Form 51-102-F1

SWEET POISON SPIRITS INC.
(formerly YELLOW STEM TECH INC.)

MANAGEMENT DISCUSSION & ANALYSIS
For the year ended April 30, 2023

Directors and Officers as at October 3, 2023

Directors:

Robert Eadie
Gary Arca
Gina Pala
Tanya Lutzke

Officers:

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

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SWEET POISON SPIRITS INC.
(formerly YELLOW STEM TECH INC.)

MANAGEMENT'S DISCUSSION & ANALYSIS
For the year ended April 30, 2023

1.1 Date of This Report

This Management's Discussion & Analysis ("MD&A") should be read in conjunction with the consolidated financial statements of Sweet Poison Spirits Inc. (the "Company") (formerly Yellow Stem Tech Inc.) for the year ended April 30, 2023. 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 October 3, 2023.

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.

1.2 Overall Performance

Description of Business

In prior years, 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,("H4Hsrl"). **See *Section 1.5 - Results of Operations* for disclosure of a "Hemp for Health Completes COB and Name Change to Yellow Stem Tech Inc."**, whereby the Company changed its business from growing and processing hemp into CBD products to mining for cryptocurrencies.

Name Change to Sweet Poison Spirits Inc.

On November 3, 2022, the Company signed a Product Distribution Agreement (the Distribution Agreement") with Sweet Poison Spirits S de RL de CV, a Mexican company headquartered in Guadalajara, Mexico, and Sweet Poison Spirits LLC, a California limited liability corporation headquartered in San Diego, California (collectively, "Sweet Poison"). The Distribution Agreement grants the Company the worldwide distribution rights to Sweet Poison's premium Tequila and Mezcal products under the "Sweet Poison" brand names for an initial period of ten years, renewable for a further ten years and beyond.

The Company changed its name from Yellow Stem Tech Inc. to Sweet Poison Spirits Inc. thereafter and, on June 1, 2023, the Company's common shares commenced trading on the CSE under the trading symbol "SPS".

See ***Section 1.2 – Recent Events – Product Distribution Agreement with Sweet Poison Spirits***, for transaction to acquire the distribution rights and option to acquire Sweet Poison.

Recent Events

Product Distribution Agreement with Sweet Poison Spirits

On March 28, 2023, the Company closed ("Closing") on the Distribution Agreement signed November 3, 2022 with Sweet Poison by issuing the shares pursuant to the Distribution Agreement. The Distribution Agreement grants the Company the worldwide distribution rights to Sweet Poison's premium Tequila and Mezcal products under the "Sweet Poison" brand names for an initial period of ten years, renewable for a further ten years and beyond.

In consideration of the rights and licences granted by Sweet Poison, the Company issued to the shareholders of Sweet Poison 2,500,000 common shares (the "Shares") valued at fair value on date of issue of $60,000, subject to resale restrictions as follows:

(i) 25% of the Shares will become free-trading four months following the date of Closing ("subsequently free trading");
(ii) 25% of the Shares will become free-trading 12 months following Closing;
(iii) 25% of the Shares will become free-trading 18 months following Closing; and
(iv) the remaining 25% of the Shares will become free-trading 24 months following Closing.

The Company paid Finder's Fees of 10% in the form of shares valued at fair value on date of issue of $7,500 and other costs of $45,000 for a total of $112,500.

Concurrent with the Distribution Agreement, the Company also signed an agreement (the "Option Agreement") with the shareholders of Sweet Poison, whereby the Company was granted the option to acquire all of the shares of Sweet Poison subject to the Company fulfilling its obligations under the Distribution Agreement. The terms of the Option Agreement include:

(i) The option price is US$1,000,000 and will be payable as to US$400,000 in cash and US$600,000 in common shares of the Company, as to one-third (US$133,333 in cash and US$200,000 in Shares) upon exercise of the option, based on a share price of US$0.20 per share; an additional one-third (US$133,333 in cash and US$200,000 in Shares) on or before 12 months following the exercise of the option, based on a share price calculated as the volume weighted average price per Share for the 10 trading days prior to issue ("VWAP"); and the remaining one-third on or before 18 months following the exercise of the option, based on the then current VWAP.

(ii) The option is exercisable by the Company at any time after 24 months from the date of the Option Agreement and prior to 36 months.

The Company will pay Finder's Fees of 10% on the Option Agreement transaction, such Finder's Fees payable in the form of shares.

During the year ended April 30, 2023, the Company advanced $13,562 (US$10,000) (April 30, 2022 - $nil) to Sweet Poison, which amount remains payable as at April 30, 2023.

On May 15, 2023, the Company negotiated an agreement with Sweet Poison, amending both the Distribution Agreement and the Option Agreement to include the acquisition of Sweet Poison's formula for one blend of Sweet Poison's tequila and four blends of mezcal. The deemed value of US$250,000, the cost of acquiring the formulas will be deducted from the purchase price under the Option Agreement, in the event the Company exercises the option.

In consideration for acquiring the formulas, the Company will issue to Sweet Poison a total of 2,500,000 shares, with hold periods as follows:

(i) 25% of the Shares will become free-trading four months following the date of issuance (the "Closing");
(ii) an additional 25% of the Shares will become free-trading 12 months following Closing;
(iii) an additional 25% of the Shares will become free-trading 18 months following Closing; and
(iv) the remaining 25% of the Shares will become free-trading 24 months following Closing.

A finder's fee of 250,000 shares will be issued related to this transaction for the finder's efforts in negotiating and facilitating the transaction, such shares to be restricted in the same manner as those shares to be issued to Sweet Poison.

While distributing Sweet Poison spirits under the Distribution Agreement will be the Company's primary focus in the next 12 months, the Company continues to monitor the pricing of cryptocurrencies, with a view to restarting its mining operations should it again become profitable. As noted in prior disclosure, the Company ceased mining cryptocurrency shortly after acquiring its mining rigs due to a material decline in cryptocurrency prices.

The Company intends to investigate new and alternative businesses that are complementary to management's skills and expertise, all of which will be operated under the "Sweet Poison" brand.

About Sweet Poison Spirits:

Sweet Poison Spirits are creators and distributors of premium quality spirits. The company is committed to respecting traditional and ancestral processes, sustainability and the environment. For more on Sweet Poison, visit www.sweetpoisonspirits.com.

Share Consolidation

On December 2, 2021, the Company's outstanding common shares were consolidated on the basis of two existing shares for one new share. Subsequent to April 30, 2023, 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.

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, 2023 $	April 30, 2022 $	April 30, 2021 $
(a) Total revenues	-	-	-
(b) Total expenses	(302,908)	(672,525)	(1,116,445)
(c) Net loss	(954,126)	(588,670)	(1,508,166)
(d) Loss per share–basic and diluted	(0.04)	(0.05)	(0.25)
(e) Total assets	245,592	953,966	31,373
(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 April 30, 2023 consolidated financial statements of the Company and notes attached thereto.

Sale of Italian Operations

The Company sold H4Hsrl and all Italian hemp operations for a nominal value to dispose of all Italian assets and liabilities, including the remaining inventory, the right to recover Italian VAT taxes and any outstanding Italian liabilities.

Change of Business to Yellow Stem Tech Inc.

Yellow Stem Tech Inc. (formerly Hemp for Health Inc.) closed the transactions comprising its change of business ("COB"), from growing and processing hemp to mining for cryptocurrencies.

Pursuant to an asset purchase agreement and an operating agreement, both dated March 18, 2022, the Company engaged 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 $672,893 (US$525,000) (paid). The Company engaged the Provider to set-up, host and operate the cryptocurrency mining activities in exchange for 1,334,000 shares of the Company valued at fair value on date of issue of $0.06 per share, or $80,040, which was recorded as a prepaid, but has been expensed in the current year as there is no definitive timeline to place the mining rigs into operation. To date, the Company has not commenced operation of the mining rigs as they would not be profitable at the current value of related cryptocurrency. As at April 30, 2023, the rigs remain unpacked in warehouse storage in the United States.

The above transactions resulted in a change of business for the Company and required CSE and shareholder approval. The Company received approval from shareholders holding over 59% of the Company's outstanding shares, by way of consent resolution.

The Company's common shares commenced trading under Yellow Stem Tech Inc., on the CSE, with trading symbol "YY", effective at the opening on June 20, 2022. As noted above, the Company's name changed from Yellow Stem Tech Inc. to Sweet Poison Spirits Inc., and on June 1, 2023, the Company's common shares commenced trading on the CSE under the trading symbol "SPS".

There is no consolidation or change in the share capital of the Company as a result of the change in business. Shareholders are not required to exchange their existing share certificates for new certificates bearing the new Company name, and Company shares held electronically in Direct Registration System will be booked automatically.

Product Distribution Agreement with Sweet Poison Spirits

See ***Section 1.2 – Recent Events – Product Distribution Agreement with Sweet Poison Spirits***, for transaction to acquire the distribution rights and option to acquire Sweet Poison.

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 year ended April 30, 2023, is $954,126 and for the comparative year ended April 30, 2022, there was a loss and comprehensive loss of $588,670:

For the year ended April 30,	***2023***	***2022***	***Variance***
Expenses			
Amortization expense	1,014	-	1,014
Audit and accounting	61,248	36,937	24,311
Foreign exchange loss (gain)	2,462	(4,900)	7,362
Legal	38,373	61,195	(22,822)
Management and consulting	66,000	51,000	15,000
Office, rent and administration	32,070	41,730	(9,660)
Research and development expense	-	420,175	(420,175)
Shareholder communication and marketing	31,557	16,997	14,560
Transfer agent and filing fees	29,378	23,767	5,611
Travel and accommodations	40,806	25,624	15,182
Total Expenses	**(302,908)**	**(672,525)**	**(369,617)**

Other items:						
Debt forgiveness		-		83,855		(83,855)
Write down of data centre equipment		(571,178)		-		(571,178)
Write down of prepaid expenses		(80,040)		-		(80,040)
Total Other items		**(651,218)**		**83,855**		**(735,073)**
Total loss and comprehensive loss for the period	**$**	**(954,126)**	**$**	**(588,670)**	**$**	**(365,456)**

During the years ended April 30, 2023 and 2022, the Company expensed crop costs as research and development, along with seedling costs, farmer planting costs and consulting fees for a total of $nil in 2023 and $420,175 in 2022. The decrease of $420,175 in Research and development relates directly to ceasing the activities of the Italian subsidiary, as discussed in *section 1.4*. During the prior year, the Company incurred marketing and shareholder expenses of $16,997, legal expenses of $61,195 and travel and accommodations costs of $25,624 largely in relation to costs in Italy. These are compared to $31,557, $38,373 and $40,806 in the current year, respectively. The current year costs are slightly less due to the change in business in the current period. All expenses related to the Italian subsidiary were 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. Subsequent to April 30, 2023, 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. Prior to the consolidation, the Company's authorized share capital was an unlimited number of common shares without par value, of which 52,201,501 shares were issued and outstanding, with a further 12,495,000 shares reserved for issuance upon the exercise of outstanding warrants. Upon completion of the share consolidation and prior to the debt settlement subsequent to April 30, 2023, there were 26,100,751 common shares issued and outstanding, subject to further share issuances, as discussed below pursuant to the financing and the settlement of debts. Subsequent to the consolidations and the share issuances below under the "Financing" and "Debt Settlements", there are 30,623,451 post consolidated common shares outstanding and 6,247,500 Warrants expiring from December 2023 to February 2024, exercisable at a price of $0.20 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 9, 2021, the Company closed Tranche 1 of its non-brokered private placement, raising $672,500 in gross proceeds through the issuance of 6,725,000 units at a price of $0.10 per Unit. Each Unit consisted 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 $0.20 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 $0.40 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 260,000 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.

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 5,250,000 units at a price of $0.10 per Unit. Each Unit has the same terms as Tranche 1 above. No finders' fees were payable in this final tranche. A total of $10,000 was outstanding subsequent to April 30, 2022 and is included within equity as at April 30, 2023.

Debt Settlement

The Company issued 4,001,250 shares in full settlement of outstanding debt in the aggregate amount of $400,125, representing $59,625 in fees and $340,500 in advances owing. Included in this were 726,250 shares issued to officers and directors for outstanding fees and advances of $72,625.

Subsequent to April 30, 2023, the Company arranged to settle certain outstanding debt with the CEO and a director in the aggregate amount of $452,270 through the issuance of up to 4,522,700 shares at a fair value of $0.03 per share (the "Debt Settlement"), and, consequently, a gain of $316,589 will be recognized in the Company's consolidated statement of operations for the year ended April 30, 2024.

The proposed Debt Settlement involves amounts owing to non-arm's length parties, with $415,520 owing to the Company's CEO and $36,750 owing to the CFO, as follows:

i) The amount owing to the CEO represents non-interest bearing advances of $373,520 and $42,000 in unpaid management fees; and,

ii) The amount owing to the CFO represents unpaid management fees over a period of 14 months.

1.6 Summary of Quarterly Results

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

	Q4 30-Apr-23	Q3 31-Jan-23	Q2 31-Oct-22	Q1 31-Jul-22
Loss for period	$ (278,480)	$ (475,462)	$ (107,693)	$ (92,491)
Per share – basic and diluted	$ (0.01)	$ (0.02)	$ (0.00)	$ (0.00)

	Q4 30-Apr-22	Q3 31-Jan-22	Q2 31-Oct-21	Q1 31-Jul-21
Loss for period	$ (130,721)	$ (62,590)	$ (353,658)	$ (41,701)
Per share – basic and diluted	$ (0.01)	$ (0.01)	$ (0.06)	$ (0.01)

Discussion

The Company reports a loss of $278,480 for the quarter ending April 30, 2023 compared to a loss of $130,721 in the comparative quarter ended April 30, 2022. For more detailed discussion on the quarterly production results and financial results for the quarter ended April 30, 2023, please refer to *Sections 1.5 under "Results of Operations"*.

1.7 Liquidity and Capital Resources

As at April 30, 2023, the Company had $312 (April 30, 2022 - $270,100) in cash, working capital deficit of $538,248 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 year ended April 30, 2023 and 2022:

Year ended April 30,	**2023**	2022
Audit and accounting	**$ 29,870**	$ -
Management fees	**66,000**	51,000
Legal and corporate	**26,150**	51,000
Office and administrative expense	**27,000**	8,250
Total	**$ 149,020**	$ 59,250

During the year ended April 30, 2023, the Company incurred fees and operational expenses totalling $149,020 (April 30, 2022: $59,250) from companies controlled by an officer and director of the Company and by another officer and director. As of April 30, 2023, the Company had amounts payable to officers and directors, and companies with directors in common of $88,709 (April 30, 2022: $8,363).

During the year ended April 30, 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. $83,855 in amounts payable for fees, expenses and advances were forgiven as debts to the Company. Included in these amounts was $64,629 of amounts owing to officers and directors and companies controlled by officers and directors which included amounts payable for fees and advances.

Subsequent to April 30, 2023, the Company arranged to settle certain outstanding debt with the CEO and a director in the aggregate amount of $452,270 through the issuance of up to 4,522,700 shares at a fair value of $0.03 per share (the "Debt Settlement").

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 into account the consideration of the various factors discussed in Note 2 of the consolidated financial statements for the year ended April 30, 2023.

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 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.

c) Carrying Value of Data Centre Equipment

The evaluation of asset carrying values for indications of impairment includes consideration of both external and internal sources of information, including such factors as the relationship between mining rewards and the required computing power, digital currency prices, the periodic contribution margin of digital currency mining activities, changes in underlying costs, such as electricity, and technological changes. When required, the determination of fair value and value in use requires management to make estimates and assumptions about digital currency prices, required computing power, technological changes and operating costs, such as electricity. The estimates and assumptions are subject to risk and uncertainty; hence, there is the possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances some or all of the carrying value of the assets may be impaired or the impairment charge reduced with the impact recorded in profit or loss.

As at April 30, 2023, none of the Company's Siacoin mining rigs had been placed into operations and, as such, have not been amortized. Once operations have begun, the rigs will be amortized accordingly.

Non-financial assets are subject to impairment tests at the end of each reporting period and whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs of disposal, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit. The Company has determined that an impairment on its data centre equipment was required during the current period due to the decrease in the fair market value of identical equipment, not yet put into service, as a result of the significant reduction in the applicable cryptocurrencies over the past three quarters. An impairment loss of $571,178 (US$450,000) was therefore charged to profit or loss for the year ended April 30, 2023, bringing the value of the mining rigs to $101,715 (US$75,000).

d) <u>Stock based compensation</u>

The inputs used in calculating the fair value for stock-based compensation expense included in profit and loss and stock-based share issuance costs included in shareholders' equity. The stock-based compensation expense is estimated using Black-Scholes options-pricing model as measured on the grant date to estimate the fair value of stock options. This model involves the input of highly sensitive assumptions, including the expected price volatility of the Company's common shares, the expected life of the options, and the estimate forfeiture rate.

e) <u>Shares for debt</u>

The valuation of shares issued in non-cash transactions, including the settlement of debt. Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When non- cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

1.11 Changes in Accounting Policies

N/A

1.12 Financial and Other Instruments

As at April 30, 2023, the Company's financial instruments consist of cash, amounts and other receivable, advances payable, and trade and other payables.

The fair value of the Company's cash, amounts and other 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, 2023, US dollar amounts were converted at a rate of $1.3562 Canadian dollars to $1 US dollar and Euro were converted at a rate of $1.4920 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 $1,373. A 10% increase or decrease in the EUR$ exchange may increase or decrease loss for the period by approximately $2,984.

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, 2023. 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, 2023 is $312 (April 30, 2022 - $270,100). As at that date, cash was 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, 2023, the Company was holding cash of $312 (April 30, 2022 - $270,100).

1.13 Disclosure of Outstanding Share Capital as at October 3, 2023:

	Number		Book Value
Common Shares	30,623,451	$	5,145,826

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

Number of Shares	Exercise Price	Expiry Date
3,622,500	$0.20	December 9, 2023
2,625,000	$0.20	February 2, 2024
6,247,500	**$0.20**	

During the year ended April 30, 2023, 151,250 warrants exercisable at $1.20 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.