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These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "U.S. Securities Act") and, may not be reoffered, resold or transferred to, or for the account or benefit, of a U.S. Person (as that term is defined in Regulation S of the U.S. Securities Act) except pursuant to an effective registration statement under the U.S. Securities Act, and any applicable state securities laws, or pursuant to an available exemption from the registration requirements from the U.S. Securities Act and any applicable state securities laws. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities offered hereby in the United States to, or for the account or benefit, of a U.S. Person. See "Plan of Distribution".

February 5, 2020

PROSPECTUS INITIAL PUBLIC OFFERING



Suite # 2300, 1177 West Hasting Street,
Vancouver, BC, V6E 2K3
(604) 408-7488

Minimum of 7,000,000 Common Shares and up to a Maximum of 16,666,667 Common Shares

Price: \$0.15 per Common Share

Minimum of \$1,050,000 and up to a Maximum of \$2,500,000

Champignon Brands Inc. (the "Company") is offering (the "Offering") to purchasers resident in British Columbia, Alberta and Ontario, through its agent, PI Financial Corp. (the "Agent") on a commercially reasonable efforts basis, a minimum of 7,000,000 Common Shares (as defined herein) and a maximum of 16,666,667 Common Shares (the "Offered Shares") of the Company at a price of \$0.15 per Offered Share (the "Offering Price") for minimum gross proceeds of \$1,050,000 (the "Minimum Offering") and maximum gross proceeds of \$2,500,000 (the "Maximum Offering", and together with the Minimum Offering, the "Offering"). The Offering Price was determined by negotiation between the Agent and the Company in accordance with applicable policies of the Canadian Securities Exchange (the "Exchange"). See "Plan of Distribution".

	Price to Public⁽¹⁾	Underwriting Discounts or Commission⁽²⁾	Net Proceeds to the Company⁽³⁾
Per Common Share	\$0.15	\$0.012	\$0.138
Minimum Offering	\$1,050,000	\$84,000	\$966,000
Maximum Offering	\$2,500,000	\$200,000	\$2,300,000

Notes:

- (1) The Company has granted the Agent an option (the "Agent's Option") to allow the Agent to sell up to an additional 2,250,000 Offered Shares, at the Offering Price for additional gross proceeds of up to \$337,500. The Agent's Option is exercisable at the discretion of the Agent, in whole or in part, at any time up to 48 hours prior to Closing. If the Agent's Option is fully exercised, the Offering Price to Public will be \$2,837,500, the Agent's Commission will be \$227,000, and the Net Proceeds to the Company will be \$2,610,500. The grant of the Agent's Option and the issuance of any Offered Shares upon exercise thereof are qualified by this Prospectus.
- (2) The Agent shall receive a cash commission equal to 8% of the aggregate gross proceeds of the Offering, including any proceeds from the Agent's Option. The Agent will also be granted that number of non-transferable Common Share purchase warrants (the "Agent's Warrants") equal to 8% of the aggregate number of Common Shares sold under this Offering, with each Agent's Warrant being exercisable to purchase one Common Share at a price of \$0.30 per Common Share for a period of 24 months from the Listing Date (as defined herein). The Agent's Warrants are qualified by this prospectus. In addition, the Company has agreed to reimburse the Agent for all reasonable expenses incurred in connection with this Offering and has provided a retainer of \$15,000, from which those expenses are to be deducted, with the balance to be paid at Closing. In addition, the Company has agreed to pay the Agent a non-refundable corporate finance fee of \$25,000 (the "Corporate Finance Fee"). See "Plan of Distribution".
- (3) Before deducting the balance of the costs of the Offering, estimated at \$90,000, which includes the Corporate Finance Fee, legal and audit fees and other expenses of the Company, the Agent's expenses including its legal fees, the listing fee payable to the Exchange and the filing fees payable to the British

The Agent (including any registered sub-agents who assist the Agent in the distribution of the Offered Shares), as exclusive agent for the purposes of this Offering, conditionally offers on a commercially reasonable efforts basis the Offered Shares, and if, as and when issued and delivered by the Company and accepted by the Agent in accordance with the terms and conditions contained in the agency agreement (the “Agency Agreement”) dated February 5, 2020 between the Company and the Agent and subject to the approval of certain legal matters on behalf of the Company by O’Neill Law LLP and on behalf of the Agent by MLT Atkins LLP. See “Plan of Distribution”.

Subscriptions for the Offered Shares will be received subject to rejection or allotment in whole or in part by the Company and the right is reserved by the Company to close the subscription books at any time without notice. It is expected that the Closing of the Offering will occur on a date agreed upon by the Company and the Agent, but not later than the date that is 90 days after a receipt is issued for the final prospectus or if a receipt has been issued for an amendment to the final prospectus, within 90 days of issuance of such receipt and in any event not later than 180 days from the date of receipt of the final prospectus. It is expected that the Offered Shares will be delivered in electronic book entry form through CDS Clearing and Depository Services Inc. (“CDS”) or its nominee upon Closing unless the Agent elects for physical share certificates which would be available for delivery upon Closing. If delivered in electronic book entry form, purchasers of Offered Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Offered Shares were purchased.

The completion of the Offering is subject to the Minimum Offering for aggregate gross proceeds of \$1,050,000. The Offering will not be completed and no subscription funds will be advanced to the Company unless and until the Minimum Offering of \$1,050,000 has been raised. In the event that the Minimum Offering is not attained within 90 days of the issuance of a receipt for a final prospectus or if a receipt has been issued for an amendment to the final prospectus, within 90 days of issuance of such receipt and in any event not later than 180 days from the date of the receipt of the final prospectus, all subscription funds that subscribers may have advanced to the Agent in respect of the Offering will be refunded to the subscribers without interest or deduction.

There is no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. See “Risk Factors”.

The Company has applied to list its Common Shares on the CSE. Listing of the Common Shares is subject to the Company fulfilling all of the listing requirements of the CSE.

As at the date of this prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

An investment in the Offered Shares should be considered highly speculative due to the nature of the Company’s business, its present stage of development and other risk factors. Investors should not invest any funds in this Offering unless they can afford to lose their entire investment. See “Risk Factors”.

Investors should consider an investment in the securities of the Company to be speculative and should review the risk factors outlined on page 45 of this prospectus.

The Company is not a related or connected issuer to the Agent (as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*). See “Relationship between the Company and Agent”.

The Agent’s position is as follows:

Agent’s Position	Maximum Size or Number of Securities Available	Exercise Period or Acquisition Date	Exercise Price or Average Acquisition Price
Agent’s Option ⁽¹⁾	2,250,000 Offered Shares	Up to 48 hours prior to the closing of the Offering.	\$0.15 ⁽²⁾
Agent’s Warrants ⁽³⁾	1,333,333 Common Shares	24 months from the Listing Date	\$0.30

Notes:

- (1) The Agent’s Option (and the issuance of any Offered Shares upon exercise thereof) and the Agent’s Warrants are qualified by this prospectus. See “Plan of Distribution”.

- (2) The Company has agreed to pay the Agent a cash commission equal to 8% of the gross proceeds for any Offered Shares sold under the Agent's Option, such that the net proceeds to the Company from the sale of each Offered Share (excluding non-commission expenses of the Offering) under the Agent's Option will be \$0.138.
- (3) Assuming completion of the Maximum Offering and full exercise of the Agent's Option the total Shares to be sold under this Offering would be 18,916,667 which would increase the total number of Agent's Warrants issuable to the Agent 1,513,333.

No person is authorized by the Company or the Agent to provide any information or to make any representations other than those contained in this prospectus in connection with the issue and sale of the securities offered pursuant to this prospectus.

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

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TABLE OF CONTENTS

GLOSSARY OF DEFINED TERMS	1
CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION	4
PROSPECTUS SUMMARY	5
CORPORATE STRUCTURE.....	7
BUSINESS OF THE COMPANY	7
USE OF PROCEEDS.....	14
DIVIDENDS.....	18
MANAGEMENT’S DISCUSSION AND ANALYSIS.....	18
DESCRIPTION OF THE SECURITIES DISTRIBUTED	22
CONSOLIDATED CAPITALIZATION	22
OPTIONS TO PURCHASE SECURITIES	23
PRIOR SALES.....	23
ESCROWED SECURITIES	24
PRINCIPAL SECURITYHOLDERS	26
DIRECTORS AND EXECUTIVE OFFICERS	27
EXECUTIVE COMPENSATION	30
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS	32
AUDIT COMMITTEES AND CORPORATE GOVERNANCE.....	32
PLAN OF DISTRIBUTION	35
RISK FACTORS.....	36
PROMOTERS.....	41
LEGAL PROCEEDINGS AND REGULATORY ACTIONS	41
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	41
RELATIONSHIP BETWEEN COMPANY AND AGENT	41
AUDITORS, TRANSFER AGENT AND REGISTRAR	41
MATERIAL CONTRACTS	42
EXPERTS	42
ELIGIBILITY FOR INVESTMENT	42
RIGHTS OF WITHDRAWAL AND RESCISSION	43
FINANCIAL STATEMENTS	43
SCHEDULE “A” - AUDIT COMMITTEE CHARTER.....	44
CERTIFICATE OF THE COMPANY	48
CERTIFICATE OF PROMOTER.....	48
CERTIFICATE OF THE AGENT.....	49

GLOSSARY OF DEFINED TERMS

The following definitions and terms apply throughout this document unless the context otherwise requires. Expressions used in this prospectus and other terms and expressions may be defined throughout this prospectus.

“Agency Agreement”	the agency agreement dated February 5, 2020 between the Company and the Agent, setting forth the terms and conditions of the Offering.
“Agent’s Commission”	the cash commission equal to 8% of the total gross proceeds of the Offering payable to the Agent on Closing of the Offering.
“Agent’s Option”	an option granted to the Agent to offer up to 2,250,000 additional Offered Shares under the Offering.
“Agent’s Warrants”	the non-transferable warrants to be granted to the Agent or its sub-agents, if any, to purchase up to that number of Common Shares equal to 8% of the aggregate number of Offered Shares sold under the Offering, each Agent’s Warrant exercisable to purchase one Common Share at a price of \$0.30 per Common Share, exercisable at any time up to the close of business 24 months from the Listing Date.
“Agent”	PI Financial Corp.
“Articles”	the articles of the Company.
“ASC”	the Alberta Securities Commission.
“Assets Purchase Agreement”	the agreement dated May 31, 2019, between the Company and the Vendor pursuant to which the Company agreed to purchase and the Vendor agreed to sell the Web Assets to the Company.
“BCA”	the <i>Business Corporations Act</i> (British Columbia).
“BCSC”	the British Columbia Securities Commission.
“CDS”	CDS Clearing and Depository Services Inc.
“Closing”	means closing of the Offering.
“Common Shares”	the common shares in the capital of the Company without par value.
“Company”	Champignon Brands Inc.
“Consignment and Marketing Agreement”	the agreement dated September 11, 2019, between the Company and Drip.
“Corporate Finance Fee”	means the non-refundable \$25,000 fee payable to the Agent.
“Directors” or “Board” or “Board of Directors”	the board of directors of the Company.
“Drip”	means Drip Coffee Social Ltd.
“Escrow Agreement”	the escrow agreement dated February 5, 2020 among the Company, National Securities Administrators Ltd. and the holders of the Escrowed Securities.
“Exchange”	the Canadian Securities Exchange.
“EuroLife”	means EuroLife Brands Inc.
“Founders Warrants”	the 3,000,000 common share purchase warrants issued on May 9, 2019, each such Founders Warrant exercisable to purchase one Common Share at a price of \$0.005 per Common Share (increases to \$0.10 per Common Share on such date that the Company is listed on a public stock exchange) for a period of 24 months from the date of issuance.
“IFRS”	International Financial Reporting Standards.
“Listing Date”	the date on which the Common Shares are first listed for trading on the Exchange.
“Offering”	the offering of a minimum of 7,000,000 and a maximum of 16,666,667 Offered Shares at the Offering Price of \$0.15 per Common Share pursuant to this prospectus.
“OSC”	Ontario Securities Commission
“Preferred Distributor Agreement”	the preferred distributor agreement dated October 14, 2019, between the Company and EuroLife Brands Inc.
“Pop Up Designers”	JR Design and Ibis Capital Corporation.
“Pop-Up Shop Design Agreement”	the pop-up shop design agreement dated September 19, 2019, between the Company and the Pop-Up Designers.
“Research and Development Agreement”	the research and development agreement dated September 18, 2019, between the Company and Drip.

“SEDAR”	System for Electronic Document Analysis and Retrieval.
“Stock Option Plan”	The stock option plan adopted by the Directors on October 15, 2019.
“Vendor”	means Tip Top Gizmos Inc.
“Web Assets”	the e-commerce infrastructure of the website www.tiptopgizmos.com (website no longer active) along with all intellectual property related to the website.

ABOUT THIS PROSPECTUS

An investor should rely only on the information contained in this prospectus and is not entitled to rely on parts of the information contained in this prospectus to the exclusion of others. The Company has not, and the Agent has not, authorized anyone to provide investors with additional, different or inconsistent information. If anyone provides investors with additional, different or inconsistent information, including information or statements in media articles about the Company, investors should not rely on it.

The information contained in this prospectus is accurate only as of the date of this prospectus or the date indicated, regardless of the time of delivery of this prospectus or any sale of the Offered Shares. The Company's business, financial condition, operating results and prospects may have changed since the date of this prospectus. The Company and the Agent are not offering to sell the Offered Shares in any jurisdiction where the offer or sale of such securities is not permitted. For investors outside the Provinces of British Columbia, Alberta and Ontario, neither the Company nor the Agent has done anything that would permit the Offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the Provinces of British Columbia, Alberta and Ontario. Investors are required to inform themselves about, and to observe any restrictions relating to, the Offering and the possession or distribution of this prospectus.

The information contained on the Company's corporate website is not intended to be included in or incorporated by reference into this Prospectus and investors should not rely on such information when deciding whether or not to invest in the Offered Shares.

This prospectus includes summary descriptions of certain material agreements of the Company (see "Material Contracts"). The summary descriptions disclose provisions that the Company considers to be material, but are not complete and are qualified by reference to the terms of the material agreements, which will be filed with the Canadian securities regulatory authorities and will be available under the Company's profile on SEDAR at www.sedar.com. Investors are encouraged to read the full text of such material agreements.

Where the context requires, all references in this prospectus to "Offered Shares" include the additional Common Shares that may be issued pursuant to the exercise of the Agent's Option. Unless otherwise indicated, all information in this prospectus assumes that none of the Agent's Warrants have been exercised.

CURRENCY

All dollar amounts in this prospectus are in Canadian dollars unless otherwise indicated, and all references to \$ in this prospectus are to Canadian dollars unless otherwise indicated.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus contains "forward-looking statements". These statements, identified by words such as "plan," "anticipate," "believe," "estimate," "should," "expect" and similar expressions include our expectations and objectives regarding our future financial position, operating results and business strategy. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; lack of brand awareness; dependence on consumer taste; reliance on third party suppliers and third party distributors; limited operating history of the Company; market fluctuations; potential product liability claims and retention of key personnel, as well as those factors discussed in the section titled "Risk Factors."

Forward looking statements are based on a number of material factors and assumptions, including that consumer buying patterns will increase in specialty and grocery stores, that economic conditions in Canada will continue to show modest improvement in the near to medium future, that the average cost of whole mushroom seed will fluctuate in line with historical trends, that there will be no material change to the competitive environment in the distribution of mushroom-based food additives and supplements, that the Company will be able to access sufficient qualified staff, that the Company will be able to develop distribution channels and a customer base, that there will be no material changes with the Company's larger customers and that there will be no material changes to the tax and other regulatory requirements governing the Company. While the Company considers these assumptions reasonable based on information currently available to it, these assumptions may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in the section titled "Risk Factors."

Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. The Company's actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements.

Important risk factors that could cause the Company's actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: speculative nature of investment risk; history of operating loss; limited operating history; negative operating cashflow; going-concern risk; changes in public tastes, availability of materials, consumer perceptions and preferences, brand awareness and dependency on third party suppliers, distributors and retailers; dependency on key personnel; product liability and recall; intellectual property risks; research and development; product obsolescence; anticipated growth may not materialize; dilution; unissued share capital; liquidity and future financing risk; market risk for securities; and increased costs of being a publicly traded company. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to, risks and uncertainties disclosed in this prospectus. See "Risk Factors".

These forward-looking statements are made as of the date of this prospectus and are based on the reasonable beliefs, expectations and opinions of management on the date of this prospectus (or as of the date they are otherwise stated to be made). Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. There is no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. We do not undertake to update or revise any forward-looking statements, except as, and to the extent required by, applicable securities laws in Canada. Investors are cautioned against placing undue reliance on forward-looking statements.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus.

The Company

Champion Brands Inc. (previously defined as the “Company”) was incorporated in British Columbia under the *Business Corporations Act (British Columbia)* on March 26, 2019 under the name Nature Leaf Wellness Corp. On June 7, 2019, the Company changed its name to “Champion Brands Inc.”

To date, the Company has been engaged in the formulation and end distribution of a suite of artisanal mushroom infused beverage products, with the objective of promoting holistic health and wellness through a healthy diet. See “Business of the Company”.

The Offering

Offering: The Company is offering a minimum of 7,000,000 and a maximum of 16,666,667 Offered Shares at the Offering Price of \$0.15 per Offered Share for minimum gross proceeds of \$1,050,000 and maximum gross proceeds of \$2,500,000. In addition, the Company has granted the Agent the Agent's Option to allow the Agent to sell up to an additional 2,250,000 Offered Shares, at the Offering Price for additional gross proceeds of up to \$337,500. The prospectus qualifies the grant of the Agent's Option, the distribution of the Offered Shares and the issuance of the Agent's Warrants. See “Plan of Distribution”.

Agent's Commission: Under the terms of the Agency Agreement, the Company will pay the Agent the Agent's Commission equal to 8% of the total gross proceeds of the Offering. In addition to the Agent's Commission, the Company will issue to the Agent the Agent's Warrants to purchase that number of Common Shares equal to 8% of the aggregate number of Offered Shares sold under the Offering, each Agent's Warrant exercisable to purchase one Common Share at a price of \$0.30 per Common Share for a period of 24 months following the Listing Date. The Company has also agreed to pay to the Agent a Corporate Finance Fee of \$25,000, as well as pay for all reasonable expenses of the Agent in connection with the Offering. See “Plan of Distribution”.

Use of Proceeds: The estimated net proceeds of the Minimum Offering, after deducting the estimated balance of the expenses of the Offering of \$90,000 and the Agent's Commission of \$84,000 will be \$876,000 and will be used invest in growing infrastructure, purchase inventory and for general working capital purposes. The estimated net proceeds of the Maximum Offering, after deducting the estimated balance of the expenses of the Offering of \$90,000 and the Agent's Commission of \$200,000 will be \$2,210,000 and will be used to expand the Company's product line, invest in growing infrastructure, purchase inventory, conduct research and for general working capital purposes. As at December 31, 2019, the Company had a working capital surplus of \$689,200. Accordingly, the Company anticipates having minimum available funds of approximately \$1,565,200 and maximum available funds of approximately \$2,899,299 following Closing of the Offering. See “Use of Proceeds”.

Risk Factors

An investment in the Company is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider and evaluate all risks and uncertainties involved in an investment in the Company, including risks related to:

- the Company has not been profitable to date and there is no assurance that it will be profitable in the future, or that profitability, if achieved, will be sustained;
- the Company may require additional financing in order to continue the development and growth of its business;
- the limited operating history of the Company and its negative operating cash flow;
- the Company may be subject to growth-related risks including pressure on its internal systems;
- the profitability of the Company depends to a significant extent upon a number of factors relating to market acceptance of its products;
- the Company's ability to meet demand is dependent on its ability to acquire a sufficient amount of mushrooms;

- the Company has a limited number of products and its business may be adversely affected if the mushroom market declines;
- potential negative consumer perception and market acceptance of the use of mushrooms;
- the Company's ability to market its products and obtain brand awareness of its products;
- the Company's success will depend, in part, upon its ability to develop, introduce and market new innovative products, and the Company cannot ensure its ability to do so;
- the Company's dependency on third parties to package its products;
- the Company's reliance on third party manufacturers and marketers;
- the ability of the Company to obtain satisfactory results in its investigation to commercialize and market mushroom infused coffee;
- the Company not having product liability insurance coverage;
- the potential for product recalls of the Company's products;
- government regulation of the Company's products;
- the Company faces significant competition from larger businesses;
- product liability claims against the Company will harm its business; and
- the Common Shares of the Company are speculative and may experience high volatility on the Exchange.

See "Risk Factors".

Selected Financial Information

The following table summarizes selected financial information for the period from inception on March 26, 2019 to September 30, 2019 and should be read in conjunction with the audited financial statements for the period from inception on March 26, 2019 to September 30, 2019. See "Management's Discussion and Analysis" and "Financial Statements".

	Period from inception on March 26, 2019 to September 30, 2019 (audited) (\$)
Revenue	212
Cost of Sales	(87)
	125
Expenses	(172,848)
Net income (Loss)	(172,723)
Income (Loss) per share (basic and diluted)	(0.02)
Working capital (deficiency)	989,282
Assets	
Current assets	1,042,545
Intangible assets	117,929
Total Assets	1,160,474
Liabilities	
Current liabilities	53,263
Total Liabilities	-
Shareholders' Equity	1,107,211
Total Liabilities and Shareholders' Equity	1,160,474

CORPORATE STRUCTURE

The Company was incorporated under the *Business Corporations Act* (British Columbia) on March 26, 2019 under the name “Nature Leaf Wellness Corp.” On June 7, 2019, the Company changed its name to “Champignon Brands Inc.”

The Company’s head office is located at Suite # 2300, 1177 West Hasting Street, Vancouver, BC, V6E 2K3 and its registered office is located at Suite 704, 595 Howe Street, Vancouver B.C. V6C 2T5.

The Company does not have any subsidiaries.

BUSINESS OF THE COMPANY

Description of Business

The Company specializes in the formulation and end distribution of a suite of artisanal mushroom infused beverage products, with the objective of promoting holistic health and wellness through a healthy diet. To date, the Company has focused on the distribution of its Vitality Superteas line of products:

- Brain Enhance Superteas;
- Nourish Force Superteas;
- Mighty Recharge Superteas; and
- Deluxe Tea Box Set.



History Since Inception

Since incorporation on March 26, 2019, the Company’s activities have focused on: (1) the acquisition of the Web Assets; (2) the conversion of the Web Assets to an online sales platform and the establishment of supply chain infrastructure; (3) the formulation, branding and initial launch of its Vitality Superteas line of products; (4) the purchase of two new formulas; (5) commencement of research and development on new formulations; and (6) commencement of the development of a pop-up shop.

On May 9, 2019, the Company issued 3,000,000 units at a price of \$0.005 per unit, with each unit consisting of one Common Share and one share purchase warrant (a “Founder Warrant”) exercisable at a price of \$0.005 per Common Share (increasing to \$0.10 per Common Share on such date that the Company is listed on the public stock exchange) for a period of two years from the date of issuance for total proceeds of \$15,000.

On May 27, 2019, the Company issued 3,500,000 Common Shares at a price of \$0.02 per Common Share for proceeds of \$70,000.

On May 31, 2019, the Company entered the Web Assets Agreement with the Vendor. Under the terms of the Web Assets Agreement, the Company purchased an online web store from the Vendor and all related intellectual property. In consideration of the Web Assets, the Company paid the Vendor \$50,000 and issued 3,000,000 Common Shares at a price of \$0.02 per Common Share.

The Web Assets included marketing assets such as a mailing list, Facebook account and Instagram account. Additionally, the Web Assets included e-commerce infrastructure, a shipment estimator and tracker, email lead pop-ups, urgency countdown timers, product bundle features, video embedding, volume discounts and store speed, search engine optimization functions, automated email features, advanced review capabilities and checkout conversion optimization.

Commencing June 1, 2019, the Company commenced the process of building its web platform on top of the Web Assets and finalized the platform on July 25, 2019.

On July 15, 2019, the Company issued 2,000,000 Common Shares at a price of \$0.075 per Common Share for proceeds of \$150,000.

On July 23, 2019, the Company engaged its contract manufacturer to formulate its initial three tea formulations and to facilitate the packaging, labelling, assembly and shipping for the Company.

On August 8, 2019, the Company purchased \$20,000 of inventory of decorative auralite minerals from Beta Zeta Holdings Corp. for resale.

In August 2019, the Company issued 5,000,000 units at a price of \$0.10 per unit, with each unit consisting of one Common Share and one share purchase warrant exercisable at a price of \$0.15 per Common Share for a period of three years from the date of issuance for total proceeds of \$500,000.

On September 9, 2019, the Company issued 4,021,000 Common Shares at a price of \$0.125 per Common Share for proceeds of \$502,625.

On September 11, 2019, the Company entered into the Consignment and Marketing Agreement with Drip. See “Principal Products and Services – *Marketing Plan and Strategies*”.

On September 18, 2019, the Company entered into the Research and Development Agreement with Drip. See “*Principal Products and Services – Formulations*”.

On September 19, 2019, the Company entered into the Pop-Up Shop Design Agreement between the Company and the Pop-Up Designers. See “*Principal Products and Services – Future Developments*”.

On October 14, 2019, the Company entered into the Preferred Distributor Agreement with EuroLife. See “*Principal Products and Services – Distribution of Products*”

Principal Products and Services

The Company specializes in the formulation and end distribution of a suite of artisanal mushroom infused beverage products, with the objective of promoting health and wellness through a healthy diet. The Company’s current focus is products formulated to included exotic mushrooms such as Reishi, Lion’s Mane or Cordyceps mushrooms.

Primary Products

The Company is currently distributing four mushroom based tea products under its brand Vitality Supertea, including (i) Brain Enhance Supertea; (ii) Nourish Force Supertea; (iii) Mighty Recharge Supertea; and (iv) Deluxe Tea Box Set. The Company also sells mugs, shirts and other tea-based accessories and auralite healing stones through its online web store. The target market for these products includes, but is not limited to, consumers seeking health and wellness benefits through a healthy diet.

The details of the Company’s current products are set forth below:



Brain Enhance Supertea. The Company’s Brain Enhance Supertea is a proprietary Lions Mane Tropical Green Ginseng based tea product. This tea is blended with organic mushroom extract blended with the zesty taste of lemon, tropical Green tea and ginseng.

Nourish Force Supertea. The Company’s Nourish Force Supertea is a proprietary Reishi Ryobus based tea product. This tea is blended with organic mushroom extract and Rooibos Spiced Chai tea leaves.

Mighty Recharge Supertea. The Company’s Mighty Recharge Supertea is a proprietary Cordycep and Hibiscus Blend with Berries tea product. This tea is blended with organic mushroom extract combined with blueberry, raspberry and blackberry essences with a floral base of rose-hips, chamomile, hibiscus and South African rooibos tea.

Deluxe Tea Box Set. The Company’s Deluxe Tea Box Set is a deluxe wood box with 60 of each of the Supertea blends.

Secondary Products

Auralite Amethyst Crystals: The Company also sells Auralite Crystals which the Company holds in its inventory. Auralite is a special type of Amethyst crystal that was just found in 2007 and has only been available for sale since 2011. It's also called Auralite 23 because of the other minerals that can be found in it. It's one of the oldest gemstones on Earth going back 1.2 billion years ago. The Company purchased these Crystals in bulk as a one-time order. The Company will only purchase additional crystals if there are sufficient sales to warrant further offerings of these crystals.



Mugs, Shirt and Accessories: The Company sells assorted tea accessories which are sold via drop shipping arrangements with third party vendors which does not require the Company to carry any inventory or commit to any sales until the product is purchased by the consumer. During the period ended September 30, 2019, these products represented 100% of the Company's revenues. Examples are below:



The Vitality Tea Pot
\$49.99 USD

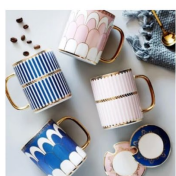


The Nordic Tea Mug
\$24.99 USD
\$29.99 USD

SAVE 16.67%



The Great Japanese Tea Shirt
\$24.99 USD



The Porcelain Royal Mug
\$49.99 USD



Mini Mushroom Portable Travel Mug
\$29.99 USD
\$34.99 USD

SAVE 14.29%



The Cute Bunny Tea Shirt
\$24.99 USD

Distribution of Products

The Company distributes its products in North America through its e-commerce website platform at www.vitalitysuperteas.com and through third party coffee shops through consignment arrangements, including its consignment arrangement with Drip. The Company also intends to develop and build-out temporary pop-up shops in certain targeted locations. In addition, the Company will seek to contract with a distributor for access to North American grocery stores, health food stores and retail chains.

Pursuant to the terms of the Preferred Distributor Agreement, the Company granted exclusive preferred distributor status to EuroLife Brands Inc. ("EuroLife"), for the jurisdictions of Germany, Switzerland, and the UK in addition to non-exclusive distribution in other countries to be determined. It is expected that the Champignon products will be integrated into the EuroLife e-commerce platform along with distribution in select brick and mortar retail locations where EuroLife has access. The Company will sell the products to EuroLife at a discount from its direct sale price. The Agreement is for a term of 24 months renewing automatically for an additional six months unless notice is provided 15 days before the end of the initial or any subsequent renewal period.

Formulation of Products

The formulation process requires the selection of key ingredients to be included in its products. This is typically conducted in house by management. The Company then engages third to incorporate the ingredients into a flavorful beverage recipe. These parties typically have expertise as developing a specific category of food and drink products. Following the integration, management tests the formulations to ensure satisfactory flavor profiles so the formulation can be adjusted, as necessary.

For its initial Vitality Supertea products, the Company's retained its contract manufacturer, which specializes in tea production and packaging, to integrate Reishi, Lion's Mane and Cordyceps mushrooms into base tea blends that were developed by the contract manufacturer. The Company was satisfied with the flavour profiles of theses assembled formulations and did not require any adjustments.



On September 18, 2019, the Company entered into the Research and Development Agreement with Drip. Drip is a coffee shop/café located in Nanaimo B.C. Under the terms of the Agreement, the Company purchased the rights to two formulations developed by Drip for \$50,000. In addition, the Company engaged Drip to conduct the necessary research and development activities to convert the formulations into products that can be added to traditional coffees by consumers or coffee shop baristas. In exchange for the research and development services, the Company agreed to pay \$50,000, of which \$25,000 was due on signing (and has been paid) and \$25,000 is due upon completion. In the event that Drip cannot develop the formulations to the satisfaction of the Company, Drip may elect to terminate the Research and Development Agreement and must repay \$12,500 of the initial \$25,000 payment and the Company shall retain all intellectual property rights to the unfinished formulations. The Company has no rights to terminate the Research and Development Agreement.

The Company is working on two different products with Drip, one cold beverage formulation and one hot beverage formulation.

Operations

Production and Raw Materials

The Company sources the inputs for its products, including but not limited to organic tea leaves and medicinal mushroom extract, from various third party suppliers. The production process involves purchasing dried mushrooms from international food suppliers and delivering them to our packaging facility. The price of mushrooms has traditionally been stable as resellers contract fixed prices with farmers prior to the cultivation season. Demand for mushrooms has traditionally matched supply resulting in a stable price. However, the growing popularity of artisanal mushrooms could cause a shortage in mushroom supply and cause the price to significantly increase.

The inputs are shipped to the contract manufacturer for storage and manufacturing. The Company uses a Nevada, USA based contract manufacturer to formulate, manufacture, package and ship its products. The contract manufacturer has been awarded the Level 2 Safe Quality Food (“SQF”) Certification in the food ingredient manufacture sector by the SQF Institute. The aim of SQF standards is to deliver consistent, globally recognized food safety and quality certification programs based on sound scientific principles, consistently applied across all industry sectors, and valued by all stakeholders.

Upon completion of manufacturing, the Company’s products are shipped from the contract manufacturer to its distribution centre in Toronto, Ontario to facilitate direct sales by the Company.

Specialized Skill and Knowledge

The Company has entered into agreements with service providers that have specialized skill and knowledge in:

- artisanal mushrooms;
- the formulation and packaging of tea products;
- developing recipes for infused beverages; and
- distribution of finalized products to end consumers.

The Company does not believe that there is a shortage of service providers that carry this expertise.

Intellectual Property

The Company’s does not have any registered trademarks or patents. The Company intends to register trademarks following completion of the Offering. See “Business Objectives and Milestones”.

Seasonality

The Company’s results are subject to fluctuations associated with impact on consumer demand during holidays and seasonal changes in weather. The Company may also experience seasonality in sales due to market trends, including that consumers are potentially more likely to purchase its hot beverage products in the fall and winter seasons.

Changes to Contracts

The Company does not anticipate that its business will be affected by renegotiation or termination of contracts or sub-contracts during the current financial year. The Company currently relies on per use short term contracts for its supply and distribution arrangements.

Employees

As at September 30, 2019, the Company had no full-time employees. The officers and directors of the Company are independent contractors. In the ordinary course of business, the Company outsources many operational aspects of its business to third party contractors including accounting/bookkeeping service providers, customer services providers, web designers, social media marketers, contract manufacturers as well as logistics, fulfillment, and inventory storage providers. Employees of these service providers provide the services to the Company as needed.

Regulatory Environment

The Company's products are considered "food" and, as such, are principally regulated under the Food and Drugs Act (Canada) and the Consumer Packaging and Labelling Act (Canada) as well as the Federal Food, Drug, and Cosmetic Act (USA) and The Nutrition Labeling and Education Act (USA).

Food and Drug Act ("FDA") and Food and Drug Regulations ("FDR"). The FDA regulates food and drugs in Canada and provides requirements on composition (including without limitation food additives, fortification, and food standards), packaging, and licensing requirements. The Company is not required to obtain any pre-approvals and/or licenses for its products, but must ensure that the labelling, marketing and selling of any of its products comply with the FDA, including by ensuring that the Company's products are not packaged or marketed in a manner that is misleading or deceptive to a consumer.

Consumer Packaging and Labelling Act ("CPLA"). The CPLA provides for a uniform method of labelling and packaging of prepackaged consumer goods in Canada. The relevant provisions include the prevention of fraudulent statements and providing for mandatory label information in which consumers may make informed decisions.

Federal Food, Drug, and Cosmetic Act ("FD&C Act"). FD&C Act the United States Food and Drug Administration ("US-FDA") is responsible for assuring that foods sold in the United States are safe, wholesome and properly labeled. This applies to foods produced domestically, as well as foods from foreign countries. The Federal Food, Drug, and Cosmetic Act (FD&C Act) and the Fair Packaging and Labeling Act are the Federal laws governing food products under US-FDA's jurisdiction.

The Nutrition Labeling and Education Act ("NLEA"). The NLEA, which amended the FD&C Act requires most foods to bear nutrition labeling and requires food labels that bear nutrient content claims and certain health messages to comply with specific requirements.

Foreign Operations

The Company's sale and distribution operations are conducted in Canada but its raw materials are sourced from China and the United States and are manufactured and packaged in the United States. As a result, there is a risk that trade restrictions or tariffs imposed by China or the United States may require the Company to engage a new packaging partner and/or find alternate sources of materials. The Company does not have other any risks and/or dependencies on foreign operations.

Market for Products

Market Segment, Market Acceptance and Geographic Areas

The Company has launched an e-commerce store to reach mass market consumers at www.vitalityteas.com. The Company's initial marketing focus will be to online customers in Canada and brick and mortar customers in Canadian regions via consignment agreements. The Company will be targeting local trendy coffee shops, juice bars, gyms, as well as health, wellness and nutritional supplement stores.

North consumer demand for mushroom-based products has seen steady growth over the past decade as consumers have become more aware of their nutritional profile. As consumers increasingly look to incorporate "functional foods" in their diets, the medicinal mushroom extract market is poised to grow by 6.3% annually. In addition, Food Navigator found that year-on-year sales for food products incorporating exotic mushrooms rose have risen between 200-800%, depending on the variety (<https://www.foodnavigator->

usa.com/Article/2017/12/15/Adaptogens-are-here-to-stay-but-marketing-them-effectively-will-require-creativity-and-innovation-say-experts).

North American eating trends reflect a changing pattern towards health foods. These changes show increased consumer awareness towards organic foods and foods that offer disease prevention, as well as nutrition and general health. Accordingly, the Company believes increased demand for mushroom based products will assist it in completing its business objectives over the next twelve months. https://www.bdc.ca/en/documents/analysis_research/Consumer_Trends_Report_EN.pdf

The Canadian marketplace has also become more focused on consuming foods with high nutritional value, as well as foods that are produced using high ethical standards. The Company believes that its mushroom-based products meet or will meet those consumer requirements on the basis that: (i) mushrooms have significant nutritional value; (ii) the Company expects to develop a sense of community for its consumers from its pop-up shop and event marketing initiatives; (iii) the Company is a member of the American Mushroom Institute; and (iv) the Company's contract manufacturer holds many compliance certifications including, United States Department of Agriculture Organic Certification, Fair Trade Certifications, Level 2 SQF Certification, HACCP (Hazard Analysis and Critical Control Point) Certified, Food Safety Modernization Act (FSMA), Kosher Supervision of America certification.

Obsolescence

As the Company is engaged in the distribution of mushroom-based food products. As food products are purchased based on subjective tastes and preferences, they do not typically become obsolete. The Company does not expect any other products to render its products obsolete but the Company does acknowledge that a superior competing product could negatively impact demand for its products at a level that would be the functional equivalent of obsolescence.

Marketing Plan and Strategies

The Company's marketing strategy is to increase market share and sales in Canada by promoting its mushroom-based food products. Currently, the Company's marketing strategy involves targeted social media marketing and advertising campaigns on primarily on Facebook and Instagram. as well as consignment arrangements with popular coffee shops that host special events and pop-up shops for the Company. In addition, the Company plans to engage a distributor to assist the Company in establishing a traditional retail presence for the Company's products in brick and mortar grocery stores and health and wellness stores.

Drip Coffee Consignment Agreement



On September 11, 2019, the Company entered into a consignment and marketing agreement with Drip. Drip is an owner and operator of a coffee shop/café located in Nanaimo B.C. Under the terms of the agreement, Drip agreed to provide the following services:

- (1) Provide social media exposure of the products on Drips' Facebook and Instagram profiles;
- (2) Feature the products at various pop-up events, workshops, on Vancouver Island;
- (3) Add 2 special drinks to Drip's menu using the Vitality Superteas branding;
- (4) Appoint a brand ambassador at Drip's location to communicate to consumers about the Company's products; and
- (5) Assist with product display branding at Drip's location.

In consideration of these services, the Company agreed to issue 400,000 Common Share purchase warrants exercisable at a price of \$0.15 per Common Share for a period of two years, subject to the following vesting provisions:

- (1) 100,000 shall vest following Drip adding and keeping the two special drinks menu for at least 30 days;
- (2) 75,000 shall vest upon gross revenues from the sale of the products exceeding \$25,000;
- (3) 75,000 shall vest upon gross revenues from the sale of the products exceeding \$50,000; and
- (4) 150,000 shall vest upon gross revenues from the sale of the products exceeding \$100,000.

To date none of the above warrants have vested and all unvested warrants would be cancelled on termination of the agreement. The Agreement is for a six-month term renewing automatically for an additional six months unless notice is provided 15 days before the end of the initial or any subsequent renewal period.

Competitive Conditions

The number of competitors and the degree of competition within the North American food industry varies greatly by product segment and region. In the mushroom food industry, there are a limited number of competitors. These competitors offer a similar category of products as the Company, being mushroom extracts, powders, teas and other wellness products.

Name	Product Offering	Distribution Footprint
Four Sigmatic	Medicinal mushroom infused coffees, teas, elixirs and extracts (Corporate website)	65 countries world wide via corporate e-commerce platform, affiliate marketing sites, Whole Foods, Wal-Mart, etc.
Buddha Teas	Organic tea leaves, medicinal mushroom extracts, matcha tea blends (Corporate website)	Eight retail stores across British Columbia and Washington State, as well as a global corporate retail/wholesale e-commerce platform
Terrasoul Superfoods	Medicinal mushroom infused coffees, teas, elixirs, extracts, chia seeds, loose tea leaves and assorted all natural superfoods (Corporate website)	Global corporate retail/wholesale e-commerce platform
Yield Growth Corp.	126 functional / medicinal mushroom infused product formulations (Corporate website, press releases)	Distribution agreements in Canada, Columbia, Brazil, Greece and Cypress, and through its distributor network has access to over 8,000 retail locations

Recently, the Company was approved as an official member of the American Mushroom Institute. The Company believes that this provides it with an additional advantage over its competitors. As a result, the Company is developing new packaging and marketing materials to incorporate the American Mushroom Institute markings.

Future Developments

Pop-Up Shop Design Agreement

On September 19, 2019, the Company entered into the Pop-Up Shop Design Agreement between the Company and the Pop-Up Designers. In consideration of \$40,000 cash, the Pop-Up Designers have agreed to provide the following services:

- 1) Design the Company's flagship pop-up store (including three floor plans for review).
- 2) Source of all construction materials and other necessary items for the Company's flagship pop-up store including, but not limited to signage, shelving, mobile point of sale payment systems, and display cases.
- 3) Project management services including but not limited to, managing contractors, storage of construction materials, managing construction budgets, procuring and producing contractor invoices.

The Pop-Up shop is still in the design stage and the Company expects the Pop-Up shop to be operational as early as six months and as late as 18 months after closing of the Offering and expects to spend \$100,000 to \$150,000 for the finished product.

Bankruptcy and Similar Procedures

The Company has not been subject to any bankruptcy, receivership or similar proceedings or any voluntary bankruptcy, receivership or similar proceedings within the three most recently completed financial years and none are anticipated to be completed during or proposed for the current financial year.

USE OF PROCEEDS

Funds Available

Source of Funds	Minimum Offering	Maximum Offering	Maximum Offering Assuming Full Exercise of Agent's Option
Working capital as of December 31, 2019	\$689,200	\$689,200	\$689,200
Gross Proceeds of Offering	\$1,050,000	\$2,500,000	\$2,837,500
(less Agent's Commission)	(\$84,000)	(\$200,000)	(\$227,000)
(less expenses of Offering)	(\$90,000)	(\$90,000)	(\$90,000)
Available Funds	\$1,565,200	\$2,899,299	\$3,209,700

Principal Purposes

The funds available will be used for the purposes listed below:

Use of Funds	Minimum Offering (\$)	Maximum Offering (\$)	Maximum Offering Assuming Full Exercise of Agent's Option (\$)
Operational expansion and improvements ⁽¹⁾	511,500	676,500	676,500
Marketing program ⁽¹⁾	363,000	528,000	528,000
Product development and product line expansion ⁽¹⁾	170,500	828,850	828,850
Estimated general and administrative expenses for 12 months following the Offering	440,000	440,000	440,000
Unallocated working capital	80,200	425,850	736,350
Available Funds	1,565,200	2,899,299	3,209,700

Note:

- (1) Includes a 10% contingency component which adds an additional 10% to the allocation. If the contingency is not needed, the balance of funds would be used for general working capital.

The Company expects to incur approximately \$440,000 in general and administrative costs on an annual basis to cover the expenses of operating as a public company over the next 12 months. A breakdown of the estimated general and administrative costs for that period is as follows:

	Annual Amount (\$)	Monthly Amount (\$)
Audit and Accounting Expenses	82,000	6,833
Investor Communications	150,000	12,500
Legal Expenses	40,000	3,333
Management Fees	78,000	6,500
Office and Rent	30,000	2,500
Regulatory Filing Fees	10,000	833
Travel	50,000	4,167
Total	440,000	36,666

Management fees include \$60,000 to be paid to the Gareth Birdsall, \$18,000 to be paid to Stephen Brohman.

The Company intends to spend its available funds as stated in this prospectus. There may be circumstances; however, where, for sound business reasons, a reallocation of funds may be necessary. See “Business Objectives and Milestones”.

No insider, associate or affiliate of the Company will receive more than 10% of the net proceeds of the Offering.

Negative Operating Cash Flow

Since inception, the Company has had negative operating cash flow and incurred losses. The Company's negative operating cash flow and losses are expected to continue for the foreseeable future. The Company cannot predict when it will reach positive operating cash flow, if ever. Due to the expected continuation of negative operating cash flow, the Company will be reliant on future financings in order to meet its cash needs. There is no assurance that such future financings will be available on acceptable terms or at all. See “Risk Factors”.

Business Objectives and Milestones

The business objectives the Company expects to achieve using the available funds are to: (i) complete the Offering; (ii) obtain a listing of the Common Shares on the Exchange; (iii) complete expansions and improvements to its operational infrastructure; (iv) complete the Company’s targeted marketing initiatives; and (v) develop and expand the Company’s product line.

Offering and Listing

The Company’s business objectives of completing the Offering and listing on the Exchange will occur on the Closing Date of the Offering and the Listing Date. The cost of covering administrative costs for the first 12 months following listing is estimated at \$440,000.

Operational Expansion and Improvements

Operational Expansion and Improvements	Amount Allocated on Completion of Minimum Offering (\$)	Amount Allocated on Completion of Maximum Offering (\$)
Contracted Manufacturing	75,000	75,000
Distribution	120,000	120,000
Inventory	100,000	200,000
IP Registration	70,000	70,000
Pop-Up Shop Construction Expenses	100,000	150,000
Contingency 10%	46,500	61,500
Total	511,500	676,500

The Company has allocated \$511,500 in the event of a Minimum Offering and \$676,500 in the even of a Maximum Offering toward completing the operational improvements set forth below. These improvements include trademark registration, hiring of business development managers, increasing inventory and finalizing its initial Pop-Up Shop. The Company has also allocated a 10%

contingency budget for its planned operational expansion and improvements. The contingency is \$46,500 in the event of the Minimum Offering and \$61,500 in the event of the Maximum Offering.

The Company plans to increase its inventory. To facilitate this objective, the Company intends to increase contract manufacturing over the next twelve months. The funds allocated will be used by the Company to retain its existing manufacturer or engage an additional contract manufacturer. Such determination will depend on the capabilities of our existing contract manufacturer and supply chain economics. The Company expects to complete this no earlier than three months and no later than 12 months after closing of the Offering.

The Company plans to register trademarks for “Champignon Brands” and its logos and “Vitality Superteas” as well as all products sold under the branding “Vitality Superteas”. The Company expects this process to take 6 to 18 months and expects to pay \$70,000 for intellectual property filing fees, legal fees and related disbursements.

The Company plans to engage a distributor to assist with the placement of its products at brick and mortar retail locations. The Company expects to spend approximately \$120,000 in connection with the engagement and retention of such a distributor and expenses related to finalizing distribution arrangements with retailers. The Company expects to have a distributor engaged within three to six months after completion of the Listing.

In addition, the Company plans to further its inventory growth efforts by increasing the amount of raw materials over the next twelve months. These funds allocated will be used by the Company to order raw materials from its existing suppliers or engage an additional supplier. Such determination will depend on the capabilities of our existing suppliers, availability of new and improved ingredients and supply chain economics. The Company expects to complete these initiatives no earlier than three months and no later than 12 months after closing of the Offering.

The Company is planning on finalizing the design and construction of its first pop-up shop pursuant to the terms of its Pop-Up Shop Design Agreement. See “Business of the Company – Future Developments”. The Company will be required to pay for construction, assembly, delivery and ancillary items required. The Company expects the pop-up shop to be operational as early as six months and as late as 18 months after closing of the Offering. The Company has allocated \$100,000 in the event of the Minimum Offering and \$150,000 in the event of the Maximum Offering towards these initiatives. The additional \$50,000 allocation in the event of the Maximum Offering would be allocated for premium materials and add-ons for the pop-up shop.

Marketing Program

The Company has allocated \$430,000 in the event of the Minimum Offering and \$780,000 in the even of the Maximum Offering toward increasing marketing efforts. Such activities include investment in social media influencers and targeted advertising, hiring business development managers, attending trade shows and conferences, as well as improving the Company’s e-commerce site.

Marketing Program	Amount Allocated on Completion of Minimum Offering (\$)	Amount Allocated on Completion of Maximum Offering (\$)
Business Development Manager x2	180,000	180,000
Social Media and Targeted Advertising	50,000	150,000
Trade Shows and Events	50,000	100,000
Website Upgrades	50,000	50,000
Contingency 10%	33,000	48,000
Total	363,000	528,000

The Company plans to hire two business development managers to help assist with sales and provide support and assistance to distributors, contract manufacturers, and suppliers. The timeline for hiring the business development managers within two to six months after completion of the Listing.

The Company plans to engage in social media marketing and targeted advertising during the twelve months following completion of the Offering. The Company will be looking to engage social media influencers to feature its products in posts. In addition, the Company will be paying for targeted advertising on sites like Facebook and Google AdWords. The Company expects to spend \$50,000 on targeting advertising. In addition, the Company intends to spend an additional \$100,000 on social media influencers in the event of the Maximum Offering. The Company expects these objectives to be ongoing during the twelve-month period following completion of the Offering. The Company expects to launch its initial social media ad campaign in the first three months after listing and hopes to engage one more social media influencer within six months of listing.

The Company plans to attend trade shows, conferences, farmers markets and special events. To facilitate this, the Company will need to have some banner and media printed for its booth. The Company would like to attend at least four of these events in the twelve months following completion of the Offering with the hopes of attending its first trade show within six months of listing. The Company budget allocates for travel, attendance fees, promotional items and staffing.

The Company plans to undertake improvements to its current e-commerce site for its Vitality Superteas. Improvements would be aesthetic and would also strengthen the infrastructure of the website to improve the shopping experience for the customer. The Company plans to use its existing branding design service providers to facilitate this update. The Company hopes to have the updated site launched within six to nine months following completion of the Offering.

Product Development and Product Line Expansion

The Company has allocated \$170,500 in the event of the Minimum Offering and \$828,850 in the event of the Maximum Offering towards product development and expanding its product line. Such activities include upgrading branding and package design, finalizing its two new products from Drip, conducting market research with wellness partners, and subject to completing the Maximum Offering, developing and launching three additional tea products and two additional coffee products.

Product Developments	Amount Allocated on Completion of Minimum Offering (\$)	Amount Allocated on Completion of Maximum Offering (\$)
Branding and Graphic Design	30,000	78,500
Drip Payment	25,000	25,000
Focus Group Testing	100,000	300,000
Further expansion 3 teas 2 coffee	-	350,000
Contingency 10%	15,500	75,350
Total	170,500	828,850

The Company plans to upgrade its branding and packaging design. The Company may use its existing providers to develop new branding and packaging or seek to contract with an alternate designer. The Company expects to commence this immediately after closing of the Offering and expects to have finalized designs completed within three to six months following closing of the Offering.

The Company is working on two different products with Drip, one to be consumed as a cold beverage and one to be consumed as a hot beverage. In addition to the funds advanced and to be advanced to Drip by the Company, the Company is required to pay Drip \$25,000 upon completion of the product development which is expected to occur within three to six months following completion of the Offering.

The Company plans to conduct product development research via focus groups and customer product surveys. The Company will engage traditional marketing service providers to conduct the focus groups and partially for consumer product surveys. In addition, the Company will seek partners such as grocers, health foods stores, nutritionists, counsellors, chiropractors, and naturopaths to offer our products to customers interested in using a healthy diet as an alternative to traditional medicine. Such customers would have an opportunity to test prototype products and formulations as well as the Company's finalized products. The Company will ask these participants to consume the products over a period of time and have them provide a survey at different intervals which outlines the positive or negative symptoms they may have experienced. The Company would then aggregate this data for internal usage. The Company would pay the participants a small fee for their participation on the condition that the Company may publish testimonials from participants. In addition, the Company will contract with third party firms to conduct focus groups. The Company expects that each focus group will cost approximately \$7,500 and has allocated its budget on this basis. The Company hopes to complete a minimum of ten focus group sessions in the first twelve months after completion of the Offering, with up to 40 focus group sessions in the event of the Maximum Offering. The Company expects it will take all twelve months following listing to conduct all necessary focus groups and customer product surveys.

Only, in the event of a Maximum Offering, the Company plans to produce an additional three tea formulations and two additional coffee formulations. The Company may use its existing providers to develop the formulations or seek to contract with an alternate formulator. The Company expects to decide following the completion of its research and development program with Drip and the Company's satisfaction with the finalized products from Drip.

DIVIDENDS

The Company has never declared, nor paid, any dividends since its incorporation and does not foresee paying any dividends in the near future since all available funds will be used to operate the business as a going concern. Any future payment of dividends will depend on the financing requirements and financial condition of the Company and other factors which the Board, in its sole discretion, may consider appropriate and in the best interests of the Company.

Under the BCA, the Company is prohibited from declaring or paying dividends if there are reasonable grounds for believing that the Company is insolvent or the payment of dividends would render the Company insolvent.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following tables set forth selected financial information with respect to the Company's audited financial statements for the period from inception on March 26, 2019 to September 30, 2019. The selected financial information has been derived, except where indicated from the audited financial statements for the period of inception on March 26, 2019 to September 30, 2019. The following should be read in conjunction with the said financial statements.

Selected Financial Information

	Period from inception on March 26, 2019 to September 30, 2019 (Audited) (\$)
Continuing operations	
Revenue	212
Cost of Sales	(87)
	125
Expenses	172,848
Net loss	(172,723)
Basic and Diluted loss per share	(0.02)⁽¹⁾

Note:

(1) Based on the weighted average of 8,601,958 common shares issued and outstanding for the period ended September 30, 2019.

Statement of Financial Position	As at September 30, 2019 (Audited) (\$)
Assets	
Current assets	1,042,545
Intangible assets	110,000
Total Assets	1,160,474
Liabilities	
Current liabilities	53,263
Total Liabilities	53,263
Shareholders' Equity	1,107,211
Total Liabilities and Shareholders' Equity	1,160,474

Overview

This management discussion and analysis ("MD&A") of results, operations and financial condition of the Company, describes the operating and financial results of the Company for the period from inception on March 26, 2019 to September 30, 2019. This MD&A supplements, but does not form part of, the audited financial statements of the Company, and should be read in conjunction with the Company's audited financial statements and related notes for the period from inception on March 26, 2019 to September 30, 2019. The Company prepares and files its financial statements in accordance with IFRS. The currency referred to in this MD&A is in Canadian Dollars.

Overall Performance

The Company specializes in the formulation and end distribution of a suite of artisanal mushroom infused beverage products, with the objective of promoting health and wellness through a healthy diet. The Company's future performance depends on, among other things, its ability to produce, market and sell its products, consumer demand for its products, the Company's ability to secure required financing, and in the event consumer demand is strong for its products, the Company's ability to expand its business to facilitate this demand.

Since incorporation on March 26, 2019, the Company's activities have focused on: (1) the acquisition of the Web Assets; (2) the conversion of the Web Assets to an online sales platform and the establishment of supply chain infrastructure; (3) the formulation, branding and initial launch of its Vitality Supertea line of products; (4) the purchase of two new formulas; (5) commencement of research and development on new formulations; and (6) commencement of the development of a pop-up shop. See "Business of the Company - History Since Inception".

Results of Operation

Period from the date of inception on March 26, 2019 to September 30, 2019

The Company reported revenues of \$212 and a net loss of \$172,723, during the period from the date of inception on March 26, 2019 to September 30, 2019. The main factors that contributed to the loss in fiscal 2019 were cost of sales of \$87, research and development expenses of \$50,000, consulting fees of \$36,474, office and miscellaneous fees of \$14,783, advertising and promotion of \$42,500, legal fees of \$19,763, management fees of \$7,000, amortization of \$2,071 and foreign exchange expenses of \$257.

The Company revenue relates to direct website sales. Website sales are recognized when the goods are shipped. Revenue excludes sales tax and is recorded net of discounts and an allowance for estimated returns unless the terms of the sale are final.

Cost of sales includes expenses incurred to acquire and produce inventory for sale, including product costs, inbound freight and duty costs, as well as provisions related to product shrinkage, excess or obsolete inventory, or lower of cost and net realizable value adjustments as required.

Research and Development expenses relate to payments to Drip in accordance with the terms of the Research and Development Agreement. See "Business of the Company - Future Developments".

Consulting fees relate to services provided by management relating to the initial organization of the Company, the acquisition of the Web Assets, the conversion of the Web Assets, the sourcing of third party service providers and activities related to the Offering.

Office and miscellaneous fees include minor disbursements, taxes, transaction fees, storage, records management.

Advertising and promotion relate to the design of the websites and logos, the e-commerce store logos and branding, as well as social media marketing services.

Legal fees consist of legal fees in connection with the Company's incorporation, financings, acquisition of the Web Assets, entry in agreements with Drip and the Pop-Up Designers and this Offering.

Management fees relate to services provided with respect to the preparation of financial statements.

Amortization relates to the amortization of the Web Assets.

Foreign exchange expenses relate to fees charged for transactions across different currencies.

During the period from the date of inception on March 26, 2019 to September 30, 2019, the Company completed the following equity financings: (i) issuance of one (1) Common Share on incorporation (ii) the sale of 3,000,000 units at a price of \$0.005 per unit, with each unit consisting of one Common Share and one share purchase warrant exercisable at a price of \$0.005 per Common Share (increasing to \$0.10 per Common Share on such date that the Company is listed on the public stock exchange) for a period of two years from the date of issuance for total proceeds of \$15,000; (iii) the sale of 3,500,000 Common Shares at a price of \$0.02 per Common Share for proceeds of \$70,000; (iv) the sale of 2,000,000 Common Shares at a price of \$0.075 per Common Share for proceeds of \$150,000; and (v) the sale of 5,000,000 units at a price of \$0.10 per unit, with each unit consisting of one Common Share and one share purchase warrant exercisable at a price of \$0.15 per Common Share for a period of three years from the date of

issuance for total proceeds of \$500,000; and (vi) the sale of 4,021,000 Common Shares at a price of \$0.125 per Common Share for proceeds of \$502,625.

The Company also issued 3,000,000 Common Shares in accordance with the terms of the Asset Purchase Agreement at a deemed price of \$0.02 per Common Share and 400,000 Common Share purchase warrants to Drip in accordance with the terms of the Consignment and Marketing Agreement.

Liquidity and Capital Resources

The Company reported working capital surplus of \$989,282, cash on hand of \$855,669, prepaid expenses of \$153,093 and inventory of \$33,783 at September 30, 2019.

Prepaid expenses relate to:

- \$72,459 advanced to the Company's contract manufacturer for packaged tea products for resale. The Company received the packaged products subsequent to September 30, 2019;
- \$10,434 recorded in connection with the warrant issued to Drip in connection with the consignment and marketing services to be provided by Drip;
- \$45,200 advanced in connection with the design and construction of the Pop-Up Shop; and
- \$25,000 advanced in connection with the research and development services to be provided by Drip.

The Company anticipates having \$1,565,200 in available funds upon completion of the Minimum Offering and \$2,899,299 in available funds upon completion of the Maximum Offering. The Company estimates that the capital required to carry out its planned business objectives during the twelve months after completion of the Offering will be \$1,045,000 in the event of the Minimum Offering and \$2,033,350 in the event of the Maximum Offering. In addition, the Company also anticipates that it will be required to incur approximately \$440,000 in general and administrative expenses. After giving effect to these allocations, the Company anticipates it will have \$80,200 in unallocated working capital upon completion of the Minimum Offering and \$425,850 in unallocated working capital upon completion of the Maximum Offering. The Company does not anticipate incurring any other material capital expenditures.

The Company's future capital requirements will depend upon many factors including, without limitation, its ability to produce, market and sell its products, consumer demand for its products, the Company's ability to secure required financing, and in the event consumer demand is strong for its products, the Company's ability to expand its business to facilitate this demand. The Company has limited capital resources and has to rely upon the sale of equity securities for cash required for research and development purposes, for acquisitions and to fund the administration of the Company. Since the Company does not expect to generate substantial revenues from operations in the near future, it must continue to rely upon the sales of its equity and debt securities to raise capital, which would result in further dilution to the shareholders. There is no assurance that financing, whether debt or equity, will be available to the Company in the amount required by the Company at any particular time or for any period and that such financing can be obtained on terms satisfactory to the Company or at all. See "Risk Factors".

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Related Party Transactions

During the period from inception on March 26, 2019 to September 30, 2019, Gareth Birdsall, the Company's Chief Executive Officer, President and Director, received \$31,500 in consulting fees.

Changes in Accounting Policies

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company's financial statements:

IFRS 16, Leases

In January 2016, the IASB issued IFRS 16 Leases which replaces the previous leases standard, IAS 17 Leases. IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. Lessors continue to classify leases as operating leases or finance leases, and account for those two types of leases differently. IFRS 16 is effective for periods beginning on or after January 1, 2019.

The extent of the impact of adoption of these standards and interpretations on the financial statements of the Company has not been determined.

Based on its review of the above, management is of the opinion that the Company's current accounting policies and disclosures in its financial statements comply in all material respects with the requirements so far as they are applicable to its present operations.

Financial Instruments

The Company's financial instruments consist of cash, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values unless otherwise stated.

Summary of Quarterly Results

Since inception, the Company has not prepared quarterly interim financial statements. As a result, the Company is unable to provide a summary or the quarterly results from the date of inception on March 26, 2019 to September 30, 2019.

Additional Disclosure for Venture Issuers without Significant Revenue

The following table sets out a breakdown of all material components of certain costs to the Company for the period from inception on March 26, 2019 to September 30, 2019.

General and Administrative Expenses

The following tables set out the general and administrative expenses of the Company for the period from inception on March 26, 2019 to September 30, 2019

Item	Period from Inception on March 26, 2019 to September 30, 2019 (Audited)
Research and development	\$ 50,000
Advertising and promotion	42,500
Consulting fees	36,474
Legal fees	19,763
Office and miscellaneous	14,783
Management fees	7,000
Amortization	2,071
Foreign exchange	257
Total	\$ 172,848

Additional Disclosure for Junior Issuers

As set out in the section titled "Use of Proceeds", if the Minimum Offering is completed the Company anticipates having general working capital of \$80,200 following completion of the Company's stated business objectives and after meeting the budgeted administrative costs for the next 12 months of \$440,000. If the Maximum Offering is completed the Company anticipates having general working capital of \$425,850 following completion of its stated business objectives and after meeting the budgeted administrative costs for the next 12 months of \$440,000. Other than as disclosed in this prospectus, the Company does not anticipate incurring any other material capital expenditures.

Disclosure of Outstanding Security Data

The Company has one class of shares outstanding, being Common Shares. As of the date of this prospectus, 20,521,001 Common Shares were issued and outstanding. The Company also has 5,900,000 share purchase warrants outstanding. See "Description of the Securities Distributed".

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Authorized Capital

The authorized capital of the Company consists of an unlimited amount of Common Shares, of which 20,521,001 Common Shares are issued and outstanding as at the date of this prospectus, and an unlimited number of preferred shares, of which none are issued and outstanding as of the date of this prospectus.

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Common Share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the Board of Directors of the Company may by resolution determine. The Board of Directors of the Company, may at any time declare and authorize the payment of such dividends exclusively to the registered holders of the common shares without declaring any corresponding dividends to the registered holders of the preferred shares. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Preferred Shares

The holders of the preferred shares are not entitled to receive notice of and not entitled to vote at all meetings of the shareholders of the Company. The preferred shares may include one or more series of shares. The registered holders of the preferred shares are entitled to receive dividends if and when declared by the Board of Directors out of the funds or assets of the Company properly applicable to the payment of dividends. The Board of Directors of the Company may at any time declare and authorize the payment of such dividends exclusively to the registered holders of the preferred shares without declaring any corresponding dividends to the registered holders of the Common Shares. In the event of the liquidation, dissolution or winding up of the Company or other distribution of the assets of the Company among its members for the purpose of winding up the affairs of the Company, whether voluntary or involuntary, the registered holders of the preferred shares shall be entitled to receive the amount paid up with respect to each preferred share together with an amount equal to all declared and unpaid dividends on such shares in priority of the Common Shares. After payment to the registered holders of the preferred shares of the amount payable to them as provided for above, they shall not, as such, be entitled to share in any further distribution of the property or assets of the Company. The preferred shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Agent's Warrants

The Company has agreed to grant to the Agent that number of Agent's Warrants equal to 8% of the Offered Shares sold pursuant to the Offering. Each Agent's Warrant is exercisable to purchase one Common Share at the price of \$0.30 per Common Share for a period of 24 months from the Listing Date. The Agent's Warrants are qualified under this prospectus. See "Plan of Distribution".

Agent's Option

The Company will grant the Agent the Agent's Option, which will allow the Agent to offer up to an additional 2,250,000 Offered Shares. The Agent's Option may be exercised, at the sole discretion of the Agent, in whole or in part any time up to 48 hours prior to the Closing Date of the Offering. The Agent's Option will be qualified under this prospectus.

CONSOLIDATED CAPITALIZATION

The following table summarizes changes in the Company's capitalization as at September 30, 2019, as of the date of this prospectus, and following completion of the Offering:

September 30, 2019	As at the date hereof	After giving effect to the Minimum Offering	After giving effect to the Maximum Offering	After giving effect to the Maximum Offering and
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	exercise of Agent's Option				
Common Shares	\$1,269,500 (20,521,001 Common Shares)	\$1,269,500 (20,521,001 Common Shares)	\$2,319,500 (27,521,001 Common Shares)	\$3,769,500 (37,187,668 Common Shares)	\$4,017,000 (39,437,668 Common Shares)
Agent's Warrants	Nil	Nil	560,000	1,333,333	1,513,333
Options	Nil	Nil	Nil	Nil	Nil
Warrants	5,900,000	5,900,000	5,900,000	5,900,000	5,900,000
Long Term Liabilities	Nil	Nil	Nil	Nil	Nil

OPTIONS TO PURCHASE SECURITIES

The Directors of the Company adopted a stock option plan on October 15, 2019 (the "Stock Option Plan"). The purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees, management company employees and consultants of the Company, and of its subsidiaries and affiliates, if any, to acquire Common Shares, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs. The Stock Option Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance will be 10% of the number of the Company's Common Shares issued and outstanding at the time such options are granted. The Stock Option Plan will be administered by the Company's Board of Directors, which will have full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such directors, officers, employees, management or consultants of the Company and its affiliates, if any, as the Board of Directors may from time to time designate. The exercise price of option grants will be determined by the Board of Directors, but after listing on the Exchange will be the greater of the closing market price of the Common Shares on the Exchange on the trading day prior to the date of the grant of the option and the date of the grant. The Stock Option Plan provides that the number of Common Shares that may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued Common Shares, if the individual is a director, officer, employee or consultant, or 1% of the issued Common Shares, if the individual is engaged in providing investor relations services, in a twelve month basis, unless disinterested shareholder approval is obtained. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 30 days from date of termination other than for cause; or (iii) one year from the date of death or disability. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

Options Granted

As of the date hereof, the Company has not granted any options under the Stock Option Plan.

PRIOR SALES

Since inception on March 26, 2019, the Company has completed the following distributions of its securities:

Issue Date	Price	Shares Issued	Warrants Issued	Warrant Exercise Price	Warrant Expiry Date	Nature of Issuance and Notes
March 26, 2019	\$1.00	1	-	n/a	n/a	(1) Incorporator Share (2) All securities subject to Escrow Agreement
May 9, 2019	\$0.005	3,000,000	3,000,000	\$0.005	May 9, 2024	(1) Private Placement (2) All securities subject to Escrow Agreement (3) Warrant Exercise Price increases to \$0.10 on Listing Date)
May 27, 2019	\$0.02	3,500,000	-	n/a	n/a	(1) Private Placement

June 1, 2019	\$0.02	3,000,000	-	n/a	n/a	(1) Web Assets Acquisition
July 15, 2019	\$0.075	2,000,000	-	n/a	n/a	(1) Private Placement
August 22, 2019	\$0.10	2,500,000	1,250,000	\$0.15	August 22, 2022	(1) Private Placement
August 23, 2019	\$0.10	2,500,000	1,250,000	\$0.15	August 23, 2022	(1) Private Placement
September 9, 2019	\$0.125	4,021,000	-	n/a	n/a	(1) Private Placement
September 11, 2019	n/a	-	400,000	\$0.15	September 11, 2021	(1) Consignment and Marketing Agreement. (2) Subject to vesting milestones

ESCROWED SECURITIES

In accordance with National Policy 46-201 - *Escrow for Initial Public Offerings* (previously defined as “NP 46-201”), all shares of an issuer owned or controlled by its principals are required to be placed in escrow at the time of the issuer’s initial public offering, unless the shares held by the principal or issuable to the principal upon conversion of convertible securities held by the principal collectively represent less than 1% of the voting rights attaching to the total issued and outstanding securities of the issuer after giving effect to the initial public offering. Upon completion of the Offering, the Company anticipates being an “emerging issuer” as defined in NP 46-201.

The following securities of the Company (the “Escrowed Securities”) are held by, and are subject to the terms of an escrow agreement (the “Escrow Agreement”) dated February 5, 2020, among the Company, National Securities Administrators Ltd., as escrow agent, and Gareth Birdsall:

Designation of Class	Number of Securities	Percentage of Class of Securities Prior to Completion of the Offering	Percentage of Issued Class of Securities on Completion of the Minimum Offering	Percentage of Issued Class of Securities on Completion of the Maximum Offering	Percentage of Issued Class of Securities on Completion of the Maximum Offering and exercise of Agent’s Option
Common Shares	3,000,001	14.62%	10.90%	8.07%	7.61%
Warrants	3,000,000	50.85%	46.44%	41.47%	40.47%
Total (Diluted) ⁽¹⁾	6,000,001	22.71%	17.66%	13.51%	12.81%

Notes:

- (1) Calculated, based on 26,021,001 Common Shares outstanding as of the date of this prospectus, 33,581,001 Common Shares outstanding on completion of the Minimum Offering, 44,021,001 Common Shares outstanding on completion of the Maximum Offering, 46,451,001 Common Shares outstanding on completion of the Maximum Offering and exercise of the Agent’s Option, which assumes that that all outstanding warrants, (including, where applicable all Agent’s Warrants) are exercised. Does not include 400,000 warrants which are subject to vesting conditions.

As the Company anticipates being an “emerging issuer” as defined in NP 46-201, the following automatic timed releases will apply to the Common Shares held by its principals who are subject to escrow:

On the Listing Date	1/10 of the escrow securities
6 months after the Listing Date	1/6 of the remaining escrow securities
12 months after the Listing Date	1/5 of the remaining escrow securities
18 months after the Listing Date	1/4 of the remaining escrow securities
24 months after the Listing Date	1/3 of the remaining escrow securities
30 months after the Listing Date	1/2 of the remaining escrow securities
36 months after the Listing Date	the remaining escrow securities

Assuming there are no changes to the escrow securities initially deposited and no additional escrow securities are deposited, this will result in a 10% release on the Listing Date, with the remaining escrow securities being released in 15% tranches every 6 months thereafter.

Under NP 46-201, a “principal” is: (a) a person who has acted as a promoter of the Company within two years of the date of this prospectus; (b) a director or senior officer of the Company at the time of this prospectus; (c) a person that holds securities carrying more than 20% of the voting rights attached to the Company’s outstanding securities immediately before and immediately after the Company’s initial public offering; and (d) a person that: (i) holds securities carrying more than 10% of the voting rights attached to the Company’s outstanding securities immediately before and immediately after the Company’s initial public offering; and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Company. A principal’s spouse and their relatives that live at the same address as the principal will be deemed principals and any securities of the Company held by such a person will be subject to the escrow requirements.

The automatic time release provisions under NP 46-201 pertaining to “established issuers” provide that 25% of each principal’s escrowed securities are released on the Listing Date, with an additional 25% being released in equal tranches at six month intervals over 18 months. If, within 18 months of the Listing Date, the Company meets the “established issuer” criteria, as set out in NP 46-201, the Escrowed Securities will be eligible for accelerated release according to the criteria for established issuers. In such a scenario that number of Escrowed Securities that would have been eligible for release from escrow if the Company had been an “established issuer” on the Listing Date will be immediately released from escrow. The remaining Escrowed Securities would be released in accordance with the time release provisions for established issuers, with all escrow securities being released 18 months from the Listing Date.

Under the terms of the Escrow Agreement, Escrowed Securities cannot be transferred by the holder unless permitted under the Escrow Agreement. Notwithstanding this restriction on transfer, a holder of Escrowed Securities may: (a) pledge, mortgage or charge the Escrowed Securities to a financial institution as collateral for a loan provided that no Escrow Securities will be delivered by the escrow agent to the financial institution; (b) exercise any voting rights attached to the Escrow Securities; (c) receive dividends or other distributions on the Escrow Securities; and (d) exercise any rights to exchange or convert the Escrow Securities in accordance with the Escrow Agreement.

The Escrowed Securities may be transferred within escrow to: (a) subject to approval of the Company’s Board of Directors, an individual who is an existing or newly appointed director or senior officer of the Company or of a material operating subsidiary of the Company; (b) a person that before the proposed transfer holds more than 20% of the voting rights attached to the Company’s outstanding securities; (c) a person that after the proposed transfer will hold more than 10% of the voting rights attached to the Company’s outstanding securities and that has the right to elect or appoint one or more directors or senior officers of the Company or any of its material operating subsidiaries; (d) upon the bankruptcy of a holder of escrowed securities, the securities held in escrow may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such securities; (e) upon the death of a holder of escrowed securities, all securities of the deceased holder will be released from escrow to the deceased holder’s legal representative; (f) a financial institution that the holder pledged, mortgaged or charges to a financial institution as collateral for a loan on realization of such loan; and (g) a registered retirement savings plan (“RRSP”), registered retirement income fund (“RRIF”) or similar registered plan or fund with a trustee, where the annuitant of the RRSP or RRIF, or the beneficiaries of another plan or fund are limited to the holders spouse, children or parents, or if the holder is the trustee of such registered plan or fund, to the annuitant of the RRSP or RRIF, or a beneficiary of the other registered plan or fund or his or her spouse, children or parents.

In addition, tenders of Escrowed Securities pursuant to a business combination, which includes a take-over bid, issuer bid, statutory arrangement, amalgamation, merger or other reorganization similar to an amalgamation or merger, are permitted. Escrowed Securities subject to a business combination will continue to be escrowed if the successor entity is not an “exempt issuer”, the holder is a principal of the successor entity; and the holder holds more than 1% of the voting rights of the successor entities’ outstanding securities.

Under the terms of the Escrow Agreement, 10% of each escrowed shareholder’s shares (a total of 300,000 Common Shares and 300,000 Founders Warrants) will be released from escrow on the Listing Date. The remaining 2,700,001 Common Shares and 2,700,000 Founders Warrants will be held in escrow immediately following the Listing Date and released pursuant to the schedule set out above.

PRINCIPAL SECURITYHOLDERS

As at the date of this prospectus, 20,521,001 Common Shares were issued and outstanding. The following table lists the persons who own or will own, directly or indirectly, 10% or more of the issued and outstanding Common Shares:

Name	Number and Class of Securities Owned	Number and Class of Shares Owned After Offering	Type of Ownership	Percentage of Class Owned Prior to Giving Effect to the Offering	Percentage of Class Owned After Giving Effect to the Minimum Offering⁽¹⁾	Percentage of Class Owned After Giving Effect to the Maximum Offering⁽¹⁾
Gareth Birdsall	3,000,001 Common Shares (3,000,000 Founder Warrants)	3,000,001 Common Shares (3,000,000 Founder Warrants)	Direct	14.62%	10.90% ⁽²⁾	8.07% ⁽²⁾
Jeff Wolburgh	2,500,000 Common Shares (1,250,000 Warrants)	2,500,000 Common Shares (1,250,000 Warrants)	Direct	12.18%	9.08% ⁽³⁾	6.72% ⁽³⁾

Notes:

- (1) Assuming that no Common Shares are purchased by these persons under the Offering and assuming a total of 27,521,001 Common Shares outstanding on completion of the Minimum Offering and a total of 37,187,668 Common Shares outstanding on completion of the Maximum Offering and that no Agent's Warrants and or other warrants are exercised.
- (2) In the event that Mr. Birdsall were to exercise all of his warrants, he would own 17.66% on completion of the Minimum Offering assuming there is a fully diluted issued and outstanding of 33,981,001 Common Shares, and 13.51% on completion of the Maximum Offering, assuming fully-diluted issued and outstanding Common Shares of 44,421,001.
- (3) In the event that Mr. Wolburgh were to exercise all of his warrants, he would own 11.04% on completion of the Minimum Offering assuming there is a fully diluted issued and outstanding of 33,981,001 Common Shares, and 8.44% on completion of the Maximum Offering, assuming fully-diluted issued and outstanding Common Shares of 44,421,001.

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth, for each of the Directors and executive officers of the Company, the name, municipality of residence, age, principal occupation, position held with the Company and the date on which the person became a Director or executive officer.

Name, Municipality of Residence and Age	Principal Occupations during past five years	Position with the Company	Director or Officer Since	Securities Held ⁽³⁾	Percentage of Securities Held prior to completion of the Offering
Gareth Birdsall, 24, Vancouver, B.C., Canada.	Employed in landscape management since 2012.	Chief Executive Officer, President Secretary and Promoter	August, 2019	3,000,001 Common Shares	14.62%
		Director	March 2019	3,000,000 Warrants	
Stephen Brohman, 36, Langley, B.C., Canada	Certified Professional Accountant.	Chief Financial Officer	August 2019	120,000 Common Shares	0.58%
Joe Perino, 63, Burlington, Ontario, Canada ⁽¹⁾	Mr. Perino is retired and a former constable and Detective Sergeant with the Toronto Police Service.	Director	August 2019	200,000 Common Shares	0.97%
Jerry Habuda, 62, Toronto, Ontario Canada ⁽¹⁾	Mr. Habuda is a retired and a former police officer with the Toronto Police Department.	Director	August 2019	Nil Common Shares	n/a
Matthew Fish, 33, Toronto, Ontario, Canada ⁽¹⁾⁽²⁾	Practicing Securities and Commercial Litigation Lawyer.	Director	August 2019	Nil Common Shares	n/a
Total Securities				3,320,001 Common Shares	16.18%

Notes:

- (1) Member of the Audit Committee.
- (2) Chair of Audit Committee
- (3) Ownership is direct unless otherwise indicated.

Term of Office

The Directors are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal.

Biographical Information

The following is a brief description of the background of the Directors and executive officers of the Company.

Gareth Birdsall - *Age 24, President, Chief Executive Officer, Secretary, Director and Promotor*

Mr. Gareth Birdsall has over seven years experience working in landscape and vegetation management. Mr. Birdsall has been employed as an installation technician at CJ Installations Ltd. since July 2017. Mr. Birdsall was also a turf management technician at the Redwoods Golf Course from May 2012 to September 2017. An attendee of the British Columbia Institute of Technology, Mr. Birdsall studied marketing management.

Mr. Birdsall will devote approximately 80% of his time to the Company or such greater amount of time as is necessary. Mr. Birdsall has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Birdsall is an independent contractor of the Company. Mr. Birdsall will be responsible for the day-to-day affairs of the Company and will provide the services typical of a Chief Executive Officer, President and Secretary of a food and wellness company.

Stephen Brohman – *Age 36, Chief Financial Officer,*

Mr. Brohman has 10+ years of working experience in a variety of roles with public and private companies and has become experienced in corporate finance, project acquisition, executive management, corporate communications, corporate branding, shareholder relations and investor lead generation. Mr. Brohman had extensive training in the audit of publicly traded companies on the TSX, TSX Venture Exchange and OTC markets, and has worked with mining and exploration, oil and gas, real estate investment, technology, and merchant banking companies during his time in public practice. Mr. Brohman serves as Chief Financial Officer and Director of various public and private companies. Mr. Brohman obtained a Bachelor of Business Administration from Capilano University in 2008 and obtained his CPA, CA (Chartered Professional Accountant) designation in 2011. Mr. Brohman is also a director of Adastra Labs Holdings Ltd. (formerly Arrowstar Resources Ltd).

Mr. Brohman will be responsible for the accounting activities of the Company. Mr. Brohman will devote approximately 30% of his time to the Company or such greater amount of time as is necessary. Mr. Brohman has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Brohman is an independent contractor of the Company. Mr. Brohman will be responsible for the financial reporting of the Company and will provide the services typical of a Chief Financial Officer of a food and wellness company.

Joe Perino - *Age 63, Director*

Mr. Perino served as a member of the Toronto Police Service from 1976 to 2006. During his time as a member of the Toronto Police Service, Mr. Perino worked in several different investigative areas including the Primary Response Unit, Criminal Investigation Bureau, Major Crimes Unit and as drug investigator. Mr. Perino attained the status of expert witness due and was awarded the Exemplary Service Medal, and is the recipient of several awards from within the Toronto Police Service and from several community organizations. Additionally, Mr. Perino obtained his degree from the University of Guelph. In 2006, he was hired as a Professor with the School of Community and Health Studies at Centennial College. Mr. Perino has also received several academic awards while a faculty member. Mr. Perino is now retired.. Mr. Perino also serves as a Director of Agraflora Organics International Inc.

Mr. Perino will devote approximately 15% of his time to the Company or such greater amount of time as is necessary. Mr. Perino has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Perino is an independent contractor of the Company. Mr Perino's responsibilities will be those typical to an independent director of a food and wellness company.

Jerry Habuda, - *Age 62, Director*

Mr. Habuda brings over 35 years of expertise in law enforcement and specialized units. From 1977 to 2012, he served as a police officer with the Toronto Police Department. During his tenure, he was assigned to the Major Crimes Unit, investigating robberies and home invasions. Mr. Habuda also serves as a Director of Agraflora Organics International Inc. and Sire Bioscience Inc.

Mr. Habuda will be responsible for the accounting activities of the Company and serve as a member of the audit committee. Mr. Habuda will devote approximately 15% of his time to the Company or such greater amount of time as is necessary. Mr. Habuda has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Habuda is an independent contractor of the Company. Mr. Habuda's responsibilities will be those typical to an independent director of a wellness company.

Matthew Fish, - *Age 33, Director*

Mr. Fish is a practicing securities and corporate litigation lawyer focused on the technology and resource sectors. In his private practice, he has developed extensive experience with respect to public companies, capital markets, mergers and acquisitions and other facets fundamental to the natural resources, technology, and cannabis industries. Mr. Fish has served as director and officer of several publicly held companies and acts as director and general counsel for other privately held companies. Mr. Fish is also a director of ICC International Cannabis Corp., European Metals Corp., and Rotonda Ventures Corp. and Chief Financial Officer of Redpine Petroleum Ltd. Mr. Fish obtained his Juris Doctor from the University of Windsor in 2011 and his bachelor of arts from the University of Guelph in 2008.

Mr. Fish will be responsible for the accounting activities of the Company and serve as a member of the audit committee. Mr. Fish will devote approximately 15% of his time to the Company or such greater amount of time as is necessary. Mr. Fish has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Fish is an independent contractor of the Company. Mr. Fish's responsibilities will be those typical to an independent director of a wellness company.

Cease Trade Orders

No director or executive officer of the Company, is or has been, within the ten years preceding the date of this prospectus, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to an order 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 an order 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.

For the purposes of this prospectus, an "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to an exemption under securities legislation, and such order was in effect for a period of more than 30 consecutive days.

Bankruptcies

No director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is or has been, within the ten years preceding the date of this prospectus:

- (a) a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 or made a proposal under any legislation relating to bankruptcies or insolvency; or
- (b) 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 individual.

Penalties or Sanctions

No director or executive officer of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has:

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No director or executive officer of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company or a personal holding company of any such persons has, within the ten years before the

date of this prospectus, 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.

Conflicts of Interest

There are no existing material conflicts of interest between the Company and any Director or officer of the Company. Directors and officers of the Company may serve as directors and/or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, certain Directors of the Company may have a conflict of interest in negotiating and conducting terms in respect of any transaction involving such companies. In the event that such conflict of interest arises at a meeting of the Board, a Director who has such a conflict is required to disclose such conflict and abstain from voting for or against the approval of such transaction.

The information as to ownership of securities of the Company, corporate cease trade orders or bankruptcies, penalties or sanctions, personal bankruptcies or insolvencies and existing or potential conflicts of interest has been provided by each insider of the Company individually in respect of himself or herself.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Company's executive compensation program during the most recently completed financial year ended September 30, 2019 was administered by the Company's Board of Directors. The Board of Directors was solely responsible for determining the compensation to be paid to the Company's executive officers and evaluating their performance. The Board of Directors has not adopted any specific policies or objective for determining the amount or extent of compensation for directors or officers. The Board of Directors has not established a compensation committee.

Significant Elements

The significant elements of compensation for the Company's "Named Executive Officers", being the Chief Executive Officer, the Chief Financial Officer, will be cash consulting fees and stock options. The Company does not presently have a long-term incentive plan for its Named Executive Officers. There is no policy or target regarding allocation between cash and non-cash elements of the Company's compensation program. The Board of Directors reviews annually the total compensation package of each of the Company's executives on an individual basis.

Cash Consulting Fees

The Company's compensation payable to the Named Executive Officers is based upon, among other things, the responsibility, skills and experience required to carry out the functions of each position held by each Named Executive Officer and varies with the amount of time spent by each Named Executive Officer in carrying out his or her functions on behalf of the Company.

In particular the Chief Executive Officer's compensation will be determined by time spent on: (i) the Company's day to day operations; (ii) reviewing potential transactions and negotiating them on behalf of the Company; and (iii) new business ventures. The Chief Financial Officer's compensation is primarily determined by time spent in reviewing the Company's financial statements.

Stock Options

The Company's Stock Option Plan is intended to emphasize management's commitment to the growth of the Company. The grant of stock options, as a key component of the executive compensation package, enables the Company to attract and retain qualified executives. Stock option grants are based on the total of stock options available under the Stock Option Plan. In granting stock options, the Board of Directors reviews the total of stock options available under the Stock Option Plan and recommends grants to newly retained executive officers at the time of their appointment, and considers recommending further grants to executive officers from time to time thereafter. The amount and terms of outstanding options held by an executive are taken into account when determining whether and how new option grants should be made to the executive. The exercise periods are to be set at the date of grant. The stock option grants may contain vesting provisions in accordance to the Company's Stock Option Plan.

As of the date hereof, the Company has not granted any options to its directors and officers. See "Options to Purchase Securities" above.

Employment and Consulting Agreements

The Company has not entered into written employment or consulting agreements with its Chief Executive Officer and its Chief Financial Officer. The Company has agreed to pay its Chief Executive Officer a total of \$5,000 per month and its Chief Financial Officer a total of \$1,500 per month.

Summary Compensation Table

The following table sets forth information about compensation paid to, or earned by, the Company's Named Executive Officers during the period from Inception to September 30, 2019.

Name and Principal Position	Year	Salary (\$)	Share Based Awards (\$)	Option Based Awards (\$)	Non Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long Term Incentive Plans (\$)			
Gareth Birdsall President & Chief Executive Officer	2019	31,500	NIL	NIL	NIL	NIL	NIL	NIL	31,500
Stephen Brohman Chief Financial Officer	2019	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Incentive Plan Awards

The following table sets forth all outstanding share based and option based awards to the Named Executive Officers as at the fiscal year ended September 30, 2019.

Name	Option Based Awards				Share Based Awards	
	Number of Securities underlying unexercised options (#)	Option exercise price (\$)	Option Expiration Date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Gareth Birdsall President & Chief Executive Officer & Secretary	NIL	N/A	N/A	N/A	N/A	N/A
Stephen Brohman Chief Financial Officer	NIL	N/A	N/A	N/A	N/A	N/A

As of the date of this prospectus, the Company has not granted any share based or option based awards to the Named Executive Officers.

Director Compensation

The following table sets forth the compensation paid to the Company's Directors for the period from inception to September 30, 2019.

Name	Fees Earned (\$)	Share-based awards (\$)	Option-based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Joe Perino	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Jerry Habuda	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Matthew Fish	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Compensation arrangements for Directors is determined by the Board on a case by case basis and negotiated between the Board and the Director to be compensated.

Termination and Change of Control Benefits

There are no management or consulting agreements with any directors or officers of the Company that provide for payments to an officer or director, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the company or a change in a director's or officer's responsibilities.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is not as of the date of this prospectus, nor has there been since inception on March 26, 2019, any indebtedness of any Director, executive officer, senior officer, employee or any former director, executive officer, employee or senior officer or any associate of any of them, to or guaranteed or supported by the Company either pursuant to an employee stock purchase program of the Company or otherwise, and no such individual is or has been indebted to any other entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit, or similar arrangement or understanding by the Company.

AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Audit Committee

Audit Committee Charter

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board of Directors and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

On October 15, 2019, the Board of Directors adopted a charter delineating the Audit Committee's responsibilities. The Audit Committee Charter is attached to this prospectus as Schedule "A".

Composition of Audit Committee

The following persons are members of the Company's audit committee:

Matthew Fish	Independent	Financially Literate
Jerry Habuda	Independent	Financially Literate
Joe Perino	Independent	Financially Literate

Relevant Education and Experience

All members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements, and have an understanding of internal controls. The members of the Audit Committee intend to maintain their currency by periodically taking continuing education courses.

The education and experience of each Audit Committee member that is relevant to the performance of his/her responsibilities as an Audit Committee member is as follows:

Matthew Fish: Mr. Fish is a practicing securities and corporate litigation lawyer focused on the technology and resource sectors. Mr. Fish has served as director and officer of several publicly held companies and acts as director and general counsel for other privately held companies.

Jerry Habuda: Mr. Habuda brings over 35 years of expertise in law enforcement and specialized units. Mr. Habuda also serves as a Director of Agraflora Organics International Inc. and Sire Bioscience Inc. Mr. Habuda has the ability to understand financial statements relating to food and wellness companies.

Joe Perino: Mr. Perino has served as a member of the Toronto Police Service since 1976. Mr. Perino worked in several different investigative areas including the Primary Response Unit, Criminal Investigation Bureau, Major Crimes Unit and as drug

investigator.. Additionally, Mr. Perino obtained his degree from the University of Guelph. In 2006, he was hired as a Professor with the School of Community and Health Studies at Centennial College. Mr. Perino has also received several academic awards while a faculty member. Mr. Perino is now retired. Mr. Perino also serves as a Director of Agraflora Organics International Inc. and Sire Bioscience Inc. Mr. Perino has the ability to understand financial statements relating to food and wellness companies.

Audit Committee Oversight

At no time since the commencement of the Company's most recent completed financial year has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the following exemptions:

- (a) the exemption in section 2.4 of National Instrument 52-110 (*De Minimis Non-audit Services*);
- (b) the exemption in subsection 6.1.1(4) of National Instrument 52-110 (*Circumstance Affecting the Business or Operations of the Venture Issuer*);
- (c) the exemption in subsection 6.1.1(5) of National Instrument 52-110 (*Events Outside Control of Member*);
- (d) the exemption in subsection 6.1.1(6) of National Instrument 52-110 (*Death, Incapacity or Resignation*); or
- (e) an exemption from National Instrument 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110 (*Exemption*).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. However, the Company's Audit Committee Charter states that Audit Committee must pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

External Auditor Fees

The aggregate fees billed to the Company for the services provided by the external auditor for the period from inception on March 26, 2019 to September 30, 2019 are as follows:

	Period from Inception to September 30, 2019
Audit Fees	\$14,000
Audit-Related Fees	-
Tax Fees	1,000
All Other Fees	-
Total	<u>\$15,000</u>

Exemption

The Company has relied upon the exemption provided by section 6.1 of NI 52-110, which exempts a venture issuer from the requirement to comply with the restrictions on the composition of its Audit Committee and the disclosure requirements of its Audit Committee in an annual information form as prescribed by NI 52-110.

Corporate Governance

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day-to-day management of the Company. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

The Company's corporate governance practices are summarized below:

Board of Directors

The Board of Directors is currently comprised of four members. The rules of the Exchange do not have independent director requirements. An “independent” director is a director who has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, reasonably interfere with the exercise of a director’s independent judgment. Matthew Fish, Jerry Habuda and Joe Perino are independent directors of the Company, as aside from Common Shares held by them, they have no ongoing interest or relationship with the Company other than serving as directors. Gareth Birdsall is not an independent director because of his positions as an executive officer of the Company.

Directorships

The following directors are also currently directors of the following reporting issuers:

Name of Director	Name of Reporting Issuer	Exchange
Gareth Birdsall	None	None.
Jerry Habuda	Agraflora Organics International Inc. Sire Bioscience Inc.	Canadian Securities Exchange Canadian Securities Exchange
Joe Perino	Agraflora Organics International Inc.	Canadian Securities Exchange
Matthew Fish	ICC International Cannabis Corp. Rotonda Ventures Corp. European Metals Corp.	Canadian Securities Exchange None None

Orientation and Continuing Education

The Board of Directors provides an overview of the Company’s business activities, systems and business plan to all new directors. New director candidates have free access to any of the Company’s records, employees or senior management in order to conduct their own due diligence and will be briefed on the strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing policies of the Company. The Directors are encouraged to update their skills and knowledge by taking courses and attending professional seminars.

Ethical Business Conduct

The Board of Directors believes good corporate governance is an integral component to the success of the Company and to meet responsibilities to shareholders. Generally, the Board of Directors has found that the fiduciary duties placed on individual directors by the Company’s governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director’s participation in decisions of the Board of Directors in which the director has an interest have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Company.

The Board of Directors is also responsible for applying governance principles and practices, and tracking development in corporate governance, and adapting “best practices” to suit the needs of the Company. Certain of the Directors of the Company may also be directors and officers of other companies, and conflicts of interest may arise between their duties. Such conflicts must be disclosed in accordance with, and are subject to such other procedures and remedies as applicable under the BCA.

Nomination of Directors

The Board of Directors has not formed a nominating committee or similar committee to assist the Board of Directors with the nomination of directors for the Company. The Board of Directors considers itself too small to warrant creation of such a committee; and each of the Directors has contacts he can draw upon to identify new members of the Board of Directors as needed from time to time.

The Board of Directors will continually assess its size, structure and composition, taking into consideration its current strengths, skills and experience, proposed retirements and the requirements and strategic direction of the Company. As required, directors will recommend suitable candidates for consideration as members of the Board of Directors.

Compensation

The Board of Directors reviews the compensation of its directors and executive officers annually. The Directors will determine compensation of directors and executive officers taking into account the Company's business ventures and the Company's financial position. See "Executive Compensation".

Other Board Committees

The Company has established an Audit Committee. There are no other committees of the Board of Directors.

Assessments

The Board of Directors has not implemented a process for assessing its effectiveness. As a result of the Company's small size and the Company's stage of development, the Board of Directors considers a formal assessment process to be inappropriate at this time. The Board of Directors plans to continue evaluating its own effectiveness on an ad hoc basis.

The Board of Directors does not formally assess the performance or contribution of individual Board members or committee members.

PLAN OF DISTRIBUTION

Offering

Under the Agency Agreement the Company has appointed the Agent on a commercially reasonable efforts basis to offer for sale a minimum of 7,000,000 and a maximum of 16,666,667 Offered Shares at a price of \$0.15 per Offered Share for minimum gross proceeds of \$1,050,000 and maximum gross proceeds of \$2,500,000. The Offering Price of \$0.15 per Common Share was determined by negotiation between the Company and the Agent in accordance with the policies of the Exchange.

The completion of the Offering is subject to a minimum subscription of Common Shares for minimum gross proceeds of \$1,050,000. The Offering will not be completed and no subscription funds will be advanced to the Company unless and until the Minimum Offering of \$1,050,000 has been raised. In the event that the Minimum Offering is not attained by the end of the period of the Offering, all subscription funds that subscribers may have advanced to the Agent in respect of the Offering will be refunded to the subscribers without interest or deduction. The Company will grant the Agent the Agent's Option, which will allow the Agent to offer up to and additional 2,250,000 Offered Shares. The Agent's Option may be exercised in the sole discretion of the Agent, in whole or in part, any time up to 48 hours prior to the Closing of the Offering.

Subscriptions for Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved by the Company to close the subscription books at any time without notice. It is expected that the Closing of the Offering will occur on a date agreed upon by the Company and the Agent, but not later than the date that is 90 days after a receipt is issued for the final prospectus or if a receipt has been issued for an amendment to the final prospectus, within 90 days of issuance of such receipt and in any event not later than 180 days from the date of receipt of the final prospectus. It is expected that share certificates evidencing the Offered Shares will be available for delivery on the Closing unless the Agent elects for delivery in electronic book entry form through CDS Clearing and Depository Services Inc. ("CDS") or its nominee. If delivered in book entry form, purchasers of Offered Shares will receive only a customer confirmation from the registered dealer that is a CDS participant and from or through which the Offered Shares were purchased.

There is currently no market through which any of the securities of the Company, including the Common Shares, may be sold and purchasers and holders thereof may not be able to resell or dispose of any of the securities purchased, distributed or qualified under this prospectus.

The Company has also granted the Agent a right of first refusal to provide any brokered equity financing that the Company proposes to conduct for a period ending one year from the closing of the Offering.

The obligations of the Agent under the Agency Agreement may be terminated at the Agent's discretion upon the occurrence of certain stated events. The Agent is not obligated to purchase any of the Offered Shares under the Offering.

Agent's Commission

The Company has agreed to pay to the Agent a cash commission equal to 8% of the aggregate gross proceeds of the Offering in consideration for its services in connection with the Offering. Such commission, together with all other expenses of the Offering, will be paid by the Company out of the proceeds of the Offering. The Company has also agreed to pay to the Agent the Corporate Finance Fee of \$25,000 upon Closing of the Offering and the Agent's expenses related to the Offering including reasonable legal fees, taxes and disbursements.

As additional compensation, on the Closing, the Company has agreed to grant to the Agent that number of Agent's Warrants equal to 8% of the number of Offered Shares sold pursuant to this Offering, each Agent's Warrant is exercisable to acquire one Common Share at the price of \$0.30 per Common Share for a period 24 months from the Listing Date. The Agent's Warrants will be qualified under this prospectus.

Listing of Common Shares on the Exchange

The Company has applied to list its Common Shares on the Exchange. Listing is subject to the Company fulfilling all of the requirements of the Exchange.

As of the date of this prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

RISK FACTORS

An investment in the Company is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risk factors set out below, in addition to the other information contained in this document, before making any decision to invest in the Company. The Directors consider the following risks and other factors to be the most significant for potential investors in the Company, but the risks listed do not necessarily comprise all those associated with an investment in the Company and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors may also have an adverse effect on the Company's business.

If any of the following risks actually occur, the Company's business, financial condition, capital resources, results or future operations could be materially adversely affected. In such a case, the price of the Common Shares could decline and investors may lose all or part of their investment.

Substantial Number of Authorized but Unissued Shares

The Company has an unlimited number of Common Shares that may be issued by the Board of Directors without further action or approval of the Company's shareholders. While the Board of Directors is required to fulfill its fiduciary obligations in connection with the issuance of such shares, the shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of the Company's shareholders.

Dilution

The financial risk of the Company's future activities will be borne to a significant degree by purchasers of the Common Shares. If the Company issues Common Shares from its treasury for financing purposes, control of the Company may change and purchasers may suffer additional dilution.

No Market for Securities

There is currently no market through which any of the Common Shares, may be sold and there is no assurance that such securities of the Company will be listed for trading on a stock exchange, or if listed, will provide a liquid market for such securities. Until the Common Shares are listed on a stock exchange, holders of the Common Shares may not be able to sell their Common Shares. Even if a listing is obtained, there can be no assurance that an active public market for the Common Shares will develop or be sustained after completion of the Offering. The Offering Price determined by negotiation between the Company and the Agent was based upon several factors, and may bear no relationship to the price that will prevail in the public market. The holding of Common Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to

assume such risks and who have no need for immediate liquidity in their investment. Common Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Additional Requirements for Capital

Substantial additional financing may be required if the Company is to be successful develop its business. No assurances can be given that the Company will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company, if at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Negative Cash Flow from Operating Activities

The Company has had negative cash flow from operating activities since inception. Significant capital investment will be required to achieve the Company's existing plans. There is no assurance that the Company's business will generate earnings, operate profitably or provide a return on investment in the near future. Accordingly, the Company may be required to obtain additional financing in order to meet its future cash commitments.

Limited Operating History

The Company has no products producing positive cash flow and its ultimate success will depend on its ability to generate cash flow from its products in the future. The Company has not earned profits to date and there is no assurance that it will do so in the future. Significant capital investment will be required to achieve profitable sales from the Company's existing and future products. There is no assurance that the Company will be able to raise the required funds to continue these activities.

Management of Growth

The Company may be subject to growth-related risks including pressure on its internal systems and controls. The Company's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth could have a material adverse impact on its business, operations and prospects. While management believes that it will have made the necessary investments in infrastructure to process anticipated volume increases in the short term, the Company may experience growth in the number of its employees and the scope of its operating and financial systems, resulting in increased responsibilities for the Company's personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Company will also need to continue to implement and improve its operational, financial and management information systems and to hire, train, motivate, manage and retain its employees. There can be no assurance that the Company will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support the Company's operations or that the Company will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth.

Success of Products is Dependent on Public Taste

The Company's revenues are substantially dependent on the success of its products, which depends upon, among other matters, pronounced and rapidly changing public tastes, factors which are difficult to predict and over which the Company has little, if any, control. A significant shift in consumer demand away from the Company's products or its failure to expand its current market position will harm its business. Consumer trends change based on several possible factors, including nutritional values, a change in consumer preferences or general economic conditions. Additionally, there is as a growing movement among some consumers to buy local food products in an attempt to reduce the carbon footprint associated with transporting food products from longer distances, and this could result in a decrease in the demand for food products and ingredients that the Company imports from China or the United States. These changes could lead to, among other things, reduced demand and price decreases, which could have a material adverse effect on the Company's business.

Raw Materials

The Company's products are derived from mushrooms. Accordingly, the Company and/or its manufacturers must acquire enough mushrooms so that the products can be produced to meet the demand of its customers. A mushroom shortage could result in loss of sales and damage to the Company. If the Company and/or its manufacturers become unable to acquire commercial quality mushrooms on a timely basis and at commercially reasonable prices, and are unable to find one or more replacement suppliers with

the regulatory approvals to produce mushrooms at a substantially equivalent cost, in substantially equivalent volumes and quality, and on a timely basis, the Company will likely be unable to meet customer demand.

Limited Number of Products

The Company is heavily reliant on the production and distribution of mushroom and related products. If they do not achieve sufficient market acceptance, it will be difficult for us to achieve profitability.

The Company's revenue is derived almost exclusively from sales of mushroom based products, and the Company expects that its mushroom based products will account for substantially all of its revenue for the foreseeable future. If the mushroom market declines or mushroom fails to achieve substantially greater market acceptance than it currently enjoys, the Company will not be able to grow its revenues sufficiently for it to achieve consistent profitability.

Even if products to be distributed by the Company conform to international safety and quality standards, sales could be adversely affected if consumers in target markets lose confidence in the safety, efficacy, and quality of mushrooms. Adverse publicity about mushroom based products that the Company sells may discourage consumers from buying products distributed by the Company.

Consumer Perception of Mushrooms

The Company is highly dependent upon consumer perception of mushrooms and mushroom based products. The public may associate its mushrooms with illegal psychoactive mushrooms, which are prohibited substances. The Company's revenues may be negatively impacted due to the fact the market does not fully accept the mushrooms as a food product.

Brand Awareness

The Company's products are sold in the local Vancouver and Vancouver Island regional market and certain locations throughout British Columbia and online. Brand awareness has not been achieved inside or outside these regions. There is no assurance that the Company will be able to achieve brand awareness in any of these regions. In addition, the Company must develop successful marketing, promotional and sales programs in order to sell its products. If the Company is not able to develop successful marketing, promotional and sales programs, then such failure will have a material adverse effect on the business, financial condition and operating results.

Development of New Products

The Company's success will depend, in part, on its ability to develop, introduce and market new and innovative products. If there is a shift in consumer demand, the Company must meet such demand through new and innovative products or else its business will fail. The Company's ability to develop, market and produce new products is subject to it having substantial capital. There is no assurance that the Company will be able to develop new and innovative products or have the capital necessary to develop such products.

Dependence on Management Team

The Company will depend on certain key senior managers to oversee the core marketing, business development, operational and fund raising activities and who have developed key relationships in the industry. Their loss or departure in the short-term would have an adverse effect on the Company's future performance.

Reliance on Third Party Manufacturers

The Company relies on outside sources to manufacture its products. The failure of such third party packagers to deliver either components or finished goods on a timely basis could have a material adverse effect on the business. The Company does not intend to develop its own packaging capacity in the short term. As these are third parties over which the Company will have little or no control, the failure of such third parties to provide components or finished goods on a timely basis could have a material adverse effect on the business, financial condition and operating results.

Reliance on Marketing Partners and Future Distributors

The Company sells its products online directly to end customers and it relies on third-parties for the sale and marketing of our products at retail locations. We plan to engage a distribution company to permit the Company to develop and extensive regional sales and distribution network throughout Canada. To the extent that marketing partners and distributors are distracted from selling

the Company's products or do not expend sufficient efforts in managing and selling its products, the Company's future sales will be adversely affected. The Company's ability to grow our distribution network and attract additional distributors will depend on several factors, many of which are outside of its control. Some of these factors include: (i) the level of demand for the Company's brand and products in a particular distribution area; (ii) our ability to price our products at levels competitive with those offered by competing products and (iii) the Company's ability to deliver products in the quantity and at the time ordered by distributors.

Commercialization and Marketing of Mushroom Infused Coffee

The Company, in conjunction with Drip Coffee Social Ltd., is investigating the process of commercializing and marketing mushroom infused coffee. No assurance can be given that the results of these investigations will determine that manufacturing and distribution of mushroom infused coffee will be feasible. A failure to obtain satisfactory results on these investigations could have a material adverse effect on the Company's business and may adversely affect revenues going forward.

Product Liability Insurance

The Company currently does not carry any product liability insurance coverage. Even though the Company is not aware of any product liability claims at this time, its business exposes itself to potential product liability, recalls and other liability risks that are inherent in the sale of food products. The Company can provide no assurance that such potential claims will not be asserted against it. A successful liability claim or series of claims brought against the Company could have a material adverse effect on its business, financial condition and results of operations.

Although the Company intends to obtain adequate product liability insurance, it cannot provide any assurances that it will be able to obtain or maintain adequate product liability insurance on acceptable terms, if at all, or that such insurance will provide adequate coverage against potential liabilities. Claims or losses in excess of any product liability cover that may be obtained by the Company could have a material adverse effect on its business, financial condition and results of operations.

Product Recall

The sale of products for human consumption involves inherent risks. The Company could decide to, or be required to, recall products due to suspected or confirmed contamination or product tampering. A product recall could adversely affect product sales financial condition and results of operation as well as the Company's general reputation in the industry.

Trademark Protection

The Company currently has not obtained any trademarks. Failure to register trademarks for the Company or its products could require the Company to rebrand its products resulting in a material adverse impact on its business.

Government Regulation

The processing, manufacturing, packaging, labeling, advertising and distribution of the Company's products is subject to regulation by one or more federal agencies, and various agencies of the provinces and localities in which our products are sold. These government regulatory agencies may attempt to regulate any of our products that fall within their jurisdiction. Such regulatory agencies may not accept the evidence of safety for any new ingredients that the Company may want to market, may determine that a particular product or product ingredient presents an unacceptable health risk and may determine that a particular statement of nutritional support that we want to use is an unacceptable claim. Such a determination would prevent the Company from marketing particular products or using certain statements of nutritional support on its products. The Company also may be unable to disseminate third-party literature that supports its products if the third-party literature fails to satisfy certain requirements.

In addition, a government regulatory agency could require the Company to remove a particular product from the market. Any future recall or removal would result in additional costs to the Company, including lost revenues from any products that we are required to remove from the market, any of which could be material. Any such product recalls or removals could lead to liability, substantial costs and reduced growth prospects.

Competition

The Company faces competition in the markets in which it operates. Some of the Company's competitors may also be better positioned to develop superior product features and technological innovations and able to better adapt to market trends than the Company. The Company's ability to compete depends on, among other things, high product quality, short lead-time, timely delivery, competitive pricing, range of product offerings and superior customer service and support. Increased competition may require the Company to reduce prices or increase costs and may have a material adverse effect on its financial condition and results of operations.

Any decrease in the quality of the Company's products or level of service to customers or any occurrence of a price war among the Company's competitors and the Company may adversely affect the business and results of operations.

Product Liability Claims

The Company may be required to pay for losses or injuries purportedly or actually caused by its products. Historically, there have been no product liability claims; however, there is no assurance that this trend will continue in the future. In the event that the Company's products are found to cause any injury or damage, the Company will be subject to substantial liability. This liability may exceed the funds available by the Company and result in the failure of its business.

Smaller Companies

Market perception of junior companies may change, potentially affecting the value of investors' holdings and the ability of the Company to raise further funds through the issue of further Common Shares or otherwise. The share price of publicly traded smaller companies can be highly volatile. The value of the Common Shares may go down as well as up and, in particular, the share price may be subject to sudden and large falls in value given the restricted marketability of the Common Shares.

Current Market Volatility

The securities markets in the United States and Canada have recently experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company. The value of the Common Shares distributed hereunder will be affected by such volatility.

Use of Funds

The Company has prepared a detailed budget setting out the way in which it proposes to expend the funds raised under the Offering. However, the quantum and timing of expenditure will necessarily be dependent upon receiving positive results from the Company's product development and marketing initiatives. As the Company further expands its business, it is possible that results and circumstances may dictate a departure from the pre-existing budget. Further, the Company may, from time to time as opportunities arise, utilise part of its financial resources (including the funds raised as part of the Offering) to participate in additional opportunities that arise and fit within the Company's broader objectives, as a means of advancing shareholder value.

Conflicts of Interest

All of the Company's Directors and officers act as directors and/or officers of other health and wellness companies. As such, the Company's Directors and officers may be faced with conflicts of interests when evaluating alternative health and wellness opportunities. In addition, the Company's Directors and officers may prioritize the business affairs of another Company over the affairs of the Company.

Personnel

The Company has a small management team and the loss of any key individual could affect the Company's business. Additionally, the Company will be required to secure other personnel to facilitate its marketing and product development initiatives. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Company.

Tax Issues

Income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to subscribing for the securities.

Liquidity of the Common Shares

Listing on the Exchange should not be taken as implying that there will be a liquid market for the Common Shares. Thus an investment in the Common Shares may be difficult to realise. Investors should be aware that the value of the Common Shares may be volatile. Investors may, on disposing of Common Shares, realise less than their original investment, or may lose their entire investment. The Common Shares, therefore, may not be suitable as a short-term investment.

The market price of the Common Shares may not reflect the underlying value of the Company's net assets. The price at which the Common Shares will be traded, and the price at which investors may realise their Common Shares, will be influenced by a large number of factors, some specific to the Company and its proposed operations, and some which may affect the sectors in which the Company operates. Such factors could include the performance of the Company's operations, large purchases or sales of the Common Shares, liquidity or the absence of liquidity in the Common Shares, legislative or regulatory changes relating to the business of the Company, and general market and economic conditions.

General

Although management believes that the above risks fairly and comprehensively illustrate all material risks facing the Company, the risks noted above do not necessarily comprise all those potentially faced by the Company as it is impossible to foresee all possible risks.

Although the Directors will seek to minimise the impact of the risk factors, an investment in the Company should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult a person who specialises in investments of this nature before making any decision to invest.

PROMOTERS

Gareth Birdsall, the Company's Chief Executive Officer, President and Director, took the initiative in the primary organization of the Company and accordingly is a promoter of the Company. Mr. Birdsall owns 3,000,001 Common Shares and 3,000,000 Founder's Warrants of the Company, which is 14.62% of the Common Shares outstanding prior to giving effect to the Offering. See "Principal Shareholders", "Directors and Executive Officers" and "Executive Compensation".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings that the Company is or was a party to, or that any of the Company's property is or was the subject of, since September 30, 2019, that were or are material to the Company, and there are no such material legal proceedings that the Company knows to be contemplated.

There were no: (i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority since inception on September 30, 2019; (ii) other penalties or sanctions imposed by a court or regulatory body against the Company that the Company believes must be disclosed for this prospectus to contain full, true and plain disclosure of all material facts relating to the Common Shares; or (iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority since inception on March 26, 2019.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

None of the Directors or executive officers of the Company, and no associate or affiliate of the foregoing persons, has, or has had, any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or will materially affect the Company or any of its subsidiaries.

RELATIONSHIP BETWEEN COMPANY AND AGENT

The Company is not a "related issuer" or a "connected issuer" of or to the Agent (as such terms are defined in National Instrument 33-105 – *Underwriter Conflicts*).

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are Dale Matheson Carr-Hilton Labonte LLP, located at 1140 W Pender St #1500-1700, Vancouver, BC V6E 4G1.

The transfer agent and registrar for the Common Shares is National Securities Administrators Ltd., located at Suite 760,770 Hornby Street, Vancouver BC V6Z 1S4.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only contracts which have been entered into by the Company as of the date hereof or which will be entered into prior to the Closing of this Offering and which are regarded presently as material are:

1. Asset Purchase Agreement dated May 31, 2019, between the Company and Tip Top Gizmos Inc. See “Business of the Company”.
2. Consignment and Marketing Agreement dated September 11, 2019, between the Company and Drip Coffee Social Ltd. See “Business of the Company”.
3. Research and Development Agreement dated September 18, 2019, between the Company and Drip Coffee Social Ltd. See “Business of the Company”.
4. Pop Up Shop Design Agreement dated September 19, 2019, among the Company, JR Design and Ibis Capital Corporation. See “Business of the Company”.
5. Preferred Distributor Agreement between the Company and Eurolife Brands Inc. See “Business of the Company”.
6. Stock Option Plan adopted October 15, 2019. See “Description of the Securities Distributed”.
7. Escrow Agreement dated February 5, 2020 among the Company, National Securities Administrators Ltd. and the Escrowed Shareholders. See “Escrowed Securities”.
8. Agency Agreement dated February 5, 2020 between the Company and PI Financial Corp. See “Plan of Distribution”.

EXPERTS

The following persons or companies whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company are named in this prospectus as having prepared or certified a report, valuation, statement or opinion in this prospectus:

- (b) The audited financial statements included in this prospectus have been subject to audit by Dale Matheson Carr-Hilton Labonte LLP, and their audit report is included herein. Dale Matheson Carr-Hilton Labonte LLP is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.
- (c) The opinion under the section “Eligibility for Investment” has been provided by Koffman Kalef LLP.

None of the foregoing persons, partnerships or companies or any director, officer, employee, principal or partner thereof holds, have held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of its associates or affiliates when such person or company prepared the report, valuation, statement or opinion aforementioned or thereafter. No other director, officer, partner or employee of any of the aforementioned companies or partnerships is currently expected to be elected, appointed or employed as a director, officer or employee of the Company or any associates or affiliates of the Company.

ELIGIBILITY FOR INVESTMENT

In the opinion of Koffman Kalef LLP, counsel to the Company, based on the provisions of the Income Tax Act (Canada) and the regulations thereunder (collectively, the “Tax Act”) in force as of the date hereof and all proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, the Offered Shares, if issued on the date hereof, will be qualified investments for a trust governed by a registered retirement savings plan (“RRSP”), a registered retirement income fund (“RRIF”), a registered education savings plan (“RESP”), a deferred profit sharing plan, a registered disability savings plan (“RDSP”) and a tax-free savings account (“TFSA”) as each of those terms is defined in the Tax Act provided that the Offered Shares are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes the Exchange) or is otherwise a “public corporation” within the meaning of the Tax Act.

Notwithstanding that the Offered Shares may be a qualified investment for a trust governed by an RRSP, RRIF, RESP, RDSP, or TFSA (each, a “Registered Plan”), the annuitant of an RRSP or RRIF, the subscriber under an RESP or the holder of a TFSA or RDSP, as the case may be, (the “Controlling Individual”) will be subject to a penalty tax in respect of Offered Shares held in the Registered Plan if the Offered Shares are a “prohibited investment” (as defined in the Tax Act) for the particular Registered Plan. The Offered Shares will be a “prohibited investment” for a Registered Plan if the Controlling Individual (i) does not deal at arm’s length with the Company for purposes of the Tax Act, or (ii) has a “significant interest” (as defined in subsection 207.01(4) of the Tax Act) in the Company. Generally, a Controlling Individual will not be considered to have a “significant interest” in the Company provided that the Controlling Individual, together with persons with whom the Controlling Individual does not deal at arm’s length, does not own, directly or indirectly, at any time in the year 10% or more of the issued shares of any class of the Company or of any corporation related to the Company (for purposes of the Tax Act). In addition, the Offered Shares will not be a “prohibited investment” if the Offered Shares are “excluded property” as defined in the Tax Act for a Registered Plan.

Purchasers of Offered Shares should consult their own advisors to ensure that the Offered Shares would not be a prohibited investment in their particular circumstances.

RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in British Columbia, Alberta and Ontario provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. The securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages, if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission are exercised by the purchaser within the time limit prescribed by securities legislation of British Columbia, Alberta and Ontario. The purchaser should refer to any applicable provisions of the securities legislation of British Columbia, Alberta or Ontario for the particulars of these rights or consult with a legal adviser.

FINANCIAL STATEMENTS

The Company has included audited financial statements of the Company for the period from inception on March 26, 2019 to September 30, 2019.

Champignon Brands Inc. (Formerly, Nature Leaf Wellness Corp.)

Financial Statements

(Expressed in Canadian Dollars)

For the period from March 26, 2019 (incorporation) to September 30, 2019



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Champignon Brands Inc.,

Opinion

We have audited the financial statements of Champignon Brands Inc. (the "Company"), which comprise the statement of financial position as at September 30, 2019, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the period from March 26, 2019 (incorporation) to September 30, 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2019, and its financial performance and its cash flows for the period from March 26, 2019 (incorporation) to September 30, 2019 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit 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 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 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 is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which indicates that the Company incurred a net loss of \$172,723 for the period from March 26, 2019 (incorporation) to September 30, 2019 and had a deficit of \$172,723 as at September 30, 2019. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty 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 comprises the information included in Management's Discussion and Analysis. Our opinion on the financial statements does not cover the other information and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, 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 Financial Statements

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

In preparing the 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.



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, B.C.

February 5, 2020

Champignon Brands Inc. (Formerly, Nature Leaf Wellness Corp.)

Statement of Financial Position

(Expressed in Canadian Dollars)

As at	Notes	September 30, 2019 \$
ASSETS		
Current assets		
Cash		855,669
Prepaid expenses	3	153,093
Inventory	4	33,783
		1,042,545
Non-current assets		
Intangible asset	5	117,929
TOTAL ASSETS		1,160,474
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	6, 7	53,263
TOTAL LIABILITIES		53,263
SHAREHOLDERS' EQUITY		
Share capital	8	1,269,500
Reserve	8	10,434
Deficit		(172,723)
TOTAL SHAREHOLDERS' EQUITY		1,107,211
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,160,474

Nature and continuance of operations (Note 1)

Approved on behalf of the Board:

"Gareth Birdsall"

Gareth Birdsall, Director

"Matthew Fish"

Matthew Fish, Director

Champignon Brands Inc. (Formerly, Nature Leaf Wellness Corp.)

Statement of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

		For the period from March 26, 2019 (incorporation) to September 30, 2019
	Notes	\$
Revenue		
Revenue		212
Cost of sales		(87)
Gross profit		125
Expenses		
Amortization	5	2,071
Research and development	10	50,000
Consulting fees	7	36,474
Office and miscellaneous		14,783
Advertising and promotion		42,500
Legal fees		19,763
Management fees		7,000
Foreign exchange		257
Total expenses		172,848
Net loss and comprehensive loss for the period		(172,723)
Loss per share – basic and diluted		(0.02)
Weighted average number of common shares outstanding – basic and diluted		8,601,958

Champignon Brands Inc. (Formerly, Nature Leaf Wellness Corp.)

Statement of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

	Notes	Share capital		Reserve \$	Deficit \$	Total \$
		Number of shares #	Amount \$			
Incorporation, March 26, 2019		-	-	-	-	-
Private placements (net of share issuance costs)	8	17,276,001	1,204,500	-	-	1,204,500
Shares issued for services	8	250,000	5,000	-	-	5,000
Shares issued for asset acquisition of intangible asset	5, 8	3,000,000	60,000	-	-	60,000
Warrants issued	8	-	-	10,434	-	10,434
Loss and comprehensive loss		-	-	-	(172,723)	(172,723)
Balance at September 30, 2019		20,521,001	1,269,500	10,434	(172,723)	1,107,211

The accompanying notes are an integral part of these financial statements

Championnion Brands Inc. (Formerly, Nature Leaf Wellness Corp.)
Statement of Cash Flows
(Expressed in Canadian Dollars)

	For the period from March 26, 2019 (incorporation) to September 30, 2019 \$
Operating activities	
Net loss for the period	(172,723)
Items not affecting operating cash:	
Amortization	2,071
Shares issued for services	5,000
Changes in non-cash working capital items:	
Increase in inventory	(33,783)
Increase in prepaid expenses	(142,659)
Increase in accounts payable and accrued liabilities	53,263
Net cash flows used in operating activities	(288,831)
Investing activities	
Acquisition of intangible asset	(60,000)
Net cash flows used in investing activities	(60,000)
Financing activities	
Private placements (net of issuance costs)	1,204,500
Net cash flows from financing activities	1,204,500
Increase in cash	855,669
Cash, beginning	-
Cash, ending	855,669
Non Cash	\$
Shares issued for the acquisition of intangible asset	60,000
Shares issued for services	5,000

The accompanying notes are an integral part of these financial statements

Champignon Brands Inc. (Formerly, Nature Leaf Wellness Corp.)

Notes to the Financial Statements

For the period from March 26, 2019 (incorporation) to September 30, 2019

(Expressed in Canadian Dollars)

1. Nature and continuance of operations

Champignon Brands Inc. (Formerly, Nature Leaf Wellness Corp.) (the “Company”) was incorporated on March 26, 2019, under the laws of the province of British Columbia, Canada. The Company is engaged in the business of formulation and end distribution of a suite of artisanal mushroom infused beverage products, with the objective of promoting holistic health and wellness through a healthy diet. On June 7, 2019, the Company changed its name from Nature Leaf Wellness Corp. to Champignon Brands Inc. The Company’s fiscal year-end is September 30.

The Company’s principal address, records office and registered address are located at Suite 810 – 789 West Pender Street, Vancouver, BC, V6C 1H2.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company is in the development stage and currently has no sources of cash from operations. Further funds will be required to successfully develop the Company’s business and there is no certainty that these funds will be available. As at September 30, 2019 the Company had accumulated losses of \$172,723. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company’s continuation as a going concern is dependent upon its ability to raise equity capital or borrowings sufficient to meet current and future obligations and ultimately achieve profitable operations. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with issuance of common shares, loans from directors and companies controlled by directors and or profits from its business activities.

2. Significant accounting policies

Basis of presentation and statement of compliance

Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Reporting Interpretation Committee (“IFRIC”) for the period presented.

These financial statements were authorized for issue by the Board of Directors on February 5, 2020.

Basis of Presentation

The financial statements of the Company have been prepared on an accrual basis and are based on historical cost, except for financial instruments measured at fair value. The financial statements are presented in Canadian dollars unless otherwise noted.

The functional and presentation currency of the Company is the Canadian dollar.

Inventory

Inventory is valued at the lower of cost and net realizable value with cost based upon the weighted average method of inventory costing. The realizable value of finished goods is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. The cost of finished goods inventory is based on landed cost, which includes all costs incurred to bring inventory to the Company including product, conversion and packaging costs. If the Company determines that the estimated net realizable value of its inventory is less than the carrying value of such inventory, it records a charge to cost of sales.

2. Significant accounting policies (continued)

Intangible assets

Intangible assets are stated at cost less accumulated amortization. The Company capitalizes direct costs that are directly attributable to the acquisition or development of its website. The Company capitalizes direct costs incurred during the application and infrastructure development and graphical design development stages of its website development projects. All website costs incurred during the preliminary project stage, including planning and research, are expensed as incurred, as well as any costs incurred for content development and costs incurred once development is complete.

Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization periods and the amortization methods for an intangible asset with a finite useful lives are reviewed at least at the end of each reporting period. Changes in the expected useful lives or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the remaining amortization periods or methods, as appropriate, and are treated as changes in accounting estimates.

The Company has no indefinite live intangible assets.

Intangible assets are amortized over the following methods and periods:

Type	Amortization method
Website	Straight-line basis over 10 years

Research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

1. The technical feasibility of completing the intangible asset so that it will be available for use or sale;
2. The intention to complete the intangible asset and use or sell it;
3. The ability to use or sell the intangible asset;
4. How the intangible asset will generate probable future economic benefits;
5. The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
6. The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Financial instruments

The Company adopted all of the requirements of IFRS 9 Financial Instruments on incorporation. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 utilizes a revised model for recognition and measurement of financial instruments in a single, forward-looking “expected loss” impairment model.

The following is the Company’s accounting policy for financial instruments under IFRS 9:

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition.

2. Significant accounting policies (continued)

Classification (continued)

The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the classification under IFRS 9:

Financial assets/liabilities	Classification IFRS 9
Cash	FVTPL
Accounts payable	Amortized cost

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of loss and comprehensive loss in the period in which they arise.

Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

2. Significant accounting policies (continued)

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

Impairment of assets

The carrying amount of the Company's assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of loss and comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and short-term highly liquid investments and bank overdrafts. As at September 30, 2019, the Company does not have any cash equivalents.

Loss per Share

The Company presents basic and diluted earnings (loss) per share ("EPS") data for its common shares. Basic EPS is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by dividing the profit or loss attributable to common shareholders by the weighted average number of common shares outstanding, adjusted for own shares held and for the effects of all potential dilutive common shares related to outstanding stock options and warrants issued by the Company for the periods presented, except if their inclusion proves to be antidilutive.

2. Significant accounting policies (continued)

Share capital

The Company records proceeds from the issuance of its common shares as equity. Proceeds received on the issuance of common shares are allocated to common share component. The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in the private placement was determined to be the more easily measurable component and were valued at their fair value, as determined by cash received. The remaining proceeds, if any, are allocated to the attached warrants. Any fair value attributed to the warrants is recorded as warrant reserve. Management does not expect to record a value to the warrant in most equity issuances as unit private placements are commonly priced at market or at a permitted discount to market. If the warrants are issued as share issuance costs, the fair value of agent's warrants are measured using the Black-Scholes Option Pricing Model and recognized in equity as a deduction from the proceeds.

If the warrants are exercised, the related amount is reclassified as share capital. If the warrants expire unexercised, the related amount remains in warrant reserve.

Incremental costs directly attributable to the issue of new common shares are shown in equity as a deduction, net of tax, from the proceeds. Common shares issued for consideration other than cash are valued based on the last completed private placement.

Income taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in the statement of loss and comprehensive loss. Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Revenue recognition

The Company adopted all requirements of IFRS 15 Revenue from Contracts with Customers ("IFRS 15"). IFRS 15 utilizes a methodical framework for entities to follow to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

2. Significant accounting policies (continued)

Revenue recognition (continued)

The IFRS 15 model contains the following five-step contract-based analysis of transactions guiding revenue recognition:

1. Identify the contract with a customer;
2. Identify the performance obligation(s) in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligation(s) in the contract; and
5. Recognize revenue when or as the Company satisfies the performance obligation(s).

The Company derives revenues from the sale of tea products and the resale of Auralite minerals. The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities as described below.

The sale of tea products and Auralite minerals is recognized when the products are shipped, or the products delivered and when all significant contractual obligations have been satisfied. There is no unfulfilled obligation that could affect the customer's acceptance of the products after delivering the product. Revenue is shown net of returns and discounts.

Critical Accounting Estimates and Judgments

The preparation of financial statements in conformance with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical Accounting Judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

The preparation of financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

2. Significant accounting policies (continued)

Critical Accounting Estimates and Judgments (continued)

Critical accounting estimates:

1. The assessment of indications of impairment of intangible assets;
2. The value of inventories carried at the lower of cost and net realizable value; and
3. The measurement of deferred income tax assets and liabilities.

Critical accounting judgments:

1. The determination of categories of financial assets and financial liabilities; and
2. The evaluation of the Company's ability to continue as a going concern.

New accounting pronouncements

IFRS 16, Leases: This new standard replaces IAS 17 "Leases" and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted for entities that have adopted IFRS 16. The Company has no leases as at September 30, 2019.

3. Prepaid expenses

Prepaid expenses consists of \$45,200 advance for the construction of a pop-up store, \$25,000 of research and development expenses, \$72,459 for production orders to produce tea, and a prepayment of \$10,434 on consignment and marketing services (Note 8).

4. Inventory

Inventory consists of the following:

	September 30, 2019
	\$
Raw materials	13,783
Finished goods	20,000
	33,783

Raw materials consists of the ingredients used to produce tea. Finished goods consists of Auralite Minerals purchased with the purpose of reselling as a complementary ancillary product.

Champignon Brands Inc. (Formerly, Nature Leaf Wellness Corp.)
Notes to the Financial Statements
For the period from March 26, 2019 (incorporation) to September 30, 2019
(Expressed in Canadian Dollars)

5. Intangible asset

	Website
	\$
Cost:	
As at March 31, 2019 (incorporation)	-
Additions	120,000
As at September 30, 2019	120,000
Accumulated amortization:	
As at March 31, 2019 (incorporation)	-
Additions	(2,071)
As at September 30, 2019	(2,071)
Net carrying amounts:	
As at September 30, 2019	117,929

On May 31, 2019, the Company entered into an asset purchase agreement with Tip Top Gizmos ("Tip Top") to acquire Tip Top's website ("Website") and all of the intellectual property related to the Website ("Acquired Assets"). As consideration, the Company paid \$50,000 in cash and issued 3,000,000 common shares with a fair value of \$60,000 (Note 8). The Company incurred an additional \$10,000 for enhancing the features of the Website for the Company's operations. The Company uses the Website (<https://vitalitysuperteas.com/>) to advertise and sell its products.

6. Accounts payables and accrued liabilities

	September 30,
	2019
	\$
Accounts payable (Note 7)	31,500
Accrued liabilities	21,763
	53,263

7. Related party transactions and balances

The Company has identified its directors and certain senior officers as its key management personnel.

Key management compensation consist of the following for the period from March 26, 2019 (incorporation) to September 30, 2019:

	Period from March 26,
	2019 (incorporation) to
	September 30, 2019
	\$
Consulting fees charged by the CEO	31,500

Included in accounts payable at September 30, 2019 is \$31,500 owed to the CEO of the Company for consulting fees (Note 6). This amount is due on demand, unsecured, and without interest.

Champignon Brands Inc. (Formerly, Nature Leaf Wellness Corp.)
Notes to the Financial Statements
For the period from March 26, 2019 (incorporation) to September 30, 2019
(Expressed in Canadian Dollars)

8. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

During the period ended September 30, 2019, the Company issued an incorporation share at \$0.01 per share.

During the period ended September 30, 2019, the Company issued 3,000,000 founders' units at \$0.005 per unit for total proceeds of \$15,000. Each unit consisted of one common share of the Company and one share purchase warrant. Each warrant may be exercised to purchase one additional common share at a price of \$0.005 per share (increasing to \$0.10 per share on such date that the Company is listed on a public stock exchange) for a period of 5 years from the date of issuance. The fair value of \$nil was assigned to these warrants.

During the period ended September 30, 2019, the Company issued 3,500,000 shares at \$0.02 per share for gross proceeds of \$70,000. Included in this private placement, the Company issued 5,000 shares to the Company's lawyer in lieu of legal services performed for this issuance.

During the period ended September 30, 2019, the Company entered into an asset purchase agreement and issued 3,000,000 common shares at a fair value of \$60,000 for the acquisition of the Company's website (Note 5).

During the period ended September 30, 2019, the Company issued 2,000,000 common shares in a non-brokered private placement at a price of \$0.075 per share for total proceeds of \$150,000.

During the period ended September 30, 2019, the Company issued 5,000,000 units in a private placement at a price of \$0.10 per unit for total proceeds of \$500,000. Each unit consists of one common share and one half of one share purchase warrant. Each warrant will entitle the holder to purchase an additional share at a price of \$0.15 per share for a period of 3 years from the date of issuance. The fair value of \$nil was assigned to these warrants.

During the period ended September 30, 2019, the Company issued 4,021,000 common shares in a private placement at a price of \$0.125 per share for gross proceeds of \$502,625.

The Company incurred share issuance costs of \$28,125 in connection with the private placements completed during the period ended September 30, 2019.

Escrow shares

As at September 30, 2019, 3,000,001 shares and 3,000,000 share purchase warrants are held in escrow and will be released based on the following:

On the date on which the common shares are first listed for trading on the exchange, ("Listing Date"), 300,000 common shares and 300,000 share purchase warrants will be released from escrow. The remaining 2,700,001 common shares and 2,700,000 share purchase warrants will be released pursuant to the following schedule:

6 months after the Listing Date	1/6 of the remaining escrow securities
12 months after the Listing Date	1/5 of the remaining escrow securities
18 months after the Listing Date	1/4 of the remaining escrow securities
24 months after the Listing Date	1/3 of the remaining escrow securities
30 months after the Listing Date	1/2 of the remaining escrow securities
36 months after the Listing Date	the remaining escrow securities

Champignon Brands Inc. (Formerly, Nature Leaf Wellness Corp.)
Notes to the Financial Statements
For the period from March 26, 2019 (incorporation) to September 30, 2019
(Expressed in Canadian Dollars)

8. Share capital (continued)

Warrants

The continuity of the Company's share purchase warrants pursuant is as follows:

	Number of share purchase warrants #	Weighted average exercise price \$
Outstanding, incorporation	-	-
Granted	5,900,000	0.08
Outstanding, September 30, 2019	5,900,000	0.08

As at September 30, 2019, the Company had share purchase warrants exercisable to acquire common shares of the Company as follows:

	Exercise price \$	Number of warrants #
Expiry date		
August 22, 2022	0.15	2,500,000
September 11, 2021	0.15	400,000
May 9, 2024	0.005	3,000,000
		5,900,000

Consignment and Marketing Agreement

The Company entered into an agreement (the "Consignment Agreement") dated September 11, 2019, with Drip Coffee Social Ltd. (the "Consignee") whereas the Company ("Consignor") is willing to deliver and sell consigned goods and the consignee is willing to assist in marketing consigned goods at pop-up events.

Pursuant to the Consignment Agreement, the Company issued 400,000 share purchase warrants ("consideration warrants") in consideration of the marketing services. The consideration warrants are exercisable at a price of \$0.15 per share for a period of 2 years from the date of issue. The consideration warrants shall vest on completion of the following milestones:

1. 100,000 shall vest following Consignee providing the services for a period of at least one month;
2. 75,000 shall vest upon gross revenues from the sale of the goods exceeding \$25,000;
3. 75,000 shall vest upon gross revenues from the sale of the goods exceeding \$50,000; and
4. 150,000 shall vest upon gross revenues from the sale of the good exceeding \$100,000.

The term of the agreement is 6 months and shall automatically renew for successive 6 month periods.

The fair value of the warrants was determined to be \$10,434 using the Black-Scholes Option Pricing Model, assuming a 0% dividend yield, 100% volatility, a risk free interest rate of 1.59%, and a term of 2 years. The fair value was also calculated based on the estimated probability of completing each milestone. As at September 30, 2019, the Consignee has not provided any services, therefore the fair value assigned to the warrants was recognized as a prepaid expense (Note 3).

Reserve

The warrant reserve records the fair value of the common shares purchase warrants recorded using the Black-Scholes Option Pricing Model.

Champignon Brands Inc. (Formerly, Nature Leaf Wellness Corp.)
Notes to the Financial Statements
For the period from March 26, 2019 (incorporation) to September 30, 2019
(Expressed in Canadian Dollars)

9. Income Taxes

A reconciliation of the income taxes at statutory rates to reported taxes is as follows:

	Period from March 26, 2019 (incorporation) to September 30, 2019 \$
Net loss	172,723
Statutory tax rate	27%
Expected income tax recovery at the statutory tax rate	46,635
Non-deductible items and other	7,035
Change in unrecognized deductible temporary differences	(53,670)
Income tax recovery	-

The Company has the following deductible temporary differences for which no deferred tax asset has been recognized:

	Period from March 26, 2019 (incorporation) to September 30, 2019 \$
Non-capital loss carry-forwards	47,595
Share issuance costs	6,075
Unrecognized deferred tax assets	(53,670)
Deferred tax assets	-

The Company has non-capital losses of approximately \$176,000 that will commence expiring in the year 2039.

10. Research and development

The research and development consists of costs incurred in the development of tea and coffee recipes.

11. Financial risk and capital management

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

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with a major bank in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. Credit risk related to cash is assessed as low.

Championnion Brands Inc. (Formerly, Nature Leaf Wellness Corp.)

Notes to the Financial Statements

For the period from March 26, 2019 (incorporation) to September 30, 2019

(Expressed in Canadian Dollars)

11. Financial risk and capital management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. As of September 30, 2019, the Company had working capital of \$989,282 to cover short term obligations.

Historically, the Company's sole source of funding has been loans from related parties and private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. Liquidity risk is assessed as moderate.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to foreign exchange risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at September 30, 2019, the Company did not have any financial instruments subject to interest rate risk.

Capital management

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

Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The following is an analysis of the Company's financial assets measured at fair value using level inputs as at September 30, 2019:

	As at September 30, 2019		
	Level 1	Level 2	Level 3
	\$	\$	\$
Cash	855,669	-	-

Accounts payable approximates its fair value due to its short-term maturity.

SCHEDULE “A” - AUDIT COMMITTEE CHARTER

I. MANDATE

The Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Champignon Brands Inc. (the “Company”) shall assist the Board in fulfilling its financial oversight responsibilities. The Committee’s primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company’s financial statements and other financial information;
2. The compliance of such statements and information with legal and regulatory requirements;
3. The qualifications and independence of the Company’s independent external auditor (the “Auditor”); and
4. The performance of the Company’s internal accounting procedures and Auditor.

II. STRUCTURE AND OPERATIONS

A. Composition

The Committee shall be comprised of three or more members.

B. Qualifications

Each member of the Committee must be a member of the Board.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement and cash flow statement.

C. Appointment and Removal

In accordance with the Articles of the Company, the members of the Committee shall be appointed by the Board and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

D. Chair

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for and chair all meetings of the Committee.

E. Meetings

The Committee shall meet as frequently as circumstances dictate. The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company’s annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company’s financial statements in a manner consistent with Section III of this Charter.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

III. DUTIES

A. Introduction

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

B. Powers and Responsibilities

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

Independence of Auditor

1. Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company.
2. Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.
3. Require the Auditor to report directly to the Committee.
4. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

Performance & Completion by Auditor of its Work

1. Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, including resolution of disagreements between management and the Auditor regarding financial reporting.
2. Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company.
3. Recommend to the Board the compensation of the Auditor.
4. Pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

Internal Financial Controls & Operations of the Company

1. Establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Preparation of Financial Statements

1. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
2. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.
3. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
4. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
5. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:
 - (a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor, internal auditor or management.
 - (b) The management inquiry letter provided by the Auditor and the Company's response to that letter.
 - (c) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Public Disclosure by the Company

1. Review the Company's annual and interim financial statements, management discussion and analysis (MD&A) and earnings press releases before the Board approves and the Company publicly discloses this information.
2. Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.
3. Review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Manner of Carrying Out its Mandate

1. Consult, to the extent it deems necessary or appropriate, with the Auditor, but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
2. Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
3. Meet, to the extent it deems necessary or appropriate, with management, any internal auditor and the Auditor in separate executive sessions.
4. Have the authority, to the extent it deems necessary or appropriate, to retain special independent legal, accounting or other consultants to advise the Committee advisors.

5. Make regular reports to the Board.
6. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
7. Annually review the Committee's own performance.
8. Provide an open avenue of communication among the Auditor, the Company's financial and senior management and the Board.
9. Not delegate these responsibilities.

C. Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.

CERTIFICATE OF THE COMPANY

Dated: February 5, 2020

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

"Gareth Birdsall" (signed)

Gareth Birdsall
Chief Executive Officer, President and Secretary

"Stephen Brohman" (signed)

Stephen Brohman
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"Jerry Habuda" (signed)

Jerry Habuda
Director

"Joe Perino" (signed)

Joe Perino
Director

CERTIFICATE OF PROMOTER

Dated: February 5, 2020

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

"Gareth Birdsall" (signed)

Gareth Birdsall
Promoter

CERTIFICATE OF THE AGENT

Dated: February 5, 2020

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

PI FINANCIAL CORP.

Jim Locke (signed)

Jim Locke
Vice President, Investment Banking