17,941	10,750
Legal and corporate services	76,240	167,681
Management fees (note 12)	33,000	155,000
Marketing	144,974	356,172
Office, rent and administration (note 12)	55,654	136,803
Research and development (note 5)	661,613	939,327
Shareholder communication	33,118	77,937
Transfer agent and filing fees	11,359	30,821
Travel and accommodations	40,471	191,388
Total expenses	1,116,445	2,136,754
Other expense / (income):		
Allowance for doubtful debt on loan (note 6)	73,897	-
Write off VAT receivable (note 6)	317,824	-317,824
Interest earned	-	(11,014)
Total other expense / (income)	391,721	(11,014)
Total loss and comprehensive loss for the year	\$ (1,508,166)	\$ (2,125,740)
Basic and diluted loss per share for the year	\$ (0.06)	\$ (0.10)
Weighted average shares outstanding – basic and diluted - Note 9	24,162,001	20,399,212

The accompanying notes form an integral part of these consolidated financial statements

HEMP FOR HEALTH INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Stated in Canadian Dollars)

For the year ended April 30,	2021	2020
Cash provided by (used in):		
Operating activities		
Loss for the year	\$ (1,508,166)	\$ (2,125,740)
Items not involving cash:		
Amortization	1,844	922
Allowance for doubtful debt on loan	73,897	-
Write off VAT receivable	317,824	-
Research and development	-	388,527
Cash generated by operating activities before working capital changes	(1,432,425)	(1,736,291)
Change in non-cash working capital items		
Amounts receivable	(95,194)	(209,269)
Prepaid expenses and advances	111,406	21,668
Trade and other payables	113,816	66,430
Cash outflow for operating activities	(984,573)	(1,857,462)
Financing activities		
Share issuance	-	1,140,400
Share issuance costs	-	(110,360)
Advances payable	282,500	-
Cash inflow for financing activities	282,500	1,030,040
Investing activities		
Purchase of fixed assets	-	(9,219)
Cash outflow for investing activity	-	(9,219)
Total decrease in cash	(702,073)	(836,641)
Cash, beginning of year	714,421	1,551,062
Cash, end of year	\$ 12,348	\$ 714,421

Cash paid for taxes (2021 & 2020) \$ -
Cash paid for interest (2021 & 2020) \$ -

During the year ended April 30, 2021, there were no non-cash investing or financing transactions.
During the year ended April 30, 2020, the Company entered into the following financing non-cash transactions:

Issued finders warrants as finders fees on the private placements **2020 - \$16,520**

The accompanying notes form an integral part of these consolidated financial statements

HEMP FOR HEALTH INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)
(Stated in Canadian Dollars)

	Number of Shares Outstanding	Share Capital	Reserves	Accumulated Deficit	Total Equity (Deficiency)
Balance – April 30, 2019	18,460,001	\$ 2,310,660	\$ 67,140	\$ (236,584)	\$ 2,141,216
Common shares issued pursuant to:					
- Private placement of \$0.20	1,210,000	242,000	-	-	242,000
- Share issuance costs	-	(126,880)	16,520	-	(110,360)
- Private placement of \$0.20	4,100,000	820,000	-	-	820,000
- Special warrants at \$0.20	392,000	78,400	-	-	78,400
Loss for the year	-	-	-	(2,125,740)	(2,125,740)
Balance – April 30, 2020	24,162,001	3,324,180	83,660	(2,362,324)	1,045,516
Loss for the year	-	-	-	(1,508,166)	(1,508,166)
Balance – April 30, 2021	24,162,001	\$ 3,324,180	\$ 83,660	\$ (3,870,490)	\$ (462,650)

The accompanying notes form an integral part of these consolidated financial statements

HEMP FOR HEALTH INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the years ended April 30, 2021 and 2020
(Stated in Canadian Dollars)

Note 1 **Corporate Information**

Hemp for Health Inc. (the “Company”) was incorporated on October 1, 2018 under the *Business Corporations Act* of British Columbia. The Company is listed on the Canadian Securities Exchange (the “CSE”) and the Company’s shares commenced trading on the CSE under the trading symbol “HFH”. The Company is in the business of growing, processing, packaging and selling cannabidiol and related hemp based products in Europe. The Company set up a wholly-owned Italian subsidiary, Hemp For Health H4H s.r.l. (“H4Hsrl”) that operates the business interests in Italy.

The registered address of the Company’s corporate office and principal place of business is 750 – 580 Hornby Street, Vancouver, British Columbia, Canada.

Note 2 **Basis of Preparation and Going Concern**

a) Statement of Compliance

These consolidated financial statements for the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The financial statements were authorized for issue by the Board of Directors on August 24, 2021.

b) Basis of Measurement and Going Concern

The consolidated financial statements have been prepared on a historical cost basis, except for cashflow information.

The preparation of consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

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

The Company has not generated revenue from operations and incurred a loss of \$1,508,166 during the year ended April 30, 2021. While the Company has been successful in obtaining the necessary financing through the issuance of common

HEMP FOR HEALTH INC.

Notes to the Consolidated Financial Statements

April 30, 2021

(Stated in Canadian Dollars) - Page 2

Note 2 Basis of Preparation and Going Concern – (cont'd)

b) Basis of Measurement and Going Concern – (cont'd)

shares in the past, there is no assurance it will be able to raise funds in this manner in the future. As at April 30, 2021, the Company had \$12,348 in cash, working capital deficit of \$469,103 and no long-term debt.

These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of operations, and at amounts different from those in the accompanying consolidated financial statements.

c) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its subsidiary, which is controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from the entity's activities. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposal or loss of control.

The Company's wholly-owned subsidiary, H4Hsrl, carries out its operations in Italy. All intra-group transactions, balances, income and expenses are eliminated, in full, on consolidation. Legal, corporate and foreign regulatory fees and taxes related to the Italian subsidiary are included in legal costs. All other expenses are included in the related expense categories, including office and administration.

The consolidated financial statements are presented in Canadian dollars ("CDN"), which is the functional currency of the Company and its subsidiary.

Note 3 Summary of Significant Accounting Policies

The accounting policies set out below have been applied consistently during the year ended April 30, 2021.

a) Biological Assets

The Company capitalizes the direct and indirect costs incurred related to the biological transformation of the biological assets between the point of initial recognition and the point of harvest. The Company then measures the biological assets at fair value less costs to sell and complete up to the point of harvest, which becomes the basis for the cost of finished goods inventories after harvest. The effect of realized and unrealized gains or losses arising from changes in fair value less cost to sell during the year are included in the results of operations. As at April 30, 2021 and 2020, the Company did not have any hemp planted, resulting in biological assets of \$Nil.

HEMP FOR HEALTH INC.

Notes to the Consolidated Financial Statements

April 30, 2021

(Stated in Canadian Dollars) - Page 3

Note 3 Summary of Significant Accounting Policies - (cont'd)

b) Inventories

Raw materials, work in process, and finished goods inventories are valued at the lower of cost and net realizable value. Harvested raw material hemp inventories are transferred from biological assets at their fair value less cost to sell at harvest, which becomes the initial deemed cost. Any subsequent post-harvest costs are capitalized to inventory insofar as cost is less than net realizable value. Inventories for resale, in addition to supplies and consumables, are valued at the lower of cost and net realizable value, with standard costing used to determine cost. Inventories are measured at the lower of cost and net realizable value. Net realizable value is calculated as the estimated selling price in the ordinary course of business, less any estimated costs to complete and sell the goods. The cost of inventory includes expenditures incurred in acquiring raw materials, production and conversion costs, depreciation and other costs incurred in bringing inventory to its existing location and condition. The Company uses the standard costing method to track and cost inventory items. The Company maintains three categories of inventory: raw materials, work in process and finished goods.

c) Equipment

Recognition and Measurement

On initial recognition, equipment is valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions.

Borrowing costs that are directly attributable to the acquisition and preparation for use, are capitalized. Capitalization of borrowing costs begins when expenditures are incurred and activities are undertaken to prepare the asset for its intended use. The amount of borrowing costs capitalized cannot exceed the actual amount of borrowing costs incurred during the year. All other borrowing costs are expensed as incurred.

The capitalization of borrowing costs is discontinued when substantially all of the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Capitalized borrowing costs are amortized over the useful life of the related asset.

Major Maintenance and Repairs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Company's profit or loss during the financial year in which they are incurred.

HEMP FOR HEALTH INC.

Notes to the Consolidated Financial Statements

April 30, 2021

(Stated in Canadian Dollars) - Page 4

Note 3 Summary of Significant Accounting Policies - (cont'd)

c) Equipment – (cont'd)

Subsequent Costs

The cost of replacing part of an item of equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its costs can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of equipment are recognized in the Company's profit or loss as incurred.

Leases

The Company leases some items of property. Under IFRS 16 Leases ("IFRS 16"), the Company assesses whether a contract to rent an item of property and equipment is, or contains, a lease. For contracts that are, or contain, leases, the Company recognizes a right-of-use asset and lease liability at the commencement date.

Pursuant to the IFRS 16 lessee accounting model, the right-of-use asset is initially measured at cost, which includes the initial amount of the liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and estimates of costs to remove or dismantle the underlying asset or to restore the underlying asset or site on which the asset is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method. The lease liability is initially measured at the present value of the lease payments that are not paid as of the lease commencement date, discounted using the rate implicit in the lease or, if the implicit rate cannot be readily determined, the Company's incremental borrowing rate.

The measurement of lease liabilities includes the following types of lease payments:

- 1) fixed payments, including in-substance fixed payments;
- 2) variable lease payments that depend on an index or rate, initially measured using the index or rate as of the commencement date;
- 3) amounts expected to be payable under any residual value guarantees; and
- 4) exercise price for options that the Company is reasonably certain to exercise for an extension or option to buy, and penalties for early termination of a lease unless the Company is reasonably certain that it will not terminate the lease early. The lease liability is measured at amortized costs using the effective interest method.

The lease liability is remeasured in the following circumstances:

- 1) if there is a change in the future lease payments resulting from a change in index or rate;
- 2) if there is a change in the Company's estimation of the amount expected to be payable under a residual value guarantee; and

HEMP FOR HEALTH INC.

Notes to the Consolidated Financial Statements

April 30, 2021

(Stated in Canadian Dollars) - Page 5

Note 3 Summary of Significant Accounting Policies - (cont'd)

c) Equipment – (cont'd)

Leases- (cont'd)

- 3) if the Company changes its assessment of whether it will exercise an option to purchase, extend or terminate.

The Company has elected not to recognize right-of-use assets and liabilities for short-term leases that have a term of 12 months or less and for low-value assets.

Depreciation and Impairment

Equipment is subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses.

Depreciation of equipment is calculated using the straight-line method, based on the economic life of the asset which is 5 years for the Company's equipment. Where components of an asset have different useful lives, depreciation is calculated on each separate part. Depreciation commences when an asset is available for use.

The Company reviews and evaluates its equipment for impairment at least annually or when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. Impairment is considered to exist if the recoverable value of a cash generating unit is less than the carrying amount of the assets. An impairment loss is measured and recorded based on the greater of the cash generating unit's fair value less cost to sell or its value in use versus its carrying value. Future cash flows are estimated based on expected future production, commodity prices, operating costs and capital costs.

Equipment that has been impaired in prior periods is tested for possible reversal of impairment whenever events or changes in circumstances indicate that the impairment has reversed. If the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount but not beyond the carrying amount that would have been determined had no impairment loss been recognized for the asset in the prior periods. A reversal of an impairment loss is recognized in the consolidated statement of operations and comprehensive loss.

HEMP FOR HEALTH INC.

Notes to the Consolidated Financial Statements

April 30, 2021

(Stated in Canadian Dollars) - Page 6

Note 3 Summary of Significant Accounting Policies - (cont'd)

d) Financial Instruments

All of the Company's financial instruments are classified into one of the following categories based upon the purpose for which the instrument was acquired or issued. All transactions related to financial instruments are recorded on a trade date basis.

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

Recognition

A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset.

Classification and Measurement

The Company determines the classification of its financial instruments at initial recognition. Financial assets and financial liabilities are classified according to the following measurement categories:

- i those to be measured subsequently at fair value, either through profit or loss ("FVTPL") or through other comprehensive income ("FVTOCI"); and,
- ii those to be measured subsequently at amortized cost.

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting period. All other financial assets are measured at their fair values at each subsequent reporting period, with any changes recorded through profit or loss or through other comprehensive income (which designation is made as an irrevocable election at the time of recognition).

After initial recognition at fair value, financial liabilities are classified and measured at either:

- i amortized cost;
- ii FVTPL, if the Company has made an irrevocable election at the time of recognition, or when required (for items such as instruments held for trading or derivatives); or,

HEMP FOR HEALTH INC.

Notes to the Consolidated Financial Statements

April 30, 2021

(Stated in Canadian Dollars) - Page 7

Note 3 Summary of Significant Accounting Policies - (cont'd)

d) Financial Instruments – (cont'd)

Classification and Measurement – (cont'd)

- iii FVTOCI, when the change in fair value is attributable to changes in the Company's credit risk.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Transaction costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability classified as subsequently measured at amortized cost are included in the fair value of the instrument on initial recognition. Transaction costs for financial assets and financial liabilities classified at fair value through profit or loss are expensed in profit or loss.

The Company's financial asset consists of cash which is classified and measured at FVTPL, with realized and unrealized gains or losses related to changes in fair value reported in profit or loss and amounts receivable, which are classified and measured at amortized cost. The Company's financial liabilities consist of trade and other payables, and advances payable, which are classified and measured at amortized cost using the effective interest method. Interest expense is reported in profit or loss.

Impairment

The Company assesses all information available, including on a forward-looking basis the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information.

Fair value hierarchy

Financial instruments recognized at fair value on the consolidated statement of financial position must be classified into one of the three following fair value hierarchy levels:

Level 1 – measurement based on quoted prices (unadjusted observed in active markets) for identical assets or liabilities;

Level 2 – measurement based on inputs other than quoted prices included in Level 1, that are observable for the asset or liability;

Level 3 – measurement based on inputs that are not observable (supported by little or no market activity) for the asset or liability.

HEMP FOR HEALTH INC.

Notes to the Consolidated Financial Statements

April 30, 2021

(Stated in Canadian Dollars) - Page 8

Note 3 Summary of Significant Accounting Policies - (cont'd)

e) Income Tax

Current tax and deferred tax are recognized in the Company's profit or loss, except to the extent that they relate to a business combination or items recognized directly in equity or in other comprehensive loss. Current income taxes are recognized for the estimated taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the period end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

f) Share Capital

Financial instruments issued by the Company are classified as equity, only to the extent that they do not meet the definition of a financial liability or asset. The Company's common shares are classified as equity instruments. Common shares issued for consideration other than cash are valued based on their market rate at the date the shares are issued.

Incremental costs, directly attributable to the issue of new shares, warrants or options, are shown in equity as a deduction, net of tax, from proceeds. The residual method is used to calculate the fair value of the warrant component of units issued, whereby the residual of the private placement proceeds less the fair value of the share component is assigned as the fair value of the warrants. The balance if any, is recorded to reserves.

HEMP FOR HEALTH INC.

Notes to the Consolidated Financial Statements

April 30, 2021

(Stated in Canadian Dollars) - Page 9

Note 3 Summary of Significant Accounting Policies - (cont'd)

g) Share based payments

The Company has a stock option plan that provides for the granting of options to Officers, Directors, related company employees and consultants to acquire shares of the Company. The fair value of the options is measured on grant date and is recognized as an expense with a corresponding increase in reserves as the options vest. Options granted to employees and others providing similar services are measured at grant date at the fair value of the instruments issued. Fair value is determined using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Each tranche in an award with graded vesting is considered a separate grant with a different vesting date and fair value. Each grant is accounted for on that basis.

Options granted to non-employees are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The value of the goods or services is recorded at the earlier of the vesting date, or the date the goods or services are received. Over the vesting period, share-based payments are recorded as an operating expense and as reserves.

When options are exercised, the consideration received is recorded as share capital. In addition, the related share-based payments originally recorded as reserves are transferred to share capital. When an option is cancelled, or expires, the initial recorded value is reversed from reserves and credited to deficit.

h) Profit or Loss per share

Basic profit or loss per share is computed by dividing the Company's profit or loss applicable to common shares by the weighted average number of common shares outstanding for the relevant period. Diluted profit or loss per share is computed by dividing the Company's profit or loss applicable to common shares by the sum of the weighted average number of common shares outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted at the beginning of the period.

i) Standards, Amendments and Interpretations

The following accounting standards have been issued or amended but are not yet effective. The Company has not early adopted these new and amended standards. The Company continues to evaluate the new standards but currently no material impact is expected as a result of the adoptions of any new standards.

HEMP FOR HEALTH INC.

Notes to the Consolidated Financial Statements

April 30, 2021

(Stated in Canadian Dollars) - Page 10

Note 4 Critical Accounting Estimates and Judgments

The Company makes estimates and judgments about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and judgments. The effect of a change in accounting estimate is recognized prospectively by including it in the Company's profit or loss in the period of the change, if it affects that period only, or in the period of the change and future periods, if the change affects both. Information about critical estimates and judgments made in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial period are discussed below:

a) Going concern

Management makes an assessment about the Company's ability to continue as a going concern by taking into the account the consideration of the various factors discussed in Note 2.

b) Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recuperated.

Note 5 Research and Development - Crops Costs

During the year ended April 30, 2020, the Company entered into agreements with various agricultural groups to cultivate and harvest hemp on behalf of the Company on up to 59 hectares of farmland. The agreements are for an initial 5 year period with an option to renew for 5 years. The payments to these farmers in the year ended April 30, 2021, have been fully expensed to research and development.

HEMP FOR HEALTH INC.

Notes to the Consolidated Financial Statements

April 30, 2021

(Stated in Canadian Dollars) - Page 11

Note 5 Research and Development - Crops Costs – (cont'd)

During the year ended April 30, 2021, the Company expensed crop costs as research and development, along with seed costs and consulting fees for a total of \$699,793 (2020 - \$988,594), excluding VAT taxes incurred (see note 6). This is offset by \$38,180 (2020 - \$49,267) of proceeds received on sale of the test crop biomass for a net expense of \$661,613 (2020- \$939,327) in the year ended April 30, 2021.

Note 6 Amounts Receivable

During the years ended April 30, 2021 and 2020, \$317,824 (211,221 Euro) was paid for VAT taxes in Italy and is receivable against future VAT paid. (April 30, 2020 - \$165,000 (112,640 Euro)). During the year ended April 30, 2021, management has determined that there is uncertainty of recovery of these amounts without significant revenues or operations in Italy and, therefore, has written down the receivable to nil. Management will continue to apply for the refund of these taxes under Italian tax guidelines and may use these credits to offset any VAT payable on future sales.

Also, during the year ended April 30, 2020, the Company advanced 50,000 Euro (CAD\$73,897) to a potential distribution partner as a loan. Management has determined that there is an uncertainty of recovery of this loan and has written it down to nil.

Note 7 Share Capital and Reserves

a) Common share issuances

The Company is authorized to issue an unlimited number of no par value common shares, issuable in series. The holders of common shares are entitled to one vote per share at meetings of the Company and to receive dividends, which may be declared from time-to-time. To date, equity financings have provided the main source of financing.

No dividends have been declared by the Company since its inception. All shares are ranked equally with regard to the Company's residual net assets.

During the year ended April 30, 2020, the Company issued the following shares:

- On March 10, 2020, the Company completed a private placement, issuing 4,100,000 units priced at \$0.20 per unit, for gross proceeds of \$820,000. Each unit consists of one common share of the Company and one-half of one share purchase warrant for 2,050,000 whole warrants, with each warrant entitling the holder thereof to acquire an additional common share of the Company for a period of two years at a price of \$0.30 per share.

The fair value of the shares was equal to the proceeds raised in the private placement and as a result, no amount was allocated as the fair value of the warrants. Cash payments totalling \$57,600 and 144,000 finder's warrants, with the same terms and conditions as the unit warrants, were paid as finders' fees.

- On May 6, 2019, the Company closed a final tranche of a financing and issued 1,210,000 units priced at \$0.20 per unit, for gross proceeds of \$242,000. Each unit consists of one common share of the Company and one-half of one share

HEMP FOR HEALTH INC.

Notes to the Consolidated Financial Statements

April 30, 2021

(Stated in Canadian Dollars) - Page 12

Note 7 Share Capital and Reserves – (cont'd)a) Common share issuances – (cont'd)

purchase warrant for 605,000 whole warrants, with each warrant entitling the holder thereof to acquire an additional common share of the Company for a period of two years at a price of \$0.30 per share.

The fair value of the shares was equal to the proceeds raised in the private placement and as a result, no amount was allocated as the fair value of the warrants. Cash payments totalling \$7,760 and 38,800 finder's warrants, with the same terms and conditions as the unit warrants, were paid as finders' fees. Share issue costs include \$5,000 calculated as the fair value of the finder's warrants. The fair value of finder's warrants was determined using the Black-Scholes model with the assumptions above.

Share issue costs include \$11,520 and \$5,000, respectively, on the 2 financings above calculated as the fair value of the finder's warrants using the Black-Scholes model with the following assumptions:

	March 10, 2020	May 6, 2019
Stock price	\$0.20	\$0.20
Exercise price	\$0.30	\$0.30
Dividend rate	0%	0%
Expected life	2 year	2 year
Expected annual volatility	100.00%	125.00%
Risk-free rate	0.30%	2.14%

- In November, 2019, the Company issued 392,000 special warrant units priced at \$0.20 per special warrant, for gross proceeds of \$78,400. Each special warrant unit was converted into one common share of the Company and one-half of one share purchase warrant for 196,000 whole warrants, with each warrant entitling the holder thereof to acquire an additional common share of the Company for a period of two years at a price of \$0.30 per share. The fair value of the shares was equal to the proceeds raised in the private placement and as a result, no amount was allocated as the fair value of the warrants. No finders' fees were paid.

b) Warrants

A summary of the Company's outstanding share purchase warrants at April 30, 2021, April 30, 2020 and April 30, 2019 is as follows:

	Number of warrants	Weighted average exercise price
Balance, April 30, 2019	6,476,000	\$ 0.30
Warrants issued	3,033,800	0.30
Balance, April 30, 2020	9,509,800	0.30
Warrants expired	(746,000)	0.30
Balance, April 30, 2021	8,763,800	\$ 0.30

HEMP FOR HEALTH INC.

Notes to the Consolidated Financial Statements

April 30, 2021

(Stated in Canadian Dollars) - Page 13

Note 7 Share Capital and Reserves – (cont'd)b) Warrants – (cont'd)

A summary of the Company's outstanding share purchase warrants is presented below:

Number of Warrants	Exercise Price	Expiry Date
38,800	\$0.30	May 6, 2021 ⁽¹⁾
196,000	\$0.30	November 5, 2021
5,730,000	\$0.30	April 26, 2022 ⁽²⁾
605,000	\$0.30	May 6, 2022 ⁽²⁾
2,194,000	\$0.30	March 10, 2022
8,763,800	\$0.30	

^{1:} Subsequent to the year ended April 30, 2021, 38,800 warrants expired unexercised.

^{2:} 6,335,000 warrants were extended from April 26 and May 6, 2021 to April 26 and May 6, 2022.

c) Share-Based Payments

The Company's Board has adopted a Stock Option Plan available to eligible directors, officers, employees and consultants to acquire up to 10% of common shares then outstanding (the "Plan"). Under the Plan, options may be granted by the Board at an option price in accordance with regulatory policy for a maximum term of 10 years. No amounts are paid or payable by the recipient on receipt and the options are not dependent on any performance-based criteria. Share purchase options will vest at the discretion of the Company and in accordance with regulatory policy. No share purchase options were granted during the year ended April 30, 2021 and 2020.

Note 8 Income Taxes

Income tax expense is recognized based on management's best estimate of the weighted average annual combined federal and provincial income tax rate for the full financial year applied to the pre-tax income. The Company's effective tax rate for the year ended April 30, 2021 was 27.0% (April 30, 2020 – 27%). The Company has non-capital losses of \$3,978,000 expiring up to 2041, equipment of \$1,000 without expiry, and \$127,000 share issuance costs expiring in 2045. The differences between the tax expense for the year ended April 30, 2021 and the expected income taxes based on the statutory rate are as follows:

For the year ended April 30,	2021	2020
Loss before income taxes	\$ (1,508,166)	\$ (2,125,740)
Basic statutory income tax rate	27.00%	27.00%
Expected income tax recovery	(407,000)	(574,000)
Share issue costs	-	(30,000)
Changes in rates and other	(77,000)	(36,000)
Tax benefits not recognized	484,000	640,000
Total income tax recovery	\$ -	\$ -

HEMP FOR HEALTH INC.

Notes to the Consolidated Financial Statements

April 30, 2021

(Stated in Canadian Dollars) - Page 14

Note 8 **Income Taxes** – (cont'd)

The significant components of the Company's deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

As of April 30,	2021	2020
Deferred tax assets		
Property and equipment	\$ -	\$ 2,000
Share issue costs	34,000	48,000
Non-capital losses available for future period	1,195,000	695,000
	1,229,000	745,000
Unrecognized deferred tax assets	(1,229,000)	(745,000)
Net deferred tax assets	\$ -	\$ -

Note 9 **Loss Per Share**

The denominator for the calculation of loss per share, being the weighted average number of common shares for the year ended April 30, 2021 and 2020 is as follows:

	Year ended April 30,	
	2021	2020
Issued and outstanding, beginning of the year	24,162,001	18,460,001
Weighted average shares issued during the year	-	1,939,211
Basic and diluted weighted average number of shares	24,162,001	20,399,212

Note 10 **Capital Management**

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity (deficiency) as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, sell assets to reduce debt or return capital to shareholders. The Company is not subject to externally imposed capital requirements.

HEMP FOR HEALTH INC.

Notes to the Consolidated Financial Statements

April 30, 2021

(Stated in Canadian Dollars) - Page 15

Note 11 Financial Instruments

As at April 30, 2021, the Company's financial instruments consist of cash, amounts receivable, advances payable, and trade and other payables. The fair value of the Company's amount receivable, advances payable, and trade and other payables approximate their carrying value, which is the amount on the statements of financial position, due to their short-term maturities or ability of prompt liquidation. The Company's cash is carried at FVTPL, where fair value is calculated in accordance with level 1 of the fair value hierarchy.

a) Currency Risk

Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. At April 30, 2021, US dollar amounts were converted at a rate of \$1.2284 Canadian dollars to \$1 US dollar and Euro were converted at a rate of \$1.4779 Canadian dollars to 1 Euro. A 10% increase or decrease in the US dollar exchange may increase or decrease loss for the year by approximately \$356. A 10% increase or decrease in the EUR\$ exchange rate will decrease or increase loss for the year by approximately \$6,914.

b) Interest Rate Risk

The Company's cash earns interest at a variable interest rate. Because of the nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as of April 30, 2021. Future cash flows from interest income on cash will be affected by interest rate fluctuations. Interest rate risk consists of two components, i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and ii) To the extent that changes in prevailing market interest rates differ from the interest rates in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company's exposure to interest rate fluctuations is minimal.

c) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk with respect to its cash, the balance of which at April 30, 2021 is \$12,348 (April 30, 2020 – \$714,421). As at that date, cash was held at a chartered Canadian financial institution and the Company does not consider the risks to be significant.

Liquidity risk arises from the excess of financial obligations over available financial assets due at any point in time. Additional cash requirements could be met with the issuance of additional share capital; however, there is no assurance the Company will be able to raise funds in this manner in the future. As at April 30, 2021, the Company was holding cash of \$12,348 (April 30, 2020 – \$714,421).

HEMP FOR HEALTH INC.

Notes to the Consolidated Financial Statements

April 30, 2021

(Stated in Canadian Dollars) - Page 16

Note 12 Related Party Transactions

The following is a summary of charges incurred by the Company with related parties for the year ended April 30, 2021, and 2020:

<u>Year ended April 30,</u>	<u>2021</u>	<u>2020</u>
Audit and accounting	\$ 10,500	\$ 15,000
Management fees	33,000	155,000
Office and administration	13,750	15,000
Total	\$ 57,250	\$ 185,000

During the year ended April 30, 2021, the Company incurred operational expenses totalling \$57,250 (April 30, 2020: \$185,000) from companies controlled by an officer and director of the Company. As of April 30, 2021, the Company had amounts payable to officers and directors, and companies with directors in common of \$50,789 (April 30, 2020: \$ Nil).

In March, 2021, the CEO and director of the Company advanced \$130,000 to the Company as a non-interest bearing advance due on demand, recognized as advances payable.

Note 13 Letter of Intent for Acquisition of PHC – Advance Payable

The Company had signed a letter of intent (“LOI”) with Pacific Hemp Company Pty Ltd. (“PHC”), whereby the Company would acquire 100% of the outstanding shares of PHC. The LOI expired on May 17, 2021, as PHC was unable to meet its minimum obligations. PHC advanced the Company a 60 day refundable deposit pursuant to the extension of the original agreement to May 17th, 2021 of \$152,500 (100,000 Euros), which management believes is due September 13, 2021 being 60 days after final termination of the transaction of July 15, 2021. PHC believes the amount is due July 16th, 2021, being 60 days from expiry of the extended LOI. The advance is non-interest bearing and unsecured.

Schedule "D"

**Management Discussion and Analysis
for the fiscal year ended April 30, 2021**

Form 51-102-F1

HEMP FOR HEALTH INC.

MANAGEMENT DISCUSSION & ANALYSIS

For the year ended April 30, 2021

Directors and Officers as at August 24, 2021

Directors:

Robert Eadie
Gary Arca
Gina Pala
Emiliano Vanni

Officers:

President & CEO – Robert Eadie
CFO & Corporate Secretary – Gary Arca

Contact Name: Robert Eadie

Contact e-mail: robert@hempforhealth.eu

HEMP FOR HEALTH INC.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the year ended April 30, 2021

1.1 Date of This Report

This Management's Discussion & Analysis ("MD&A") should be read in conjunction with the consolidated financial statements of Hemp for Health Inc. (the "Company" or "H4H") for the year ended April 30, 2021. All dollar amounts herein are expressed in Canadian Dollars unless stated otherwise.

Management 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 financial statements and MD&A, is complete and reliable. The Company's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board of Directors' 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 reader is encouraged to review the Company's statutory filings on www.sedar.com

This MD&A is prepared as of August 24, 2021.

This MD&A includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

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

1.2 Recent Activity

The Company had signed a letter of intent (“LOI”) with Pacific Hemp Company Pty Ltd. (“PHC”), whereby the Company would acquire 100% of the outstanding shares of PHC. The LOI expired on May 17, 2021, as PHC was unable to meet its minimum obligations. PHC advanced the Company a 60 day refundable deposit pursuant to the extension of the original agreement to May 17th, 2021 of \$152,500 (100,000 Euros), which management believes is due September 13, 2021, being 60 days after final termination of the transaction of July 15, 2021. PHC believes the amount is due July 16th, 2021, being 60 days from expiry of the extended LOI. The advance is non-interest bearing and unsecured.

1.3 Overall Performance

Description of Business

Hemp for Health Inc. (the “Company”) was incorporated on October 1, 2018 under the Business Corporations Act of British Columbia. The Company is listed on the Canadian Securities Exchange (the “CSE”) and the Company’s shares commenced trading on the CSE on November 1, 2019 under the trading symbol “HFH”. The Company is in the business of growing, processing, packaging and selling cannabidiol and related hemp based products in Italy. The Company set up a wholly owned Italian subsidiary, Hemp For Health H4H S.R.L.(“H4H”) that operates the business interests in Europe. The Company’s shares are listed on the Frankfurt Stock Exchange (“FSE”) under symbol “9HH”. The Frankfurt Stock Exchange operated by Deutsche Börse Group is one of the world’s largest trading centres for securities and the largest of the eight stock exchanges in Germany. The Frankfurt listing is expected to facilitate the process of trading in its shares by investors in Europe and internationally.

1.4 Selected Annual Information

The highlights of financial data for the Company’s three most recently completed year-ends, which are calculated in accordance with International Financial Reporting Standards (“IFRS”), are as follows:

	April 30, 2021	April 30, 2020	April 30, 2019
	\$	\$	\$
(a) Total revenues	-	Nil	Nil
(b) Total expenses	(1,508,166)	(2,136,754)	(236,584)
(c) Net loss	(1,508,166)	(2,125,740)	(236,584)
(d) Loss per share – basic and diluted	(0.06)	(0.10)	(0.04)
(e) Total assets	31,373	1,143,223	2,172,493
(f) Total long-term liabilities	Nil	Nil	Nil
(g) Cash dividends declared per - share	Nil	Nil	Nil

1.5 Discussion of Acquisitions, Operations and Financial Condition

The following should be read in conjunction with the April 30, 2021 consolidated financial statements of the Company and notes attached thereto.

Regulatory Environment

On a regulatory front, Italy faces a predicament in its policies towards hemp and CBD legalization. CBD was recently classified as a narcotic, with officials simultaneously banning the compound from the Italian market and requiring authorization from Italian Medicines Agency to produce CBD for oral use. This recent ruling by the Customs and Monopoly Agency completely contradicts the decree set out by the Ministry of Agriculture which listed hemp flowers for “extraction uses” as an agricultural product, and not a drug.

Hemp for Health can still grow and sell hemp in Italy and pursue all avenues to distribute its product in Europe and other international markets.

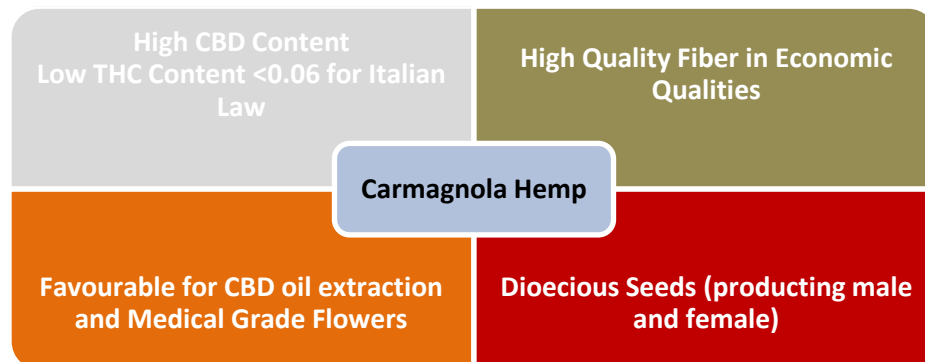
Cultivation Agreements

The Company entered into agreements with various agricultural groups to cultivate and harvest hemp on behalf of the Company on up to 150 hectares of farmland in the province of Sienna, Italy for the 2020 calendar year. These contracts are based on a 5-year initial agreement with the option to renew for an additional 5 years including planting, watering, harvesting and natural fertilizers.

Hemp Industry

The Company is a participant in the legal hemp industry. Hemp, or Industrial Hemp, is typically found in the northern hemisphere, is a strain of the Cannabis sativa plant species, and is grown typically for the industrial applications of its derived products. It is a fast growing plant and has been used for centuries for a variety of uses ranging from paper, textiles, clothing, biodegradable plastics, paint, insulation, biofuel, food, and animal feed.

Although hemp is derived from the species Cannabis sativa and contains the psychoactive component THC, it is a distinct strain with unique phytochemical compositions and uses. Hemp has lower concentrations of THC and typically has higher concentrations of cannabidiol (CBD). The legality of Industrial Hemp varies among countries. Many governments regulate the concentration of THC and permit only hemp that is bred with an especially low THC content. Some other benefits and unique traits of the Carmagnola variety are displayed below in the diagram:



Corporate Overview

Our mission at Hemp for Health is to produce and provide access to high quality hemp-based CBD products so that people can live better lives. Our focus is on four verticals: genetics, cultivation, extraction and partnerships. Through a vertically integrated process, our CBD products will be produced and processed in Tuscany thus achieving the “Made in Tuscany” label, a globally recognized branding strategy. Our test crop in the first year of operations was a Carmagnola hemp strain and the 2019 harvest responded positively to the Tuscan soil and climate.

Strategy

Management believes that an opportunity exists in the cultivation of Hemp for the extraction of CBD and terpene profiles containing myrcene, limonene, and other hydrocarbons. These compounds may provide health benefits and come from a natural source without any adverse psychoactive effects for the user. This is because hemp typically contains less than 0.3% THC. This gives H4H the ability to offer natural products for customers to supplement their diet and health regimes instead of man-made chemicals or drugs. H4H will not produce or sell medicinal or recreational marijuana or products derived from high-THC Cannabis/marijuana plants.

The first test planting was completed in May 2019, and harvested in October 2019. Our short-term strategy was to prove the viability of the various strains of seeds planted in our 2019 test crop and to sell the biomass and flowers in a bulk sale method in the Italian/European market. We are also using a portion of the hemp flower to develop our propriety full spectrum CBD oil with a focus on three products in a tiered pricing module.

It is the Company's intention to process the Hemp biomass so as to produce and sell Dry Flower and CBD Crude Oil. For future years, the Company will seek to (i) expand the hectares under cultivation, (ii) process the Hemp biomass to produce its own line of CBD related products, and (iii) collaborate with research institutions and universities seeking to enter Europe's emerging market of hemp-derived cannabidiol (CBD) products.

Positioning of Hemp for Health in the European Market

As a company focused on the “Made in Tuscany” brand, we are committed to creating a portfolio of products that appeal to consumers. Our full spectrum CBD oil will be branded as Tuscan Gold, Tuscan Silver, and Tuscan Bronze. The tiered pricing system will be based on the total content of CBD in each set of CBD oil and our sales will be focused on the European market and nearby jurisdictions. The final pricing strategy of our products will be determined upon the best available market prices and a careful analysis of the current CBD landscape in Europe.

CBD Crude Oil

This will be the Company's main wholesale product. CBD Crude Oil is the rawest post-extraction form of product. It contains CBD as well as many other cannabinoids and terpenes. Because it requires the least amount of processing and is currently high in demand, the Company can bring this product to market quickly and most effectively. CBD Crude Oil can be stripped of its fats and waxes to yield more pure and high-margin products. Some of these products include full-spectrum CBD oils, distillates, and isolates.

Dry Flower Biomass

This is the dried and ground form of the Hemp, primarily its flower but may also contain leaves. This is akin to the style of dried marijuana cannabis that is primarily smoked. However, this dry flower cannabis contains <0.2% THC, the psychoactive agent in marijuana, and does not intoxicate the user in anyway. It is generally used to extract CBD. Distribution of the dried flower will be wholesale.

Calendar 2020 Results and 2021 Growth Expectations

The Company's first year of operations was focused on a test crop which included the CBD Carmagnola strain in the Tuscan valley. Of the 3 hectares of this strain planted, the yield was approximately 3,000 kilos of biomass and 340 kilos of hemp flower. The majority of this product was sold in bulk.

The 2020 growing season was programmed to plant 150 hectares from 4 different strains of seed, however, due to the COVID-19 pandemic, fundraising and operations were adversely affected in the first part of 2020. As a result, management determined that it was best to reduce the planting to 59 hectares to best utilize the funds raised in March, 2020, and to allow for a more manageable crop in these uncertain times. As such, based on our 2019 test crop results, the Company expected to yield approximately 58,000 kilos of biomass and 9,000 kilos of dried flower.

Completed harvest

The Company has completed the hemp harvest for the 2020 growing season whereby we planted on 59 Ha with hemp varieties that contain high levels of CBD with trace amounts of THC below 0.2% content. The allocation for this year had 9 hectares dedicated to dry flower and 50 Ha dedicated to biomass. The hemp biomass and flowers were cleaned, dried and then weighed while samples were sent to two separate laboratories for analysis of CBD, CBG and THC. At April 30, 2021, it was determined that the raw hemp biomass did not have any economic value to warrant further processing or sale due to low levels of CBD oil content. The Dry Flower and related biomass did have economic values of CBD oil content and amounted to over 20,000 kg, however, due to the uncertainty of sales in the saturated European market at this time and with continuing concerns regarding the COVID-19 pandemic, management has decided to write the value of the biomass to \$Nil and will realize sales, if any, as revenue at the time realized.

Production Agreements

During the year ended April 30, 2020, the Company entered into agreements with various agricultural groups to cultivate and harvest hemp on behalf of the Company on up to 59 hectares of farmland. The agreements are for an initial 5 year period with an option to renew for 5 years. The payments to these farmers in the year ended April 30, 2021, have been fully expensed to research and development.

Environmental Protection

The operation of our business has no extraordinary environmental protection requirements. As a result, the Company does not anticipate that any environmental regulations or controls will materially affect the business.

1.6 Results of Operations

The loss and comprehensive loss for the year ended April 30, 2021 is \$1,508,166 and for the comparative year ended April 30, 2020 there was a loss and comprehensive loss of \$2,125,740:

For the year ended April 30,	2021	2020	Variance
Expenses			
Audit and accounting	42,075	70,875	(28,800)
Foreign exchange loss	17,941	10,750	7,191
Legal	76,240	167,681	(91,441)
Management fee	33,000	155,000	(122,000)
Office and administration	55,654	136,803	(81,149)
Research and development expense	661,613	939,327	(277,714)
Shareholder communication and marketing	178,092	434,109	(256,017)
Transfer agent and filing fees	11,359	30,821	(19,462)
Travel and accommodations	40,471	191,388	(150,917)
Doubtful debt on loan	73,897	-	73,897
Write off VAT receivable	317,824	-	317,824
Finance revenue	-	(11,014)	11,014
Total loss and comprehensive loss for the year	\$ (1,508,166)	\$ (2,125,740)	\$ 617,574

During the year ended April 30, 2021, the Company expensed crop costs as research and development, along with seed costs and consulting fees for a total of \$699,793 (2020 - \$988,594), excluding VAT taxes receivable. This is offset by \$38,180 (2020 - \$49,267) of proceeds received on sale of the test crop biomass for a net expense of \$661,613 (2020- \$939,327) in the year ended April 30, 2021.

During the prior year, the Company incurred audit and accounting expenses of \$70,875, legal expenses of \$167,681 and travel and accommodations costs of \$191,388 largely in relation to start-up costs in Italy. These are compared to \$42,075, \$76,240 and \$40,471 in the current year, respectively, related to operations in Canada and Italy. Legal, corporate and foreign regulatory fees and taxes related to the Italian subsidiary are included in legal costs. All other expenses are included in the related expense categories, including office and administration.

Financings, Principal Purposes & Milestones

The Company completed its last private placement in March 2020, issuing 4,100,000 units priced at \$0.20 per unit, for gross proceeds of \$820,000. Each unit consists of one common share of the Company and one-half of one share purchase warrant for 2,050,000 whole warrants, with each warrant entitling the holder thereof to acquire an additional common share of the Company for a period of two years at a price of \$0.30 per share. Cash payments totalling \$57,600 and 144,000 finder's warrants, with the same terms and conditions as the unit warrants, were paid as finders' fees.

1.7 **Summary of Quarterly Results**

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Q4	Q3	Q2	Q1
	30-Apr-21	31-Jan-21	31-Oct-20	31-Jul-20
Income (loss) for year	\$ (480,426)	\$ (432,816)	\$ (1,495,149)	\$ 900,225
Per share – basic and diluted	\$ (0.02)	\$ (0.02)	\$ (0.06)	\$ 0.04
	Q4	Q3	Q2	Q1
	30-Apr-20	31-Jan-20	31-Oct-19	31-Jul-19
Loss for year	\$ (491,720)	\$ (396,618)	\$ (607,067)	\$ (630,335)
Per share – basic and diluted	\$ (0.02)	\$ (0.02)	\$ (0.03)	\$ (0.03)

Discussion

The Company reports a loss of \$480,426 for the quarter ending April 30, 2021 compared to a loss of \$491,720 in the comparative quarter ended April 30, 2020. For more detailed discussion on the quarterly production results and financial results for the quarter ended April 30, 2021, please refer to *Sections 1.6 under "Results of Operations"*.

1.8 **Liquidity and Capital Resources**

As at April 30, 2021, the Company had \$12,348 (April 30, 2020 - \$714,421) in cash, working capital deficit of \$469,103 and no long-term debt. The Company's ability to continue as a going concern is dependent upon its existing working capital and obtaining the necessary financing to meet its obligations and pay its liabilities arising from normal business operations when they come due.

The Company's working capital will not meet corporate, development, administrative and property obligations for the coming year. As a result, the Company will require additional financing and, while the Company has been successful in raising equity financing through the issuances of common shares in the past, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be available on acceptable terms. As such, there remains significant doubt as to the Company's ability to continue as a going concern (see financing - *section 1.6 - Financings, Principal Purposes & Milestones*).

1.9 **Off Balance Sheet Arrangements**

There are no off-balance sheet arrangements to which the Company is committed.

1.10 **Transactions with Related Parties**

The following is a summary of charges incurred by the Company with related parties during the years ended April 30, 2021 and 2020:

<u>Year ended April 30,</u>	<u>2021</u>	<u>2020</u>
Audit and accounting	\$ 10,500	\$ 15,000
Consulting fees	33,000	155,000
Office and administrative expense	13,750	15,000
<u>Total</u>	<u>\$ 57,250</u>	<u>\$ 185,000</u>

During the year ended April 30, 2021, the Company incurred operational expenses totalling \$57,250 (April 30, 2020 - \$185,000) from companies controlled by the chief financial officer and director of the Company. As of April 30, 2021, the Company had amounts payable to officers and directors, and companies with directors in common of \$50,789 (April 30, 2020: \$ Nil).

In March, 2021, the CEO and director of the Company advanced \$130,000 to the Company as a non-interest bearing advance to provide working capital to the Company for payment of third party liabilities.

1.11 Critical Accounting Estimates

a) Going concern

Management makes an assessment about the Company's ability to continue as a going concern by taking in to account the consideration of the various factors discussed in Note 2 of the April 30, 2021 consolidated financial statements.

b) Income Taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recuperated.

1.12 Changes in Accounting Policies

N/A

1.13 Financial and Other Instruments

As at April 30, 2021, the Company's financial instruments consist of cash, amounts receivable, advances payable, and trade and other payables.

The fair value of the Company's amounts receivable, advances payable, and trade and other payables approximates their carrying value, which is the amount on the statement of financial position, due to their short-term maturities or ability of prompt liquidation.

a) Currency Risk

Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. At April 30, 2021, US dollar amounts were converted at a rate of \$1.2284 Canadian dollars to \$1 US dollar and Euro were converted at a rate of \$1.4779 Canadian dollars to 1 Euro. A 10% increase or decrease in the US dollar exchange rate may increase or decrease loss for the year by approximately \$356. A 10% increase or decrease in the EUR\$ exchange rate will decrease or increase loss for the year by approximately \$6,914.

b) Interest Rate Risk

The Company's cash earns interest at a variable interest rate. Because of the nature of this financial instrument, fluctuations in market rates do not have a significant impact on estimated fair values as of April 30, 2021. Future cash flows from interest income on cash will be affected by interest rate fluctuations. Interest rate risk consists of two components:

- (i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
- (ii) To the extent that changes in prevailing market interest rates differ from the interest rates in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company's exposure to interest rate fluctuations is minimal.

c) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk with respect to its cash, the balance of which at April 30, 2021 is \$12,348 (April 30, 2020 - \$714,421). As at that date, cash and short-term investment were held at a chartered Canadian financial institution and the Company does not consider the risks to be significant.

d) Liquidity Risk

Liquidity risk arises from the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. Additional cash requirements could be met with the issuance of additional share capital; however there is no assurance the Company will be able to raise funds in this manner in the future. As at April 30, 2021, the Company was holding cash of \$12,348 (April 30, 2020 - \$714,421).

1.14 Disclosure of Outstanding Share Capital as at August 24, 2021:

	Number	Book Value
Common Shares	24,162,001	\$ 3,324,180

A summary of the Company's outstanding share purchase warrants is presented below:

Number of Shares	Exercise Price	Expiry Date
196,000	\$0.30	November 5, 2021
5,730,000	\$0.30	April 26, 2022
605,000	\$0.30	May 6, 2022
2,194,000	\$0.30	March 10, 2022
8,725,000	\$0.30	

Subsequent to the year ended April 30, 2021, 38,800 warrants expired unexercised. 6,335,000 warrants were extended from April 26 and May 6, 2021 to April 26 and May 6, 2022, respectively.

1.15 Approval

The Board of Directors, upon the recommendation of the Audit Committee, has approved the disclosure contained in this MD&A.