A copy of this amended and restated preliminary prospectus has been filed with the securities regulatory authority in Ontario but has not yet become final. Information contained in this amended and restated preliminary prospectus may not be complete and may have to be amended.

This prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities. This non-offering prospectus does not constitute a public offering of securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

AMENDED AND RESTATED NON-OFFERING PRELIMINARY PROSPECTUS DATED MARCH 23, 2021, AMENDING AND RESTATING THE NON-OFFERING PRELIMINARY PROSPECTUS DATED DECEMBER 7, 2020

NON-OFFERING PROSPECTUS

March 23, 2021

MARY AGROTECHNOLOGIES INC.
115 Apple Creek Boulevard, Unit 3
Markham, Ontario L3R 6C9
Canada

No securities are being offered pursuant to this Prospectus.

This non-offering prospectus (the "**Prospectus**") is being filed with the Ontario Securities Commission (the "**OSC**') for the purpose of allowing Mary Agrotechnologies Inc. ("**Mary Ag**" or the "**Company**") to comply with Policy 2 – *Qualifications for Listing* of the Canadian Securities Exchange ("**CSE**" or the "**Exchange**") in order for the Company to meet one of the eligibility requirements for the listing of Mary Ag's common shares (the "**Common Shares**") on the CSE. Since no securities are being sold pursuant to this Prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company from its general funds.

Mary Ag has applied for a listing (the "**Listing**") of its Common Shares on the CSE.

There is currently no market through which any of the securities of the Company may be sold and holders of the Company's securities may not be able to resell any such securities. This may affect the pricing of the Company's securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation.

No underwriter has been involved in the preparation of this Prospectus or performed any review or independent due diligence investigations in respect of the contents of this Prospectus.

An investment in the Common Shares of the Company should be considered highly speculative and involves a high degree of risk that should be considered by potential purchasers. There is no guarantee that an investment in the Company will earn any positive return in the short or long term. An investment in the Company is appropriate only for investors who are willing to risk a loss of some or all of their investment and who can afford to lose some or all of their investment. There are certain risk factors associated with an investment in the Common Shares. The risk factors included in this Prospectus should be reviewed carefully and evaluated by prospective purchasers of Common Shares. See "*Risk Factors*", and "*Forward-Looking Information*".

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities.

The registered and head office of the Company is 115 Apple Creek Boulevard, Unit 3, Markham, Ontario, L3R 6C9, Canada.

ADVISORY

Prospective investors should read this entire Prospectus and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of an investment in the Common Shares. Prospective investors should rely only on the information contained in this Prospectus and should not rely on parts of the information contained in this Prospectus to the exclusion of others. The Company has not authorized anyone to provide additional or different information than is contained herein. If anyone provides a prospective investor with additional, different or inconsistent information, including statements in the media about the Company, such information should not be relied on.

The information contained in this Prospectus is accurate only as of the date of this Prospectus or as of the date stated. The Company's business, financial condition, results of operations and prospects may have changed since the date of this Prospectus.

As used in this Prospectus, the terms "we", "us", "our", "Mary Ag" and "Company" mean Mary Agrotechnologies Inc., unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward- looking statements involve known and unknown risks, uncertainties and other factors which 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. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Prospectus. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, the ability of the Company to obtain necessary financing, satisfy the requirements of the Exchange with respect to the Listing, the economy generally, changes in government regulations, retention of skilled management and staff, consumer interest in the services and products of the Company, competition, and anticipated and unanticipated costs. Such statements could also be materially affected by the impact of general imprecision of environmental risks, environmental regulation, taxation policies, competition, the lack of available and qualified personnel or management, stock market volatility and the ability to access sufficient capital from internal or external sources. Actual results, performance or achievement could differ materially from those expressed herein. While the Company anticipates that subsequent events and developments may cause its views to change, the forward-looking statements are included to allow the reader to understand our current working capital position, and may not be appropriate for other purposes. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date of this Prospectus. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

The factors identified above are not intended to represent a complete list of the factors that could affect the Company. Additional factors are noted in this Prospectus under "*Risk Factors*".

GENERAL DISCLOSURE INFORMATION

The Company is not offering to sell securities under this Prospectus. An investor should rely only on the information contained in this Prospectus. No person has been authorized by the Company to give any information or make any representations in connection with the transactions herein described other than those contained in this Prospectus and, if given or made, any such information or representation must not be relied upon as having been authorized by the Company. 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.

Definitions and Selected Abbreviations

Various terms used in this Prospectus, including the cover pages, are defined under "*Glossary*".

Certain Information

Unless otherwise indicated or the context otherwise requires, all dollar amounts contained in this Prospectus are in Canadian dollars. Aggregated figures in graphs, charts and tables contained in this Prospectus may not add due to rounding. Historical statistical data and/or historical returns are not necessarily indicative of future performance. Unless otherwise indicated, the market and industry data contained in this Prospectus is based upon information from industry and other publications and the knowledge of management and experience of the Company in the markets in which the Company operates. While management of the Company believes that this data is reliable, market and industry data is subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. Mary Ag has not independently verified any of the data from third-party sources referred to in this Prospectus or ascertained the underlying assumptions relied upon by such sources.

Words importing the singular number include the plural and vice versa, and words importing any gender or the neuter include both genders and the neuter.

SN 51-352 DISCLOSURE

The Company currently sells growing devices, and plans to engage in vertical farming of hemp in China. The growing devices can be used by consumers to grow cannabis in the United States.

The United States federal government regulates drugs through the Controlled Substances Act (21 U.S.C. §811) (the "CSA"), which places controlled substances, including cannabis, in a schedule. Cannabis is classified as a Schedule I drug. Under United States federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the United States, and a lack of accepted safety for the use of the drug under medical supervision. The United States Food and Drug Administration has not approved marijuana as a safe and effective drug for any indication.

In the United States, cannabis is largely regulated at the state level. State laws that permit and regulate the production, distribution, sale and use of cannabis for adult-use or medical purposes are in direct conflict with the CSA, which makes cannabis cultivation, production of cannabis derived products, distribution, sale and use and possession illegal under U.S. federal law. Although certain states authorize medical or adult-use cannabis production and distribution by licensed or registered entities, under U.S. federal law, the possession, use, cultivation, and transfer of cannabis and any related drug paraphernalia is illegal and any such acts are criminal acts under federal law. The Supremacy Clause of the United States Constitution establishes that the United States Constitution and federal laws made pursuant to it are paramount and in case of conflict between federal and state law, the federal law shall apply.

While the Company does not believe its business is illegal under U.S. federal or state laws as it only sells growing devices to consumers in the United States, and the Company is not aware of any statements, guidance or regulatory actions taken by U.S. federal or state authorities on growing equipment

manufacturers, there is no assurance that U.S. federal or state authorities will not take action to restrict the Company's ability to operate in the U.S.

Readers are cautioned that the Company has not sought United States legal advice or obtained legal opinions as to the legality of the Company's operations in the United States.

On January 4, 2018, then U.S. Attorney General Jeff Sessions issued a memorandum to U.S. district attorneys which rescinded previous guidance from the U.S. Department of Justice ("DOJ") specific to cannabis enforcement in the United States. As a result, U.S. federal prosecutors have been given discretion in determining whether to prosecute cannabis related violations of U.S. federal law.

If the Department of Justice pursues prosecutions, then the Company could face: (i) seizure of its cash and other assets used to support or derived from its cannabis subsidiaries; (ii) the arrest of its employees, directors, officers, managers and investors, and charges of ancillary criminal violations of the CSA for aiding and abetting and conspiring to violate the CSA by virtue of providing financial support to cannabis companies that service or provide goods to state-licensed or permitted cultivators, processors, distributors, and/or retailers of cannabis; or (iii) barring employees, directors, officers, managers and investors who are not U.S. citizens from entry into the United States for life.

On November 7, 2018, Mr. Sessions tendered his resignation as Attorney General at the request of former President Donald Trump. Following Mr. Sessions' resignation, William Barr was sworn in as United States Attorney General. During his confirmation hearing on January 15, 2019, Mr. Barr pledged not to pursue marijuana companies that comply with state law. This pledge was made in writing, when responding to written questions from Senators: "As discussed in my hearing, I do not intend to go after parties who have complied with the state law in reliance on the Cole Memorandum". Moreover, in January of 2019, Mr. Barr, in a series of written responses to the Senate Judiciary Committee as a follow up to his confirmation hearing, stated his preference is that the "legislative process, rather than administrative guidance, is ultimately the right way to resolve whether and how to legalize marijuana." Mr. Barr's statements are not official declarations of the DOJ policy, are not binding on the DOJ, on any U.S. Attorney, or on the federal courts. In June 2020, a federal prosecutor accused Mr. Barr of ordering "politically motivated" antitrust reviews of 10 marijuana business mergers, allegedly because he personally did not support their underlying business in the marijuana industry. At least one of those investigations allegedly resulted in the collapse of a proposed merger between two large cannabis businesses. On December 14, 2020, former President Trump announced that Mr. Barr would be resigning from his post as Attorney General, effective December 23, 2020. On December 24, 2020, Jeffrey Rosen began serving as the Acting Attorney General of the United States. On January 7, 2021, then President-elect Joe Biden announced Judge Merrick Garland as his nomination for the next U.S. Attorney General. On January 20, 2021, Robert Wilkinson replaced Jeffrey Rosen as the Acting Attorney General of the United States while Judge Garland sought confirmation from the U.S. Senate. On March 10, 2021, the U.S. Senate confirmed Judge Garland's nomination and on March 11, 2021, Judge Garland was sworn in as United States Attorney General.

During his campaign, President Biden stated a policy goal to decriminalize possession of cannabis at the federal level, but he has not publicly supported the full legalization of cannabis. It is unclear what impact, if any, the new administration will have on U.S. federal government enforcement policy on cannabis. Nonetheless, there is no guarantee that the position of the Department of Justice will not change.

Certain U.S. states have legalized or decriminalized cannabis in some form or another. Of those states, there are over 15 which allow home cultivation for medical or recreational purposes. Generally, the states have restrictions on the number of plants a permit allows for or a household is allowed, which typically falls in the range of 4 to 12.

There is no guarantee that state laws legalizing, regulating and decriminalizing the sale and use of cannabis will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their respective jurisdictions. Unless and until the United States Congress amends the CSA with respect to medical and/or adult-use cannabis (and as to the timing or scope of any such potential amendments there can be no assurance), there is a risk that federal authorities may enforce current U.S.

federal law. If the U.S. federal government begins to enforce U.S. federal laws relating to cannabis in states where the sale and use of cannabis is currently legal, or if existing applicable state laws are repealed or curtailed, the Company's business, results of operations, financial condition and prospects would be materially adversely affected. For the financial year ended September 30, 2020 and the interim period ended December 31, 2020, sales to the U.S. represented 43.58% and 56.64% of the Company's revenue respectively.

Although the Company can sell its growing devices to consumers who use them to grow other crops, the loss of the cannabis grower market in the U.S. would adversely impact the Company's revenues, market outlook, and access to both public and private capital, until such time as the Company is able to reposit its products and target customers who wish to grow other high value crops.

Since 2014, the United States Congress has passed appropriations bills which included provisions to prevent the federal government from using congressionally appropriated funds to enforce federal marijuana laws against regulated medical marijuana actors operating in compliance with state and local law (the "Rohrabacher-Leahy Amendment" but also referred to as the Joyce/Leahy Amendment, Leahy Amendment, Rohrabacher-Farr Amendment or the Rohrabacher-Blumenauer Amendment). On December 27, 2020 the amendment was included in and renewed through the signing of the 2021 Fiscal Year omnibus spending bill, effective through September 30, 2021. There can be no assurances that the Rohrabacher-Leahy Amendment will be included in future appropriations bills. If the Rohrabacher-Leahy Amendment is no longer in effect, the risk of federal enforcement and override of state marijuana laws would increase.

In light of the political and regulatory uncertainty surrounding the treatment of U.S. cannabis-related activities, on February 8, 2018 the Canadian Securities Administrators published a staff notice ("Staff Notice 51-352") setting out the Canadian Securities Administrator's disclosure expectations for specific risks facing issuers with cannabis-related activities in the United States. Staff Notice 51-352 confirms that a disclosure-based approach remains appropriate for issuers with U.S. cannabis-related activities. Staff Notice 51-352 includes additional disclosure expectations that apply to all issuers with U.S. cannabis-related activities, including those with direct and indirect involvement in the cultivation and distribution of cannabis, as well as issuers that provide goods and services to third parties involved in the U.S. cannabis industry.

The Company is based in Canada but does sell its growing devices to the U.S, which potentially qualifies the Company as an "U.S. Marijuana Issuer with material ancillary involvement" for the purposes of Staff Notice 51-352.

The Company's objective is to capitalize on the opportunities presented as a result of the changing regulatory environment governing the cannabis industry in the United States. Accordingly, there are a number of significant risks associated with the business of the Company. Unless and until the United States Congress amends the CSA with respect to medical and/or adult-use cannabis (and as to the timing or scope of any such potential amendments there can be no assurance), there is a significant risk that federal authorities may enforce current U.S. federal law, and the Company could face charges related to producing, cultivating, extracting, or dispensing cannabis, including aiding or abetting or otherwise engaging in a conspiracy to commit such acts in violation of federal law in the United States.

For these reasons, the Company's sales of its products into the United States cannabis market may subject the Company to heightened scrutiny by regulators, stock exchanges, clearing agencies and other Canadian and U.S. authorities. There are a number of risks associated with the business of the Company. See the sections entitled "Risk Factors" in this Prospectus.

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GLOSSARY

"**Board**" means the Board of Directors of the Company;

"**CAGR**" means compound annual growth rate;

"**CBD**" means cannabidiol;

"**Common Shares**" or "**Mary Ag Shares**" means the common shares, as presently constituted, in the capital of the Company;

"**Company**" means Mary Ag;

"**CSE" or "Exchange"** means the Canadian Securities Exchange;

"**Escrow Commencement Date**" means the first day of trading of the Common Shares on the CSE;

"**Insider**", if used in relation to an issuer, means:

(a) a director or senior officer of the issuer;

(b) a director or senior officer of a company that is an Insider or subsidiary of the issuer;

(c) a person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or

(d) the issuer itself if it holds any of its own securities;

"**Listing**" means the listing of Mary Ag's Common Shares on the CSE following receipt for the filing of this Prospectus and final approval of the CSE;

"**Mary Ag**" means Mary Agrotechnologies Inc., a corporation incorporated under the OBCA;

"**Model Z**" means Mary Ag's flagship consumer product, the Mary Model Z;

"**NI-41-101**" means National Instrument 41-101 – *General Prospectus Requirements* issued by the Canadian Securities Administrators;

"**NI-45-102**" means National Instrument 45-102 – *Resale of Securities* issued by the Canadian Securities Administrators;

"NI 45-106" means National Instrument 45-106 – *Prospectus Exemptions* issued by the Canadian Securities Administrators;

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees* issued by the Canadian Securities Administrators;

"**N/A**" means not applicable;

"**OBCA**" means the *Business Corporations Act* (Ontario);

"**Prospectus**" means this long-form non-offering prospectus of Mary Ag; and

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval for the filing of disclosure documents by reporting issuers in Canada, accessible at www.sedar.com.

Appendices

The following Appendices attached hereto are incorporated herein by reference and form an integral part of this Prospectus:

A - Audited Financial Statements of the Company for the years ended September 30, 2020 and September 30, 2019 and unaudited interim condensed financial statements for the three month period ended December 31, 2020.

B - Management's Discussion and Analysis of the Company for the year ended September 30, 2020 and for the three month period ended December 31, 2020.

C - Audit Committee Charter of the Company.

D – Stock Option Plan of the Company

SUMMARY OF THE PROSPECTUS

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

Unless otherwise defined in this Prospectus, all capitalized terms used herein shall have the meaning ascribed thereto under the heading "*Glossary*".

The Company

Mary Ag was incorporated under the OBCA on October 12, 2017. The Company's registered office and head office is located at 115 Apple Creek Boulevard, Unit 3, Markham, Ontario, L3R 6C9, Canada. The Company's Common Shares do not currently trade on any stock exchange. See "*Corporate Structure*". As of the date of this Prospectus, the Company has 40,497,924 Common Shares issued and outstanding.

Principal Business of the Company

Since incorporation, the Company has been in the business of developing affordable, automated, yet aesthetically appealing technologies for communities to grow all kinds of produce regardless of local climate. The Company's signature product, Mary Model Z ("**Model Z**"), is a grow box, which is a partially or completely enclosed system for growing plants indoors or in small areas. Model Z is designed for consumers, takes advantage of the legalization of cannabis, and features a stylish Wi-Fi connected growing system that is automated by cloud-based artificial intelligence, with built-in air conditioning, active filtering system to control odour and mould, immersive multi-directional lighting, pre-made nutrient packs, and a smartphone app that can monitor and control the unit virtually anywhere.

Model Z takes a "set it and forget it" approach with only minimal intervention (20-30 minutes a week) required by the user to refill nutrients and trim the plants. The enclosed hydroponic and lighting systems enable increased yields and quicker harvesting intervals than traditional growing methods. The product is now fully developed and ready for sale, and the Company is taking pre-orders from customers. As of December 31, 2020, the Company received orders of 496 units of Model Z, of which 218 units have been shipped.

While Model Z is suited for the cultivation of cannabis, the Company is solely in the business of the manufacture and sale of the growing devices. The Company does not provide any cannabis plants for cultivation, and cannot determine conclusively if the purchasers of its products are the end users, which jurisdiction the end users may be located in, and whether the laws of the jurisdiction of the end user permit cultivation of cannabis. Prior to finalizing a purchase, the Company does require a purchaser to declare that the end user will be in full compliance with local regulations regarding cannabis cultivation, should the product be used for cultivating cannabis. The Company currently has no intention to apply for any retailer, grower, producer, dealer, processor or wholesaler licenses which would allow it to directly participate in the cannabis marketplace in Canada or in certain U.S. states which have legalized such activity.

The Company collects unidentifiable encrypted cultivation data from its Model Z units and utilizes machine learning and artificial intelligence to create more efficient growing systems and methods. The Company also intends to use the same automation, growing technology and cultivation data to build commercial indoor vertical farms. In connection with the commercial indoor vertical farming business, the Company has secured a license to grow industrial hemp in the Yunnan Province of the People's Republic of China. The license allows the Company to grow industrial hemp over a maximum area of 66 hectares (1,000 mu). The Company has also secured conditional approval (or pre-license) to process industrial hemp in Yunnan Province. The Company is currently in the process of finding a suitable facility to set up its vertical farming operations for industrial hemp in Yunnan Province.

The Company has filed a U.S. provisional patent application under USPTO application number 62/951,009 relating to the grow box and USPTO application number 62/987,316 relating to the commercial vertical farm.

Business Objectives and Milestones

Since incorporation, the Company has fully developed its Model Z consumer grow box for cannabis, which is now available for sale, with 218 units shipped as of December 31, 2020. The information technology for Model Z is created and controlled in North America with certain key components of the Model Z manufactured and sourced from China. Currently, all units are finished and assembled at the Company's facility in Markham, Ontario, but as demand increases the Company envisions moving assembly to China to take advantage of economies of scale.

The primary business objectives for the Company over the next 12 months are to:

(a) market, sell and ship Model Z in North America;
(b) continue to improve the automation platform;
(c) refine technology and create further intellectual property;
(d) advance the Company's business plans for a vertical farm facility in China and processing equipment; and
(e) develop Mary Ag's business and seek new business opportunities.

No Securities Distributed

This Prospectus is a non-offering prospectus prepared to meet one of the eligibility requirements for the listing of Mary Ag's Common Shares on the CSE and no securities will be distributed pursuant to this Prospectus.

Proceeds Raised Recently

This Prospectus is a non-offering prospectus and no proceeds will be raised pursuant to this Prospectus.

Since incorporation, the Company has raised $1,035,000 through the issuance of convertible notes using a modified Keep It Simple Securities (KISS) template developed by 500 Startups (the "**KISS Notes**"). All KISS Notes have since been converted to 7,882,531 Common Shares.

The Company completed a private placement on February 29, 2020 pursuant to which it issued 3,800,900 Common Shares for $0.25 per share for aggregate gross proceeds of $950,225. The Company also entered into a subscription agreement in October 2020 to issue 1,666,667 Common Shares at $0.36 per share for aggregate gross proceeds of $600,000.12, and additional subscription agreements in November 2020 to issue 2,574,800 Common Shares at $0.46 per share for aggregate gross proceeds of $1,184,408. Both the $0.36 and the $0.46 private placements closed in late November 2020. These funds will be used for general working capital purposes. See "*Use of Proceeds*".

Listing

The Company has applied for a Listing of its shares on the CSE. Such a Listing is conditional on the Company fulfilling all of the requirements of the CSE, meeting certain financial and other requirements including receiving a receipt for this non-offering Prospectus from the Ontario Securities Commission. The Company has reserved "**[●]**" as its trading symbol with the CSE.

Directors and Officers

The following are the directors and officers of the Company. See "Directors and Officers."

Chuhan Qin	–	Director and Chief Executive Officer
Xin Ran Mai	–	Chief Financial Officer
David Byer	–	Chief Operating Officer
Larry Lisser	–	Director
Ying Xu	–	Director

Joanne Yan	–	Director
Buck Young	–	Director

Summary of Financial Information

The table below summarizes selected financial data for the periods indicated and should be read in conjunction with the Financial Statements and the Management's Discussion and Analysis attached as Appendices "A" and "B" of this Prospectus.

Summary of Select Financial Information is derived from the Company's audited financial information for the fiscal years ended September 30, 2019 and September 30, 2020 and the unaudited financial information for the interim period ended December 31, 2020	**September 30, 2019 ($) (Audited)**	**September 30, 2020 ($) (Audited)**	**December 31, 2020 ($) (Unaudited)**
Total Revenues	-	85,211	27,415
Net Income (Loss)	(666,721)	(1,416,041)	(437,080)
Basic and diluted earnings (loss) per share	(0.03)	(0.05)	(0.01)
Total Assets	384,635	555,973	1,989,230
Total Long-Term Liabilities	1,078,705	146,373	152,339

Risk Factors

The activities of the Company are subject to the risks normally encountered in a company with a growing business, including: negative operating cash flow; lack of adequate capital; liquidity concerns and future financing requirements to sustain operations; competition; government regulation; and risks associated with the company's business including uncertainty regarding penetration of the target market. See "*Risk Factors*".

THE CORPORATE STRUCTURE

Name, Address and Incorporation

Mary Agrotechnologies Inc. was incorporated under the OBCA on October 12, 2017. The Company's registered office and head office is located at 115 Apple Creek Boulevard, Unit 3, Markham, Ontario, L3R 6C9, Canada. The Company's Common Shares do not currently trade on any stock exchange.

Material Amendments to Articles

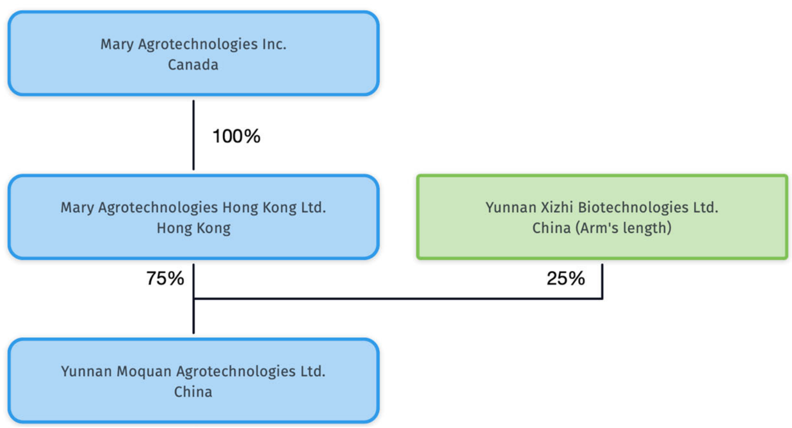
On September 17, 2018, the Company amended its articles to restructure its shares such that "Common Shares" is the only class of shares the Company is authorized to issue.

On October 15, 2019, the Company amended its articles to effect a 1:30 share-split.

Intercorporate Relationships

As set out in the below corporate structure diagram, the Company has a wholly-owned subsidiary, Mary Agrotechnologies Hong Kong Limited ("**Mary Ag HK**"), a corporation incorporated under the laws of Hong Kong on August 2, 2019. Mary Ag HK holds a 75% interest in Yunnan Moquan Agrotechnologies Ltd. ("**Mary Ag Yunnan**"), a company incorporated under the laws of the People's Republic of China. Yunnan Xizhi Biotechnologies Ltd. of China, an arm's length party, holds the remaining 25% interest in Mary Ag Yunnan.

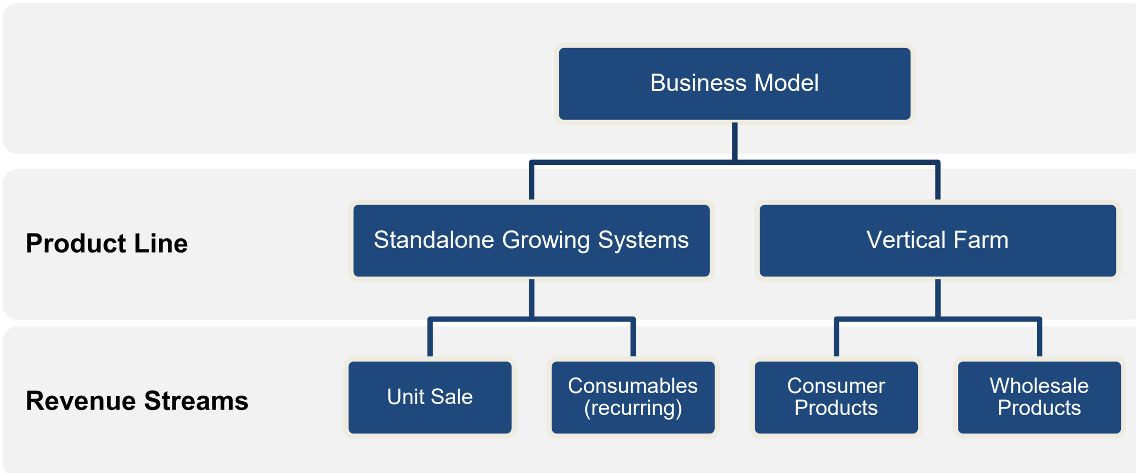
Mary Ag Yunnan, through its Yuxi and Luquan branch offices, holds the hemp cultivation license and processing pre-license in Yunnan Province.



DESCRIPTION OF THE BUSINESS

Overview of the Business Model

Mary Ag is a data driven agriculture technology company developing innovative, cost-effective, automated and efficient growing systems for both the at-home consumer as well as commercial operators. The Company has applied for two provisional patents for its automated grow-box technology and its automated commercial vertical farming system, respectively. The Company's strategy is to ship its grow boxes to as many consumers as possible, validate its technology, gather data on growing and use machine learning and artificial intelligence to generate insights, new growing methods and refine its technology. These insights will be incorporated into the Company's commercial vertical farming designs.



The Company's signature product, the Model Z, takes advantage of the legalization of cannabis and features a stylish Wi-Fi connected growing system that is automated by cloud-based artificial intelligence, with built-in air conditioning, active filtering system to control odour and mould, immersive multi-directional lighting, pre-made nutrient packs, and a smartphone app that can monitor and control the unit virtually anywhere.

The development of the Company's signature product, Model Z, was in part validated from a crowdfunding campaign on Indiegogo in April 2018, where the Company was able to pre-sell 152 units. The success of the crowdfunding campaign confirmed a market appetite for a grow box for cannabis that features an aesthetic design and is simple to operate.

Mary Ag has managed to create efficiencies in its production process which allows the Company to price the Model Z competitively against other high end grow boxes. In September 2019, the Company began shipping beta units to select customers in order to further collect data and to improve the product in general. Model Z is now ready for commercial sale, and as of December 31, 2020, the Company received orders of 496 units of Model Z and shipped 218 units.

The data collected from these Model Z units will prove invaluable to the Company's vertical farming technology, as the food production industry looks for innovative, space and resource efficient ways to solve the growing food production problem. While the Company's technology can be used for any plant grown hydroponically, cannabis is the natural market entry point as it is a high value crop, provides a quick payback to the consumer, and solves a market need for quality, consistent and cost-effective cannabis for the everyday consumer.

Operations

Mary Ag currently has 9 employees.

Mary Ag's management team have years of experience in start-ups, commercialization of products, digital marketing, engineering and cannabis. In particular, Mr. Chuhan Qin, CEO, has helped numerous start-ups as an early member and has been instrumental in the launch and commercialization of products. Mr. Qin is the founding member of the Company and his focus on creating a capital efficient and sustainable company has set the foundation for long term growth. Additionally, Mr. Andrew Hobbs, the Company's lead grower, has over six years' experience in the Canadian cannabis industry, having worked with pioneering companies such as Mettrum, Canopy Growth Corporation, and CannTrust. His knowledge and experience in the cannabis industry as well as his wealth of plant cultivation knowledge is invaluable to the Company.

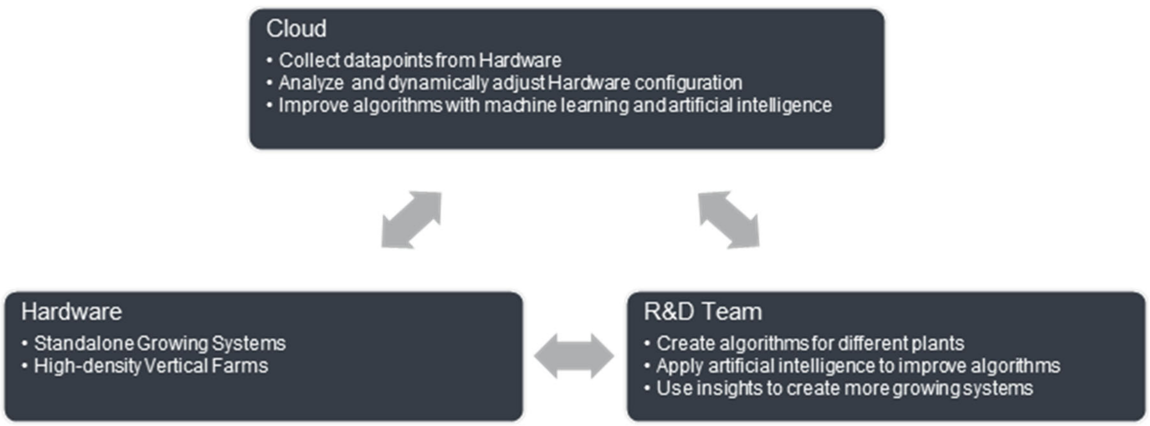
The current operation of the Company's growing systems is independent of seasons and climates. The manufacturing capacity and business activities are consistent and independent of seasons and climates. The demand for growing systems and related cannabis products do not present a seasonal or cyclical pattern. In the future, and as sales of the

Company's products increase, the Company expects there may be demand fluctuation associated with possible holiday events and promotions. For instance, Christmas and New Year events and promotions may increase the demand and sales in Q4, and adversely influence the demand and sales for next quarter or season.

Technology

The Company applies its automation technology to primarily two lines products: small-to-medium standalone growing systems ("**grow boxes**") and commercial indoor vertical farms ("**farms**"), with the Model Z grow box on the market, developed and shipped, and farms in early development. In connection therewith, the Company has applied for two provisional patents for its vertical hydroponic growing system, one which applies to small-to-medium standalone growing systems or grow boxes, and one which applies to commercial indoor vertical farms.

The Company leverages vertically integrated hardware, sensors, big data and artificial intelligence to replicate ideal growing conditions and climates in an artificially controlled environment. While these patents are provisional, the Company anticipates significant room to grow and strengthen its intellectual property portfolio by evolving the patent to full patent status as well as through new additional inventions and add-ons.



Grow Boxes and Mary Model Z

The provisional patent for the grow box relates generally to hydroponics and in particular to a single unit hydroponic system with multi-directional lighting. Hydroponics is a method of growing plants without soil using nutrient-enriched water-based solutions. As hydroponic growing requires less water than soil-based growing, it has enjoyed an increase in popularity in urban and other environment with space restrictions.

Existing hydroponic systems are energy intensive, and control and dispersal of waste heat presents an ongoing challenge. Additionally, adequate lighting to all areas of the plant may be difficult to obtain depending on the type of plant and the structure of the hydroponic system.

The Model Z invention relates to a hydroponic system including controllable interior lighting located at the front, back and top of the interior of the system. The system further includes an air conditioning unit to provide temperature control and a wireless communication system to permit remote monitoring and control.

While Model Z can be used for any plant that can be grown hydroponically, the Company is leveraging the legalization of cannabis and has created it specifically with growing cannabis in mind.

The Model Z is different from the current grow boxes on the market for a number of reasons including the following:

(a) strong emphasis on educational and companionship aspects through live customer support;
(b) only grow box on the market that management knows of which has received FCC & ETL safety certification approvals (final certifications pending);

(c) competitive pricing due to its manufacturing advantage and quality of relationships in China;
(d) sleek and compact design means that depending on the user preference, Model Z can either be an aesthetic and anchor showpiece to any room, or can be safely and easily tucked away; and
(e) unique automated growing technology for consistent and quality product.

The Company began official tooling of the Model Z in January 2019 and started shipping beta units in September 2019. As of December 31, 2020, Mary Ag delivered 218 units to consumers. Assembly and shipping of units are currently delayed due to the COVID-19 pandemic.

Mary Model Z Features

Mary Ag values engagement with customers to create a warm and friendly environment and community. The Company provides attentive live customer support in the mobile application that has received great customer reviews. The customer support is available 10:00-22:00 Eastern Time on weekdays, and shorter hours on weekends. The typical response time is under 10 minutes.

The Model Z was also created and designed in a way to make the growing process easy and enjoyable. Growing cannabis is often considered daunting to new growers, and the Company maintains a close relationship with its customers so that these users enjoy not only the harvests, but also the growing process itself.

The Model Z features a distinctive Wi-Fi connected hydroponic system that is monitored by cloud-based artificial intelligence, with built-in air conditioning, active filtering system to control odour and mould, immersive multi-directional lighting, pre-made nutrient packs, and a smartphone app that can monitor and control the unit from virtually anywhere.

Various types of sensors collect data regularly, including but not limited to temperature (ambient, leaf level, water/nutrient reservoir), relative humidity, (ambient, leaf level), plant height, water level, and air flow. The collected data is stored in the Company's cloud and fed to Mary Ag's proprietary automation engine. As many as 33 variables are measured every 10 to 60 seconds on a per unit basis. Monitoring growing systems in real time, Mary Ag aggregates both bio and environmental data sets, notifying customers of any issues in the environments, so that they may be addressed immediately. The insights generated from this data aggregation also allows for quicker and improved harvest over time.

This automation of the Model Z creates a simplified growing process for consumers and largely mitigates the difficulties in growing cannabis at home for the standard user. With Mary Ag's automation, a typical Model Z customer with little to no experience in growing plants will spend roughly 20 minutes per week for maintenance, such as exchanging the water reservoir, adding nutrient solutions to the reservoir (pre-measured nutrient packs are provided by Mary Ag), monitoring the PH level and trimming plants.

The Company's all-encompassing smartphone application further simplifies the growing process through direct control, connectivity, and live unit status and support from virtually anywhere. Growing supplies can be quickly and easily ordered and re-ordered through the application. The mobile application is currently available natively on both iOS and Android.

Mary Model Z Price and Yield

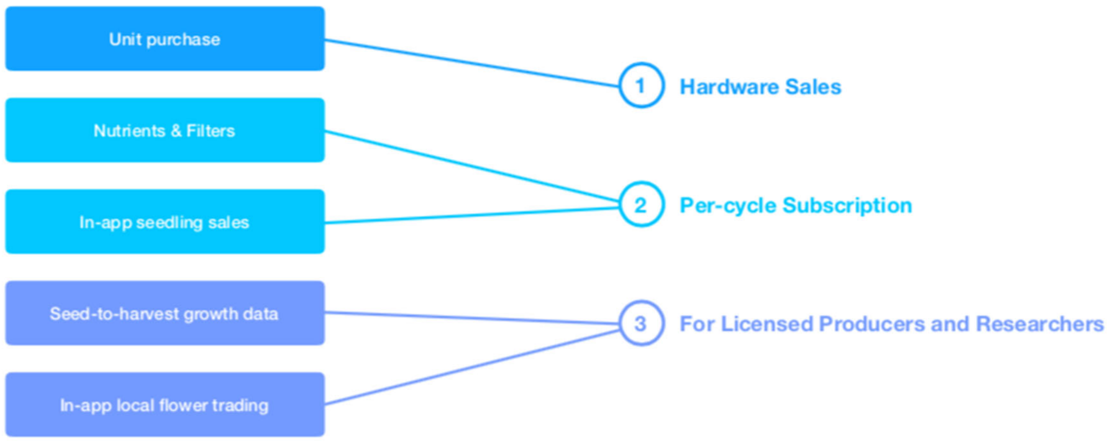
The Model Z previously retailed for a limited time for $1,099. As of February, 2021, the Model Z retails for $1,349. The Company may further adjust unit pricing based on market demand.

Model Z is built for one cannabis plant and with its automation, data analytics, fully immersive and directional lighting system, watering system and built-in climate control, it yields on average 1.7 ounces of cannabis per cycle (2-3 months), with records of more than 3 ounces in several cases.

Based on a retail price of $1,349, and the current legal retail price of one ounce of cannabis between $200 and up to more than $850, the Model Z can pay for itself in under one year of use.

Mary Model Z Revenue Streams

The Model Z provides multiple revenue streams to the Company above and beyond the initial unit sale. Recurring revenue is generated through pre-measured nutrient packs, filters and seedlings (subject to partnerships with licensed sellers), which are all available through the Mary Ag app. Additionally, the real-time data collected on plants, strains and ideal growing conditions can be sold to industry participants. The different sources of revenue are outlined in the below chart:



Mary Model Z Manufacturing

The Model Z was designed in North America and manufactured for global compliance. Its information technology ("**IT**") is created and controlled in North America with certain key components of the Model Z manufactured and sourced from China. A Model Z unit consists of aluminum and steel mechanical parts, tempered glass, LED lights, and various analog and digital sensors and circuit boards and other unique materials. The Company has numerous active manufacturing relationships with companies in China who provide the supply of raw materials, prototyping, manufacturing and consolidation of parts to the Company, which are shipped and assembled in Canada. To protect the Company's intellectual property, design details and technical specifications, the Company delegates each of its manufacturing partners with certain parts that they specialize in. A preferred supplier then receives, packs and handles the shipping of parts and components to Canada, where the Company completes the final assembly and quality inspection. Once the Company decides to enter other markets, the units can be quickly modified to be compatible with local regulations and standards. The Company's ability to source and maintain quality manufacturing relationships in China helps to keep its unit cost down, which enables the Company to price its Model Z below that of the competition. The Company has plans to fully manufacture and assemble the Model Z units in China when at full scale to further reduce costs and capitalize on economies of scale.

Commercial Indoor Vertical Farms

The Company's provisional patent for commercial indoor vertical farms relates generally to hydroponic enclosure incorporating multiple separate plant racks and lighting panels. The components may be oriented to minimize space requirements and allow for multiple plant racks to be operated within a single enclosure. The lighting panels are mounted on rails to permit for movement with the enclosure for access to the plant racks to monitor growth and for harvesting.

The Company intends to deploy its technology commercially in China. The Company's 75% owned subsidiary, Mary Ag Yunnan, has secured a license to grow industrial hemp in Yunnan, China. The license is valid until April 23, 2022, upon when a renewed license is expected, and enables Mary Ag Yunnan to grow up to a maximum area of approximately 66 hectares. Mary Ag Yunnan has also received conditional approval (pre-license) to process industrial hemp in Yunnan China. Upon full approval, and in combination with the cultivation license, Mary Ag will be able to cultivate, extract, manufacture, sell and export its hemp and hemp derived products. Mary Ag Yunnan is currently in the process of securing suitable facility to house its growing system, with the goal of having space for vertical growing as well as processing and R&D.

The facility will be the first and only indoor industrial hemp farm in China, the first with a vertical farming configuration, and the first to employ automation.

Benefits of Vertical Farming

There are numerous benefits to vertical farming over traditional farming methods including the following:

(a) vertical farms can be placed virtually anywhere;
(b) vertical farms have a very small footprint and require minimal land as they can be stacked on top of one another;
(c) vertical farms allow high density growing, reducing marginal costs of each plant;
(d) innovative lighting and watering systems enable plants to grow quickly with more harvests per year and enhanced nutritional properties;
(e) vertical farming uses 95-99% less water versus traditional farming methods with no wastewater run off;
(f) vertical farming takes advantage of a sealed environment with no soil and is able to use zero pesticides, herbicides or fungicides and less fertilizer;
(g) sealed and controlled environment can replicate the ideal growing conditions for crops, in any climate at any time while maximizing growing speed and yield by utilizing sensors and vertically integrated hardware;
(h) food can be grown closer to the consumer and in urban areas, cutting down on delivery miles, pollution and costs.

The Company will control the whole production process, which will be conducted within one facility, eliminating many logistics-related costs. Mary Ag will also be in control of product compliance and quality from seed to final product and will be following guidelines in order to meet GAP/GMP/GDocP certification.

On May 15, 2020, Mary Ag received conditional approval (pre-license) to process industrial hemp in Yunnan, China. To the Company's knowledge, there have been approximately 16 processing licenses issued by the government of Yunnan to date. The Company plans to extract CBD and other non-THC cannabinoids from its own crops to supply the global market as well as the Chinese domestic market within the legal framework, such as cosmetics, topicals, etc.

MARKET OVERVIEW

Why Cannabis

First of all, cannabis is a high value crop compared to other plants and herbs, which provides a quick payback to the consumer. However, regulations and taxes have driven up the cost of legal cannabis to levels much higher than the black market, which has prohibited many consumers from purchasing from legal sources. Additionally, the quality of many large-scale legal cannabis grows have underperformed.

In addition, the cannabis industry is one of the fastest growing industries in the world, driven by its increasing popularity and acceptance of cannabis, decreased stigma, and increasingly favorable regulations being passed in countries across the world.

As a result, the Company has identified the cannabis market as an ideal entry crop for indoor grow boxes and vertical farms.

Cannabis Market and Opportunity

Global Cannabis Market

The global legal cannabis market is expected to nearly triple in size from US$14.9 billion in 2019 to US$40.6 billion in 2024[1].

[1] Arcview Market Research and BDS Analytics

North America Cannabis Market

The North American legal cannabis market amounted to US$12 billion in 2018, growing by 30 percent on the year. The largest market was the United States, which totaled US$10.4 billion. It was followed by Canada with US$1.6 billion.

The report from cannabis industry analysts, Arcview Market Research, in partnership with BDS Analytics[2], forecasts that the entire legal cannabis market in North America will reach US$24.5 billion in sales – a 28% annual growth rate by 2021 – as more countries and states legalize cannabis for recreational use and existing markets mature. By 2027 the market is expected to grow to US$47.3 billion.

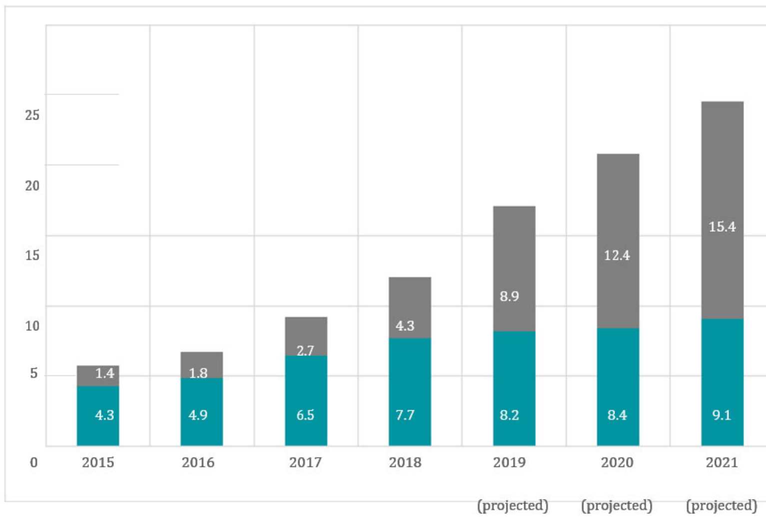


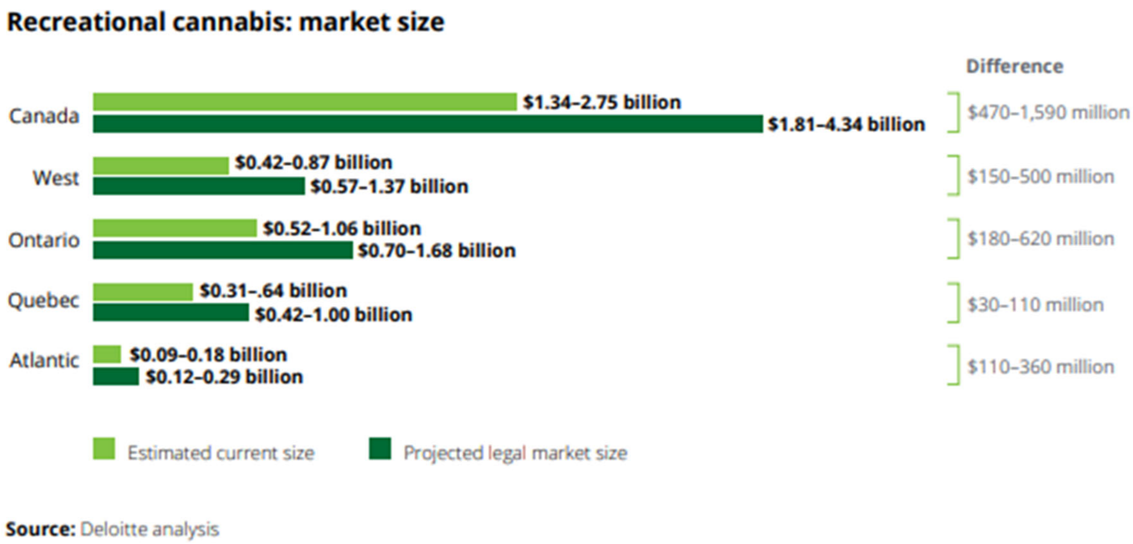
Figure 2. Medical and recreational cannabis sales forecast, billion $

[Source: BDS Analytics]

Canadian Cannabis Market

The total cannabis market in Canada, including medical and recreational cannabis products, is expected to generate up to $7.17 billion in sales in 2019 with $1.81 to $4.34 billion in the legal recreational market. Medical cannabis is anticipated to generate an additional $0.77 billion to $1.79 billion in sales, with the illegal market bringing in a further $0.51 billion to $1.04 billion[3]. Leading cannabis industry researcher, ArcView Market Research, expects Canada's thriving medical market to peak in 2018 and start to descend in 2019 once the adult-use market is fully operational. Growth is forecast to be strong, with adult-use spending estimated to reach over $3 billion in 2021, driving a CAGR of 77.9% from 2018-2021.

[2] https://bdsanalytics.com/
[3] Deloitte



The cannabis market is poised to have a major effect overall on Canada's economy. One study from Deloitte Private pegged the potential economic impact of legalized recreational cannabis in Canada at more than $22 billion, including transportation, licensing fees and security.

According to the CIBC analysts forecast, by 2020, the cannabis industry will have a retail value of $6.8 billion, larger than the hard liquor market and almost as large as the wine market. While companies that produce more than 30 products are generating more revenue than businesses with a smaller range of offerings, it is likely not because they are producing more products. Rather, successful businesses are expanding on their product lines as they grow, and the wider selection is a result of added revenue. Nearly half of all businesses are producing topicals, though just a small number have chosen to focus on this category exclusively – as it comprises a relatively small portion of the retail and medical markets.

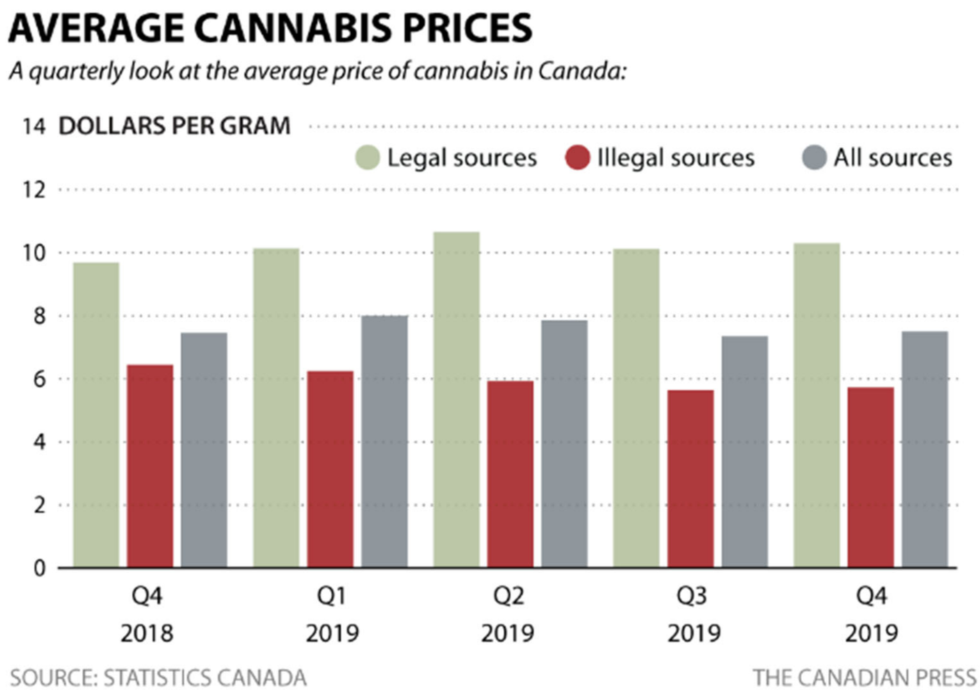
Entrepreneurs are drawn to this segment of the industry because of the strong demand, falling price of wholesale cannabis and a general lack of restrictions on the number of available licenses in some key markets. There is also the potential for more sophisticated players to establish large and recognizable brands, as the same basic principles that make for a successful product in the traditional economy apply to the cannabis industry as well. An increasing number of companies are now selling products in multiple states, and even some celebrity brands are gaining traction in the market.

Canadian Retail Market

In the first year following the legalization of non-medical cannabis in Canada, the retail non-medical cannabis market has grown considerably, with retailer of legal cannabis establishing more than 400 brick-and-mortar stores and registering $908 million in online and retail store sales during the period from October 2018 to September 2019[4]. The study was conducted in March, May and July of 2019, and the population-weighted average distance between Canadians and the nearest cannabis store was 34 km in July 2019, nearly half the distance observed in March (66 km).

Residents of Prince Edward Island travelled the shortest average distance to access cannabis stores in all three time periods observed (12 km). In Alberta, which ranked second in accessibility, the measure of proximity changed from 25 km in March, to 13 km in July 2019 after the roll out of over 100 new stores.

[4] Statistics Canada

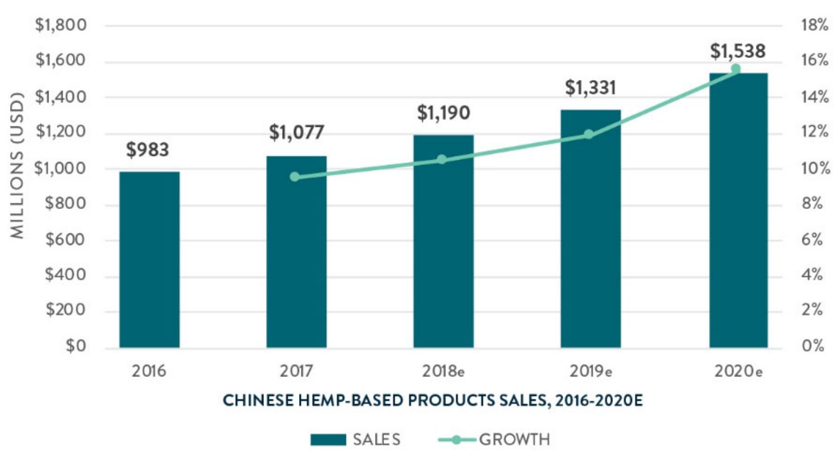


The growing cannabis market, together with the current pricing, provides an attractive opportunity for the Company to introduce an easy worry-free product like the Model Z for customers to grow cannabis at home.

China Hemp Market

Hemp's popularity is increasing substantially due to its numerous applications as food/beverage supplement, textiles, composites, and biofuel.

China remains one of the largest hemp markets in the world and is estimated to be worth around US$1.1 billion[5] in 2017. New Frontier Data estimates the Chinese hemp market will grow to US$1.5 billion by 2020. Textiles account for a large portion of the Chinese hemp market, comprising 76% of Chinese hemp sales.



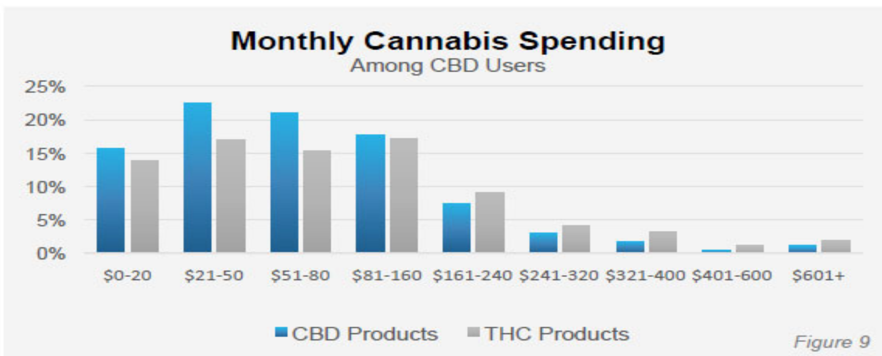
[5] New Frontier Data

Global CBD Market and Opportunity

The CBD market still suffers from confusion between hemp and cannabis. However, increasing legalization of cannabis across North America and growing demand for both recreational and medical cannabis are two main factors that have driven the legal cannabis market and are having a positive impact on the market for products that incorporate CBD from hemp.

The global CBD market is currently valued at US$9.69 billion and is expected to reach US$23.6 billion by 2025, expanding at a CAGR of 22.2%[6]. Increasing adoption of CBD infused products in various industries such as pharmaceuticals, personal care and cosmetics, and nutraceuticals along with its medical applications is expected to drive the market.

A major segment of the legal cannabis industry is the hemp-derived CBD market. According to industry data, almost half of CBD users spend US$20 to US$80 per month on CBD products[7].



CBD has drawn so much interest and demand from consumers that it is incorporated into all kinds of food, beverages, cosmetics, and other products. According to PotNetwork[8], new CBD products introduced in 2018 include: CBD-infused beer by Long Trail Brewery; CBD shampoo by Cibaderm; sports protein powder by WillPower Regen; CBD chocolate bar by Kiva; and CBD deodorant by Sacred Biology. CBD products for pets are also popular and are suggested for stress and anxiety, pain management, and chronic illness support.

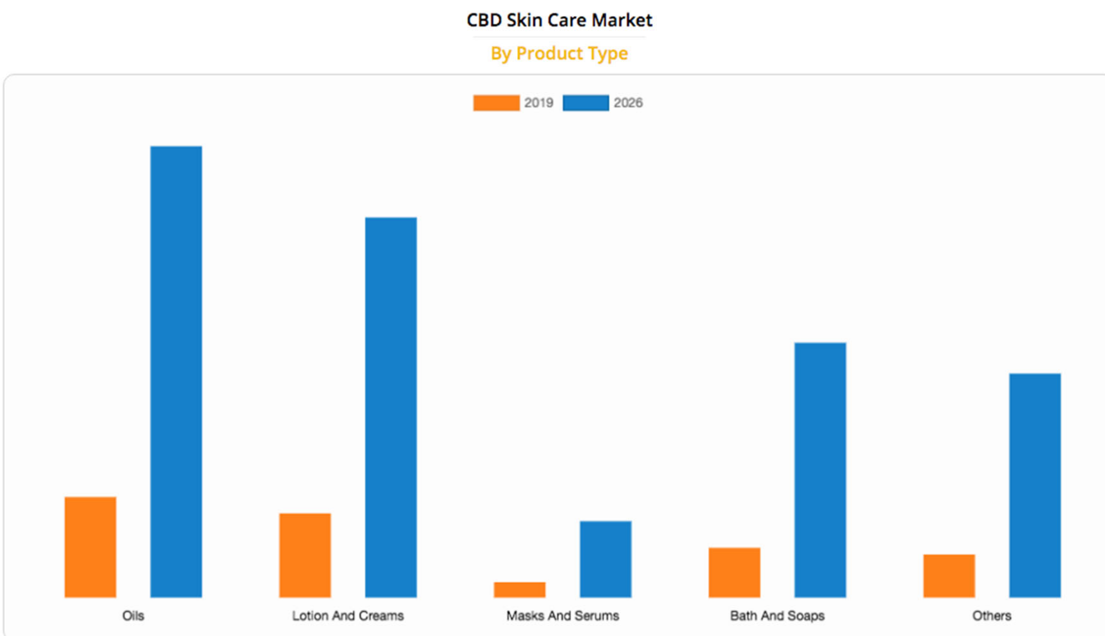
In 2019, there has been huge adoption of CBD from leading worldwide companies. In March of 2019, the two largest drugstore chains in the U.S., CVS and Walgreens, both announced they will carry and sell CBD products. Products being sold by CVS include topicals such as creams, sprays, roll-ons, lotions and salves. Additionally, Unilever, one of the largest consumer goods companies in the world announced a line of CBD products beginning with a hemp/CBD infused deodorant.

Most importantly, consumers and industry participants alike are interested in the medicinal benefits of CBD. On June 25, 2018, the Food and Drug Administration approved[9] the first cannabis-derived CBD drug, which will be used to treat two rare and severe forms of childhood epilepsy. The drug, Epidiolex, was developed by GW Pharmaceuticals, PLC and contains highly purified CBD and only traces of THC. Epidiolex is approved for patients age two and older that suffer from Lennox-Gastaut and Draet syndromes.

The global CBD skin care market size was valued at US $633.6 million in 2018 and is anticipated to reach US$3.5 billion by 2026, representing a CAGR of 24.80%[10]. CBD infused skin products are gaining popularity among consumers due to its calming properties and its potential to relieve common skin issues such as eczema, acne and psoriasis, through its anti-inflammatory and anti-oxidant properties.

[6] Grandview Research
[7] Understanding Cannabidiol – Brightfield Group July 2017
[8] https://www.potnetwork.com/news/top-ten-new-cbd-products-2018-include-shampoo-beer-and-cbd-patch
[9] The Washington Post - First marijuana-derived drug approved, will target severe epilepsy
[10] Allied Market Research

As can be seen from the chart below, oils, lotions and creams are expected to be the largest product segments in the CBD skin care market.



The global demand for CBD means that producers that can grow high quality hemp will profit from this opportunity, and the Company intends to capitalize on this opportunity with its vertical farm technology and lower cost structure in China.

REGULATORY ENVIRONMENT

The Company is in the business of developing partially or fully enclosed systems for growing plants indoors or in small areas. While the Company's signature product, Model Z, is suited for use as a growing device to grow cannabis for personal consumption, the Company does not itself cultivate, grow, sell distribute or otherwise deal in cannabis directly at present. The Company has not sought formal legal advice on the applicability of Canadian, United States or Chinese cannabis regulations.

The disclosure below is based solely on the Company's understanding of the current cannabis regulations as they relate to the use of Model Z by its end users, and the current regulatory environment in China relating to hemp and CBD (where the Company has a cultivation license and processing pre-license). Readers are cautioned not to place undue reliance. As cannabis, hemp and CBD are fast evolving industries, the applicable regulations may change from time to time.

Canada

Health Canada is the primary regulator of the cannabis industry in Canada. A license from Health Canada is required to: grow cannabis commercially for sale or produce cannabis products commercially (large or small scale); sell cannabis for medical purposes; conduct tests on cannabis; and conduct research with cannabis. To the knowledge of the Company, there have been 196 licenses issued by Health Canada to cannabis cultivators, processors and sellers under the Cannabis Act (Canada) in Canada (the "**Cannabis Act**").

As of October 17, 2018 ("**Legalization Day**"), cannabis was legalized across Canada through the enactment of the Cannabis Act. Canada was the first country to legalize medical cannabis use in 2001. Although Canada has a seventeen-year history of legalized use of medical cannabis, there have been frequent and significant legislative changes during this time. Since its use was first sanctioned, these legislative changes have impacted accessibility, production, and use. The Cannabis Act provides a licensing and permitting scheme for the production, testing, packaging, labelling, sending, delivery, transportation, sale, possession, and disposal of cannabis, to be implemented by regulations made under the Cannabis Act.

The manufacture and sale of the Company's growing devices are not subject to the Cannabis Act. However, users of Model Z who use the product to grow cannabis at home are subject to the Cannabis Act.

Under the Cannabis Act, it is legal in Canada to grow up to four cannabis plants per household for personal consumption. The Cannabis Act permits adults to cultivate up to four cannabis plants per household (not per person). Some provinces and territories have applied added restrictions on personal cultivation. Additionally, Canada has provided recommended safety and security measures for growing cannabis plants.

USA

In the U.S., growing cannabis at home is illegal under U.S. federal law as cannabis is a Schedule 1 Drug under the CSA. Certain U.S. states have legalized cannabis in some form or another, for medical or recreational purposes. Of those states, there are over 15 which allow cannabis to be grown at home for recreational or medical purposes. Generally, the states have restrictions on the number of plants a household is allowed, which typically falls in the range of 4 to 12.

Although certain states authorize medical or adult-use cannabis production and distribution by licensed or registered entities, under U.S. federal law, the possession, use, cultivation, and transfer of cannabis and any related drug paraphernalia is illegal and any such acts are criminal acts under federal law. The Supremacy Clause of the United States Constitution establishes that the United States Constitution and federal laws made pursuant to it are paramount and in case of conflict between federal and state law, the federal law shall apply. Accordingly, there is a risk of federal enforcement and over-ride of state marijuana laws. For a discussion of the conflict between U.S. federal and state laws, and the current state of enforcement, or lack thereof, of U.S. federal laws, please refer to the discussion on the face page of the Prospectus under "General Disclosure Information – SN 51-352 Disclosure".

Hemp in China

Data from ChinaBaoGao indicates hemp production in China in 2018 was approx. 100,000 tons, steadily increasing in volume since 2016. On the other hand, the number of hemp licenses issued to companies has fluctuated year over year. According to ChinaBaoGao, only 327 licenses (R&D, cultivation, processing, etc. combined) were issued in 2018, down from a high of 554 licenses issued in 2016.

The only two provinces in which companies can legally cultivate hemp are Yunnan and Heilongjiang. Hemp is a popular crop in China and Chinese hemp farmers tend to sell stems to textile factories, leaves to pharmaceutical companies, and seeds to food companies to produce snacks, oils, and drinks.

In Yunnan, provisional regulations regarding hemp cultivation first came into effect on January 3, 2003. The provisional regulations were later replaced by the Yunnan Province Hemp Cultivation and Processing License Regulation ("**PLR**"), which came into effect on January 1, 2010. Industrial hemp is defined as cannabis plants with a THC content of less than 0.3% (by weight of dry matter). The Yunnan Provincial Public Security Department (police) Narcotics Control Bureau ("**NCB**") is responsible for overseeing the province's industrial hemp cultivation matters. The PLR identifies different purposes for industrial hemp cultivation, including: for scientific research; for seed reproduction; for producing industrial raw materials; for horticulture purposes; and for cultural/self-use. Cultivation for purposes of scientific research, seed reproduction, and production of industrial raw materials requires licensing under the PLR, and each type of cultivation license has different application requirements and set of specific conditions to be met. For example, applicants for the cultivation license for production of industrial raw materials must have the following conditions met: i) hemp seeds are provided by licensed seed reproducing units or individuals; ii) the cultivation area is not less than 100 mu; iii) the cultivation location is more than one kilometer away from the tourist scenic spot and the highgrade highway; and iv) there is a management system for accounts. The PLR also requires a separate processing license to be obtained in order to process industrial hemp flowers and leaves, and sets out the application requirements and conditions to be met by applicants for the processing license.

Heilongjiang province amended its regulations in May of 2017 to allow industrial hemp cultivation, processing, and sales. According to China Daily, Heilongjiang issued a Three Years Special Action Plan for Industrial Hemp (2018-2020) in 2018, with its goal to become the largest industrial hemp base in China by 2020. China Daily also noted Chinese media sources have reported Jilin is expected to become the country's third province to allow industrial hemp cultivation and processing.

MARKETING PLAN

Mary Model Z Distribution

The Company's distribution of the Model Z is currently 100% through direct-to-consumer e-commerce. E-commerce is an effective sales channel as it enables the Company to effectively deliver advertising, display the products' information, features, function and price, as well as place the order regardless of geographic location.

Selling through the e-commerce channels also creates a direct communication channel with the consumer; which is important as the home growing market is still in its early adoption stage and customer service will play a crucial role in the success and evolution of the product and market.

The global cannabis market is worth $150 billion USD and said to grow to $272 billion USD by 2028. The 2018 National Gardening Survey found 15% of U.S. households would grow marijuana at home if it were legal, representing over 17 million households in the United States alone. Growing cannabis is still restricted in many countries and regions. However, the Company expects legalization of cannabis will continue to occur worldwide, especially after the European Parliament voted on a resolution on February 13, 2019 that would help advance medical cannabis in the countries that form the European Union, supporting World Health Organization in descheduling medical cannabis.

The Company may explore other distribution channels as it advances its business.

COVID-19 IMPACT

The Company's business has been and continues to be impacted by the COVID-19 pandemic. As a result of the pandemic, the Company's cost per unit has increased due to rising shipping costs and an overall more challenging environment faced by the Company's manufacturers and suppliers, which at different periods, have had to handle the additional public health and other requirements imposed by the Chinese authorities on their operations. The Company's operations in Canada have also been subject to public health and other requirements imposed by the federal and Ontario health authorities, which have required adjustments in staffing and adoption of work from home arrangements. This has resulted in a delay in the assembly and shipping of the Model Z units.

The social distancing and travel restrictions imposed by various governments in response to the COVID-19 pandemic has also reduced the Company's ability to advance its proposed vertical farm business in China. In the near term, the Company will focus on developing its business in Canada, with minimal spending in China.

USE OF AVAILABLE FUNDS

Proceeds

This is a non-offering prospectus. The Company is not raising any funds in conjunction with this Prospectus and, accordingly, there are no proceeds.

Total Available Funds

Mary Ag had net working capital of approximately $1.4 million as of February 28, 2021.

As of December 31, 2020, Mary Ag had cash and cash equivalents of $1,594,187 compared to $144,731 at the prior year-end of September 30, 2020, and $438,082 as at December 31, 2019. The increase in cash as compared to September 30, 2020 was a result of private placement financings producing gross proceeds of $1,784,408.12.

Principal Purposes

Following the Listing, the Company expects that its monthly expenses will be approximately $114,000 per month as described in the table set out below.

Monthly Expenditures	Expected Amount ($)
Travel & Entertainment Expenses	3,000
Accounting and Legal Fees	5,000
Marketing and Advertising	15,000
Wages, management & consulting	50,000
Research and development	10,000
Reporting issuer compliance expenses	3,000
Equipment and other capital expenditures	5,000
Contingencies	3,000
Office and Administrative	7,500
Inventory refill	12,500
Total Monthly Expenditures:	114,000
Total Twelve (12) Month Expenditures:	1,368,000

As a result of the COVID-19 pandemic, travel and entertainment expenses are expected to be curtailed for the year ending on September 30, 2021. In addition, as the Model Z has now reached commercial production, and the COVID-19 pandemic has also curtailed research and development regarding a proposed vertical farm, the Company expects reduced research and development spending for the foreseeable future. Wages, management and consulting expenses are expected to hold steady as the existing team should be sufficient to handle the current business volumes.

Actual expenses incurred may be different from those described above as the Company moves ahead with its business.

Business Objectives and Milestones

Over the next year, the Company intends to continue to grow its Model Z business, and to explore and secure the vertical farm business in China.

The Company intends to use its available funds to advance its business over the next 12 months as follows:

Milestone	Target Complete Date	Amount
Model Z, marketing and promotion	September 30, 2021	$180,000
Working capital in Canada		
Have presence in 20 retail stores in Canada	September 30, 2021	$120,000
Apply for three patents for Model Z and vertical farm	June 30, 2021	$120,000
Find alternative manufacturers in North America	June 30, 2021	$40,000
Test production run with manufacturer candidates	September 30, 2021	$60,000
Launch planned features on website and mobile app	July 31, 2021	$60,000
All other operational activities		$400,000
Working capital in China		
Find alternative manufacturers in China	June 30, 2021	$20,000
Test production run with manufacturer candidates	September 30, 2021	$60,000
Find locations for potential facilities	September 30, 2021	$20,000
Production of inventory		$150,000
R&D		
Create accessories for Model Z	June 30, 2021	$20,000
Create a new product	September 30, 2021	$100,000
Unallocated Working Capital		$244,000
Total		$1,594,000

Given the COVID-19 pandemic, the Company will focus on developing its business in Canada, with minimal spending in China. In addition to improving the Company's manufacturing, the Company will also look to increase sales and marketing, and improve sales and profits. Research and development will be curtailed until the COVID-19 pandemic has subsided, and the Company is able to secure additional funding.

Mary Ag will require additional funds to progress the Company's business. Upon the completion of the Company's listing on the CSE, the Company expects that the liquidity provided by the CSE listing will make the Company a more attractive investment to investors. Depending on market conditions, the Company intends to make additional debt and/or equity offerings to raise further funds.

Total Other Funds Available

There are no other funds available to the Company, other than as described in this Prospectus.

Unallocated Funds in Trust or in Escrow

There are no unallocated funds in trust or in escrow.

Other Sources of Funding

There are no other sources of funding, other than revenue from the sales of Model Z, and proceeds of any debt/equity financings the Company may complete. At present, the Company is seeking equity financing at $0.50 per Common Share (the "**Proposed Private Placement**"), to be completed following the completion of the Company's listing on the CSE. There is no assurance that the Proposed Private Placement will be completed in a timely manner, in any amount, or at all. This Prospectus does not qualify the distribution of the Common Shares to be issued from treasury pursuant to the Proposed Private Placement, and therefore any such Common Shares issued will be subject to a statutory hold period. Completion of the Proposed Private Placement will be subject to the approval of the CSE at the relevant time.

DIVIDEND POLICY

The Company has not paid any dividends on its Common Shares, and the Board does not expect to declare or pay any dividends on the Common Shares in the foreseeable future. Payment of any dividends will be dependent upon the Company's future earnings, its financial condition, and other factors that the Board determines are relevant.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis of the Company for the three-month period ended December 31, 2020 and the year ended September 30, 2020 are included in Appendix B to this Prospectus and should be read in conjunction with the audited annual financial statements of the Company for the years ended September 30, 2020 and September 30, 2019 and the related notes thereto and the unaudited interim financial statements of the Company for the three-month period ended December 31, 2020 and the related notes thereto, included in this Prospectus in Appendix A and to which the management's discussion and analysis of the Company relates.

All of the information presented in the management's discussion and analysis is based on the said financial statements, which were prepared in accordance with IFRS. All amounts included in the management's discussion and analysis are expressed in Canadian dollars, unless otherwise indicated.

DESCRIPTION OF SECURITIES

Common Shares

The authorized capital of the Company consists of an unlimited number of Common Shares. Each Common Share is equal to every other Common Share with respect to all rights and restrictions.

As at the date of this Prospectus, the Company has 40,497,924 Common Shares issued and outstanding. Holders of Common Shares are entitled to one vote per share upon all matters on which shareholders have the right to vote. The Common Shares do not have pre-emptive rights and are not subject to redemption or retraction provisions. The Company may, if authorized by its Board, purchase or otherwise acquire any of its Common Shares at a price and upon the terms determined by the directors. Holders of the Common Shares are entitled to receive such dividends as may be declared by its Board of Directors out of funds legally available therefor. In the event of dissolution or winding up of the affairs of the Company, holders of the Common Shares are entitled to share ratably in all assets of the Company remaining after payment of all amounts due to creditors.

CONSOLIDATED CAPITALIZATION

The Company as of the date of this Prospectus has a total of 40,497,924 Common Shares issued and outstanding. The following table sets forth the share and loan capital of the Company as at the dates shown below.

	Authorized Capital	Outstanding as at December 31, 2020	Outstanding as at the date of this Prospectus
Common Shares	Unlimited	40,497,924	40,497,924
Warrants	Nil	N/A	N/A
Options(1)	See Note 1 below	2,120,000	2,120,000
Other Rights	See Note 2 below	250,500	250,500

Note:

(1) The Company has a Stock Option Plan allowing its Board to grant incentive stock options to directors, officers, employees and consultants aggregating up to 10% of the number of issued and outstanding Common Shares at the applicable time.

(2) Earn-out Agreement with an employee of the Company dated November 28, 2019. The Common Shares issuable vest in four equal tranches on each anniversary of the agreement.

OPTIONS TO PURCHASE SECURITIES

As at the date of this Prospectus, the Company has granted 2,120,000 options to directors, executive officers, employees, and consultants of the Company as follows:

Category	Number of options granted and exercise price per common share	Expiration Date
Executive Officers	330,000 at $0.01 240,000 at $0.25 70,000 at $0.46	March 20, 2024 July 23, 2030 July 23, 2030
Directors who are not Executive Officers	Nil	Nil
Current and past employees	214,000 at $0.25	July 23, 2030
Current and past consultants	1,266,000 at $0.25	July 23, 2030

PRIOR SALES OF SHARES

In the past 12 months, the Company has completed a series of Common Shares issuances, the details of which are set out in the table below.

Date	Description	Price Per Share	Shares Issued	Gross Proceeds
February 29, 2020	Seed Subscriptions [1]	$0.00001	699,180	$0.23
February 29, 2020	Issuance for Management, Legal, and Professional Services Rendered	$0.13 [2]	653,846	Nil
February 29, 2020	Issuance for Corporate Finance Services Rendered	$0.25 [2]	240,000	Nil

February 29, 2020	KISS Note Conversions[3]	Varies	7,882,531	Nil
February 29, 2020	Private Placement	$0.25	3,800,900	$950,225
May 1, 2020	Issuance of Earn Out Shares	$0.25	480,000	Nil
November 30, 2020	Private Placement	$0.36	1,666,667	$600,000.12
November 30, 2020	Private Placement	$0.46	2,574,800	$1,184,408

Notes:
(1) Shares issued on February 29, 2020, pursuant to subscriptions dated September 29, 2018 and June 10, 2019.
(2) As the shares were issued for services rendered, no actual proceeds were received.
(3) The KISS notes were converted to Common Shares pursuant to the terms thereof at varying prices per share for no additional consideration based on terms of each such KISS note.

Trading Price and Volume

The Company's Common Shares currently are not listed and do not trade on any stock exchange. The Company has applied to have the Company's shares listed on the Canadian Securities Exchange.

ESCROWED SECURITIES

Currently, none of the Company's Common Shares are subject to any escrow arrangements. Pursuant to the policies of the CSE, all securities of the Company held by a principal will be subject to escrow restrictions in accordance with National Policy 46-201 "Escrow for Initial Public Offerings" ("**NP 46-201**"). Under the NP 46-201, a "principal" is defined as:

(a) a person or company who acted as a promoter of the issuer within two years before the IPO Prospectus;
(b) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the IPO Prospectus;
(c) a 20% holder – a person or company that holds securities carrying more than 20% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's IPO; or
(d) a 10% holder – a person or company that (i) holds securities carrying more than 10% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's IPO and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries.

As the Company is an "emerging issuer" as defined under NP 46-201, the Company will enter into an Escrow Agreement with Odyssey Trust Company, pursuant to which such principals will deposit all of their Exchange Shares in escrow as set out below.

Name of Securityholder	Description of Class of Escrowed Securities	Number of Securities to be held in Escrow	Percentage of Class (undiluted) [1]
Chuhan Qin	Common Shares Options	19,463,845 80,000	48.06%
Peng Han	Common Shares	4,800,000	11.85%
Joanne Yan	Common Shares	2,527,513	6.24%
David Byer	Common Shares Options	459,180 410,000	1.13%
Ying Xu	Common Shares	156,293	0.39%

Note:
(1) Based on 40,497,924 issued and outstanding Common Shares.

The Escrowed Securities will be released from escrow on the following schedule:

Time or event for release of Escrowed Securities	**Percentage of Shares to be Released**
On the Escrow Commencement Date	1/10 of the remaining Escrowed Securities
6 months after the Escrow Commencement Date	1/6 of the remaining Escrowed Securities
12 months after the Escrow Commencement Date	1/5 of the remaining Escrowed Securities
18 months after the Escrow Commencement Date	1/4 of the remaining Escrowed Securities
24 months after the Escrow Commencement Date	1/3 of the remaining Escrowed Securities
30 months after the Escrow Commencement date	1/2 of the remaining Escrowed Securities
36 months after the Escrow Commencement Date	the remaining Escrowed Securities

PRINCIPAL SECURITY HOLDERS

To the knowledge of management of the Company, other than Chuhan Qin and Peng Han, no person or company owns of record or beneficially, or exercises control or direction over, directly or indirectly, of more than 10% of the issued and outstanding shares of any class of voting securities of Mary Ag.

Mr. Qin owns 19,463,845 shares of the Company, representing 48.06% of the issued and outstanding shares of the Company.(1)

Mr. Han owns 4,800,000 shares of the Company, representing 11.85% of the issued and outstanding shares of the Company.(2)

Notes:
(1) 45.67 % on a fully diluted basis.
(2) 11.26% on a fully diluted basis.

DIRECTORS AND OFFICERS

Name and Place of Residence	**Present and Principal Occupation During the Past Five Years**	**Common Shares Beneficially Owned or Controlled**	**Date of Appointment**
CHUHAN (FRANK) QIN, Richmond Hill, Ontario Age: 28	Director and CEO of Mary Ag since its incorporation on October 12, 2017. Senior Software Engineer at Goldenwise Capital Management Inc. from August 2016 to November 2017, and at Chefhero Inc. from June 2016 to August 2016; IOS Engineer at Vanhawks Inc. from December 2015 to June 2016, and Technology Analyst at Liakada Capital Inc. from May 2015 to December 2015 Mr. Qin holds a Bachelor of Science in Computer Science from the University of Western Ontario.	19,463,845	October 12, 2017
DAVID BYER Toronto, Ontario Age: 41	Chief Operating Officer of Mary Ag since its incorporation on October 12, 2017. 12 years' experience in working with small and early stage companies. Mr. Byer started his professional journey as one of the first members of an emerging Toronto bicycle manufacturer, Cervélo, and went on to launch and lead the digital marketing department for the company. Mr. Byer attended the University of Toronto.	459,180	October 12, 2017

LARRY LISSER Denver, Colorado Age: 54	Director of Mary Ag. Mr. Lisser currently serves as CEO of Ondello, Inc., which does business as HelloMD, and previously served as SVP from its founding in 2015 to August 2020. Mr. Lisser holds a business degree from Concordia University.	Nil	February 3, 2021
YING XU[(1)] Burnaby, BC Age: 45	Director of Mary Ag. Chartered professional accountant and a partner and co-founder at Ethos CPA LLP from August 2019 to present. Senior Manager, Assurance Services at MNP LLP from January 2013 to August 2017, and CFO at Miniso Canada Investments Inc. from August 2017 to August 2019. Ms. Ying holds a Bachelor of Business Administration from Simon Fraser University	156,923	February 20, 2020
JOANNE YAN[(1)] Vancouver, BC Age: 63	Director of Mary Ag. President of Joyco Consulting Services Inc., and Director of Hanwei Energy Services Corp. and Electrameccanica Vehicles Corp..	2,527,513	February 20, 2020
BUCK YOUNG[(1)] Barrie, Ontario Age: 36	Director of Mary Ag. Co-founder and presently Executive Director of CannTx Life Sciences Inc., and previously served as VP Operations from 2013 to 2018, as General Manager from 2018 to 2019. Mr. Young holds a Bachelor of Health Sciences from McMaster University.	Nil	February 3, 2021
XIN RAN MAI Surrey, BC Age: 49	Chief Financial Officer Chief financial officer of Hanwei Energy Services Corp.(“**Hanwei**”) from June 2018 to December 2020; Financial Controller of Hanwei from January 2015 to June 2018. Ms. Mai is a Chartered Professional Accountant and holds a Bachelor of Engineering from Guangdong University of Technology.	Nil	November 1, 2020

Notes:
(1) Audit Committee Member.

The terms of the foregoing directors and officers will expire at the next annual shareholders meeting following Listing.

Biographies

Chuhan (Frank) Qin, Founder – Chief Executive Officer and Director

An entrepreneur, engineer, and a designer, with a BSc. Degree in Computer Science from the University of Western Ontario, Mr. Qin has worked to establish and create the vision of Mary Ag to be a leader in its industry. Mr. Qin is a firm believer in creating businesses that are socially impactful, unconventionally attractive, as well as commercially successful, and he has been incorporating those beliefs in Mary Ag since its inception in mid-2017. Mr. Qin’s knowledge in various fields—from strategy, design, to engineering, agriculture—has helped him set and steadily transform the company’s visions into reality, while being one of the most capital efficient start-ups in the field.

Mr. Qin will devote his full-time attention to the business of the Company.

David Byer – Chief Operating Officer

Mr. Byer has been a part of the Mary Ag team since inception. He brings with him over 12 years’ experience in working with small and early stage companies. Mr. Byer started his professional journey as one of the first members of an emerging Toronto bicycle manufacturer, Cervélo, and went on to launch and lead the digital marketing department for the company. Mr. Byer has gone on to lead an integrated team of software and hardware developers to guide a ground-breaking new product to market with Vanhawks. As part of the Mary Ag team, Mr. Byer is responsible for market positioning and ensuring that all products meet the needs of the end user. His extensive experience in strategic market activation, and team leadership in early stage companies provide a rare advantage for Mary Agrotechnologies.

Mr. Byer will devote his full-time attention to the business of the Company.

Larry Lisser – Director

Mr. Lisser combines 25 years of experience in strategy development, offer packaging and sales channel creation in helping next-generation companies get to market, succeed and exit. Mr. Lisser is the CEO at HelloMD, a telehealth platform that connects patients to thoughtful information about medical cannabis and provides authorizations for medical cannabis patients in Canada. Their platform is directly integrated into the Shoppers Drug Mart's Medical Cannabis portal and has become a go-to source for patients seeking guidance about medical cannabis.

Ying Xu – Director

Ms. Xu is a Chartered Professional Accountant and a partner and co-founder at Ethos CPA LLP. She is bilingual in English and Mandarin and has proven expertise in auditing. Ms. Xu has international experience in both Canada and China and a deep understanding of international business environments and protocol including a strong understanding and knowledge of International Financial Reporting Standards, Canadian GAAP and Sarbanes Oxley Act. Prior to her current position, Ms. Xu was a Senior Manager, Assurance Services at MNP LLP.

Joanne Yan – Director

Ms. Yan is active in the cross-border investment and M&A spaces and is familiar with the business culture and operations of North American and Chinese businesses. She has an extensive network in the investor community in Canada and China including Hong Kong. Ms. Yan has over twenty-five years of experience advising, directing and managing publicly listed companies in North America, Europe and China, with respect to such matters as market access, business negotiations, project and company financing, strategic planning, business development, and governance and compliance.

Ms. Yan has been a senior corporate executive and consultant in a number of public and private companies. She is also a member of the board of several listed companies.

Ms. Yan has advised on significant transactions between Chinese and North American companies and has played a critical role that led to successful completion of such transactions, including merger and acquisitions, investment, corporate or project financing, and joint venture operations.

Ms. Yan has also been a lead director and chair of board committees with several publicly traded companies in Canada.

Buck Young – Director

Mr. Young co-founded CannTx in 2013 after extensively studying the Cannabis industry and its potential. Mr. Young graduated with a Bachelor's Degree in Health Science from McMaster University and studied at Osgoode Hall Law School under Prof. Alan Young. Mr. Young prepared the evidentiary record for a proposed Charter challenge to the MMAR (Marijuana Medical Access Regulations) and participated in Health Canada consultations in the development of the MMPR (Marijuana for Medical Purposes Regulations).

Xin Ran Mai – Chief Financial Officer

Ms. Mai has broad expertise in financial management, financial reporting, internal controls, corporate finance and regulatory reporting and has more than 15 years of experience with Canadian listed public companies. She has served as Chief Financial Officer of Hanwei Energy Services Corp. ("**Hanwei**"), a TSX listed company that manufactures and sells high pressure fiberglass reinforced plastic pipe products and produces oil and gas in Canada, from June 2018 to December 2020 and held the position of Financial Controller of Hanwei from January 2015 to June 2018. She was the Senior Manager of Finance and Corporate Affairs of Hanwei from April to December 2014 and was the Manager of Finance and Corporate Affairs of Hanwei from May 2011 to March 2014. She is a Chartered Professional Accountant with a Bachelor of Engineering degree. Ms. Mai's substantial experiences in finance will improve Mary Ag's financial actions and financial planning.

Ms. Mai will devote 35% of her time and attention to the business of the Company. Ms. Mai's appointment as Chief Financial Officer is as an independent contractor. Her remuneration will be determined with the Company following the completion of the Listing.

Aggregate Ownership of Securities

The directors and officers of the Company, as a group, directly or indirectly, beneficially own 22,607,461 Common Shares of the Company, representing approximately 55.82% of the issued and outstanding Common Shares of the Company on an undiluted basis.

Cease Trade Orders and Bankruptcies

Except as disclosed below, none of the directors, officers or other members of management of the Company has, within the past ten years, been a director, officer or promoter of any other issuer that, while that person was acting in that capacity:

a) was the subject of a cease trade or similar order that denied the issuer access to any statutory exemptions for a period of more than 30 consecutive days; or

b) was declared bankrupt or made a voluntary assignment in bankruptcy, 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 manger or trustee appointed to hold the assets of that person.

Joanne Yan resigned as a director of Hanfeng Evergreen Inc. ("**Hanfeng**") in August 2013, and in an effort to assist Hanfeng during a financial and management crisis, she consented to being re-appointed a director of Hanfeng on February 24, 2014. Prior to the date of this re-appointment, on February 19, 2014, the OSC issued a temporary cease-trade order in respect of the shares of Hanfeng as a result of Hanfeng's failure to meet its reporting obligations under applicable securities laws and, subsequently on March 3, 2014, the OSC issued a permanent cease-trade order in respect of the shares of Hanfeng. The securities commissions of British Columbia, Quebec, Manitoba and Alberta issued cease-trade orders in respect of the shares of Hanfeng in February, March, April and June 2014, respectively. On January 15, 2014, the Toronto Stock Exchange (the "**TSX**") suspended trading in Hanfeng's shares pending clarification of Hanfeng's affairs and, subsequently on June 9, 2014, the TSX delisted Hanfeng's shares as a result of the failure of Hanfeng to meet the continued listing requirements of the TSX. On August 20, 2014, Ernst & Young Inc. was appointed by the Ontario Superior Court of Justice as receiver and manager over all of the assets of Hanfeng. On this date, Ms. Yan resigned as a director of Hanfeng.

Penalties or Sanctions

No director or executive officer of the Company has, within the past ten years, been subject to any penalties or sanctions imposed by a court or by a securities regulator authority relating to securities legislation or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No current or proposed director of the Company has, within the past ten years, been declared 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 that individual.

Conflicts of Interest

Conflicts of interest may arise as a result of the directors and officers of the Company holding positions as directors or officers of other companies. Some of the directors and officers have been, and will continue to be engaged in the identification and evaluation of assets and businesses, with a view to potential acquisition of interests in businesses and companies on their own behalf and behalf of other companies, and situations may arise where directors and officers will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies of the OBCA.

EXECUTIVE COMPENSATION

Named Executive Officers

As defined under applicable securities legislation, the Company had one "Named Executive Officers" during the financial year ended September 30, 2020 as set out below:

Chuhan Qin: Chief Executive Officer from October 12, 2017.

Summary Compensation Table

The following tables set out certain information respecting the compensation paid to the Company’s sole Named Executive Officer, for each of the Company’s two most recently completed financial years.

Amounts reported in the tables that follow are in Canadian dollars and further details and explanations as may be required are provided in the footnotes.

Table of Compensation excluding compensation securities

Name and principal position	Financial Year Ended September 30	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of Perquisites ($)	Value of all other Compensation ($)	Total Compensation ($)
Chuhan Qin, Director and CEO	2020	66,533	0	0	0	0	66,533
	2019	38,133	0	0	0	0	38,133
	2018	23,978	0	0	0	0	23,978

Stock options and other compensation securities

Compensation Securities							
Name and position	**Type of Compensation Security**	**Number of compensation securities, number of underlying securities, and percentage of class**	**Date of issue or grant**	**Issue, conversion or exercise price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at year end ($)**	**Expiry date**
Chuhan Qin,[(1)] Director and CEO	Options	80,000	July 24, 2020	$0.25	N/A	N/A	July 23, 2030

Notes:

(1) Chuhan Qin was first elected to be a director and CEO of the Company on October 12, 2017.

There were no exercises of options or other compensation securities by any director or named executive officer during the most recently completed financial year ended September 30, 2020.

Stock option plans and other incentive plans

As of the date of this Prospectus, 2,120,000 stock options are outstanding under the Stock Option Plan, which was approved by the Board of Directors of the Company. The following is a summary of the material terms of the Stock Option Plan (The full text of the Stock Option Plan is attached to this Prospectus as Appendix D.):

> **Number of Shares Reserved**. The number of Common Shares which may be issued pursuant to options granted under the Stock Option Plan may not exceed 10% of the issued and outstanding Common Shares at the time of the applicable grant of options.
>
> **Maximum Term of Options**. The term of any options granted under the Stock Option Plan is fixed by the Board at the time of the grant and may not exceed ten (10) years from the date of grant.
>
> **Non-Assignable**. The options are non-assignable and non-transferable.
>
> **Exercise Price**. The exercise price of options granted under the Stock Option Plan is to be determined by the Board at the date of the grant, provided that such exercise price may not be less than the market price of the Common Shares at the date of the grant, subject to any minimum price permitted by any stock exchange on which the Common Shares may be listed at the date of the applicable grant.
>
> **Amendment**. The Board may amend the Stock Option Plan at any time and from time to time provided that no amendment may be made to any outstanding options without the consent of the optionee; however, an amendment may not be made without any necessary stock exchange or shareholder approvals.
>
> **Vesting**. The Board may determine vesting terms, if any; provided, however, in the absence of any particular vesting determination, the options will vest immediately unless the optionee is employed in investor relations activities, in which event the options will vest in stages over a period of 12 months with one quarter of such options vesting in each 3-month period.
>
> **Termination**. Any options granted under the Stock Option Plan will terminate at the earlier of (a) the expiry of the original term of the option or (b) the applicable date in respect of whichever one of the following applies: (i) 6 months after the optionee dies or (ii) 30 days after the optionee ceases to be an officer, director or employee of the Company or one of its subsidiaries, or (iii) for consultants, in accordance with the terms of the applicable consulting agreement, as the case may be.
>
> **Administration**. The Stock Option Plan is administered by the Board of the Company.
>
> **Board Discretion**. The Stock Option Plan provides that, generally, the number of shares subject to each option, the exercise price, the expiry time, the extent to which such option is exercisable, including vesting schedules, and other terms and conditions relating to such options will be determined by the Board of the Company.

Employment, consulting and management agreements

The directors manage or supervise the management of the business and affairs of the Company. The executive officers perform the day-to-day management functions of the Company.

Director Fees

Directors of the Company currently do not receive any compensation from the Company. Following the Listing, the directors of the Company will meet to discuss the appropriate compensation program for the directors.

Oversight and description of director and named executive officer compensation

Given the Company's current size and stage of development, the Board has not appointed a compensation committee and, accordingly, the Board as a whole is responsible for determining the compensation (including long- term incentives in the form of stock options) to be granted to the Company's executive officers and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. Management directors are required to abstain from voting in respect of their own compensation thereby providing any independent members of the Board with considerable input as to executive compensation.

Executive Compensation Program

The Board's compensation philosophy is aimed at attracting and retaining quality and experienced people which is critical to the success of the Company and may include a "pay-for-performance" element which supports the Company's commitment to delivering strong performance for its shareholders. We believe that, when the Company acquires a business or major assets or otherwise engages in significant business activities, adequate and appropriate compensation for our executive officers will be key to ensuring the continuity of high quality management who will provide strong leadership and stewardship for the Company.

The Board and its committees must also address the risks associated with the overall executive compensation program. The Audit Committee is responsible for assessing the risks which may arise from the Company's compensation policies and practices.

Executive compensation is generally comprised of three elements: base fees (may be consulting fees) or salary, short-term incentive compensation (discretionary cash bonuses) and long-term incentive compensation (stock options).

When the Company acquires a business or major assets or otherwise engages in significant business activities, the Company anticipates that a compensation program will be created, designed to reward the following objectives:

1. The ongoing day-to-day commitment of the Company's executive team in managing the Company's business and affairs, fulfilling their job responsibilities, and advancing the Company's business plan. This objective will be covered by salaries or consulting fees; and

2. The commitment to long-term growth and increased shareholder value as determined through the Company's share price. This objective will be addressed through the awarding of stock options under the Stock Option Plan.

Base Fees and Discretionary Bonuses

Base fees or salaries are compensation for ongoing job responsibilities and reflect the level of skills, experience, expertise, and capabilities demonstrated by the executive officers. Normally, executive officers and the board of directors meet to determine what both sides consider to be fair and reasonable base fees or salaries. The board of directors must give final approval for these compensation arrangements. When considering the base compensation to be paid to executive officers, the board of directors must consider the risk that, if the compensation is not adequate, it might not attract the best available individuals or it might result in a high turnover rate of executive officers, either of which could be detrimental to the Company. As an early stage enterprise, however, it will be necessary for the board of directors to strike a balance in this regard so that the compensation is not so high that the Company is unable to meet its obligations to its executive officers over the long term which could result in loss of that officer and the corporate knowledge and expertise that officer represents.

Executive officers are also eligible to receive discretionary bonuses as determined by the Board based on each officer's responsibilities, the achievement of individual and corporate objectives, and the Company's financial performance. Cash bonuses are intended to reward the executive officers for meeting or exceeding individual and corporate performance objectives set by the Board. As at the date of this Prospectus, the Company has not paid out any such bonuses and has not set any objectives whereby our executive officers might earn such bonuses at this time, other than as noted herein. It is the intention of the Board to review this element of the Company's compensation program to determine the impact, including the benefits and risks that offering short-term incentives to the Company's executives would have on the overall performance of the Company and its management team.

Stock options are an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of the Company's shares over a stated period of time, and are intended to reinforce commitment to long-term growth and shareholder value. Stock options reward overall corporate performance as measured through the price of the Company's shares and enable executives to acquire and maintain an ownership position in the Company.

Option-Based Awards

Executive officers of the Company, as well as directors, employees and consultants, are eligible to participate in the Company's Stock Option Plan to receive grants of stock options. The Board as a whole approves individual stock option grants and the size of the option grant is dependent on, among other things, each officer's level of responsibility, authority, and importance to the Company and the degree to which an officer's long-term contribution to the Company is crucial to its overall long-term success.

Periodic stock option grants ensure that the number of options granted to any particular executive officer is commensurate with the officer's level of ongoing responsibility within the Company. Before considering further grants, the Board will evaluate the number of options already granted to that officer, the exercise price of the options, and the term remaining on those options. In granting options, the Board might also reference the number of stock options granted to officers of other publicly traded companies that, similar to the Company, are involved in the same industry or those of other publicly traded Canadian companies of a comparable size to that of the Company in respect of assets. In addition, the Board may consider the effort, time, responsibility, ability, experience, and level of commitment of the executive officer in determining the level of incentive stock option compensation.

Option grants may include vesting provisions thereby encouraging officers to put forth their best efforts to improve the overall performance of the Company, thus increasing share price. In considering the periods for vesting of stock options and for overall stock option grants, the Board must take into account whether these periods could lead to unnecessary or inappropriate risk-taking or short-term decision-making. With these considerations in mind, options are generally granted for their maximum periods of five years thereby encouraging the Board and management to think of building value over the long-term rather than to take short-term risks.

Options are usually priced at the closing trading price of the Company's shares on the business day immediately preceding the date of grant. The Company does not have a policy in place whereby a director or executive officer is allowed to purchase financial instruments that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by the executive officer or director.

The Company has a formalized stock option plan for the granting of incentive stock options to its directors, officers, employees and consultants.

Benefits and Perquisites

In general, the Company will provide a specific benefit or perquisite when it provides competitive value and promotes retention of executives, or when the perquisite provides shareholder value, such as ensuring the health of executives. In furtherance of such objective, the Company intends to put in place a group health plan that provides up to 80% reimbursement for eligible expenses. The limited perquisites the Company provides its executives and officers currently only cover reimbursement for out-of-pocket costs.

Pension Plan Benefits

The Company does not have any pension, retirement or deferred compensation plans, including defined contribution plans.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of this Prospectus, no director, executive officer or employee of the Company or their respective associates or affiliates is currently, or has been at any time, indebted to the Company or any of its subsidiaries, or to any other entity of which the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

As at the date of this Prospectus, the Company has five directors.

Audit Committee Charter, Composition and Relevant Education and Experience

Mary Ag's Audit Committee is governed by its charter which is annexed as Appendix C to this Prospectus.

The Audit Committee is comprised of the following directors: Ying Xu, Buck Young and Joanne Yan. Joanne Yan is the only member of the Audit Committee not considered "independent" and all of them are "financially literate" within the meaning of Canadian Securities Administrators' National Instrument 52-110 – Audit Committees ("**NI 52-110**").

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

Name	Determination of Independence and Financial Literacy
Joanne Yan	Ms. Yan has over 25 years of experience advising, directing and managing public listed companies in North America, Europe and China, and has served on the boards and audit committees of a number publicly listed companies including Zongshen Power Systems Ltd., Hanwei Energy Services Corp, Yalian Steel, and Sunshine Oilsands Ltd. Ms. Yan also served as Vice President of Corporate Development of the Company earlier in 2020, and therefor is not an independent audit committee member.
Ying Xu	Chartered Professional Accountant and a partner and co-founder at Ethos CPA LLP. Ms. Xu has no material relationship with the Company as defined under NI 52-110 and is an independent audit committee member.
Buck Young	Co-founder and Executive Director at CannTx Life Sciences Inc. Mr. Young has no material relationship with the Company as defined under NI 52-110 and is an independent audit committee member.

All three Audit Committee members have the ability to read and understand 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 are therefore considered "financially literate".

Each Audit Committee member is a businessperson with experience in financial matters; each has an understanding of accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavour.

Audit Committee Oversight, Pre-Approval Policies and Procedures and External Auditor Service Fees

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

The Audit Committee charter annexed as Appendix C sets forth, in section 2(d), the specific policies and procedures that the Audit Committee has adopted for the engagement of audit and non-audit services.

The fees billed by the Company's external auditor in the last two audited fiscal years are set out in the table below.

	Year Ended September 30, 2020 ($)	Year Ended September 30, 2019 ($)
Audit Fees	4,500	3,500
Audit-Related Fees	3,000	-
Tax Fees	-	-
All Other Fees	-	-
Total	7,500	3,500

Reliance on Certain Exemptions

Since October 12, 2017, the Company's date of incorporation, the Company has not relied on any exemption provided under NI 52-110 whereby approval for a *de minimis* amount of non-audit services is not required nor has the Company obtained or relied upon any exemption granted by a securities regulatory or regulator from the requirements of NI 52-110. As a venture issuer, the Company has relied on the exemption from Parts 3 and 5 of NI 52-110 regarding the composition of the Audit Committee and reporting obligations.

Corporate Governance

Corporate governance relates to the activities of the board of directors of the Company (the "**Board**"), 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 to be executive officers and who are charged with the day-to-day management of the Company. The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Company. The Canadian Securities Administrators have published guidelines for issuers to consider in developing their own corporate governance practices. Disclosure of those practices is required. The Company's corporate governance practices are set forth below.

Board of Directors

The Company currently has five directors, three of whom are independent. The definition of independence used by the Board is that used by the Canadian Securities Administrators in NI 52-110 in relation to members of Audit Committees. In that reference, a director is independent if he or she has no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment. Certain types of relationships are by their nature considered to be material relationships.

Chuhan Qin is not independent because he is the Chief Executive Officer of the Company. Joanne Yan is not independent because she was the Vice President of Corporate Development of the Company earlier in 2020.

The Board exercises its independent supervision over the Company's management through a combination of formal meetings of the Board as well as informal discussions amongst the Board members. The independent directors may also hold scheduled meetings at which non-independent directors or members of management are not in attendance. Where matters arise at Board meetings which require decision-making and evaluation by independent or non-management directors, the meeting breaks into an "in camera" session among the independent or non-management directors.

Directorships

Certain directors are also directors of other issuers that are reporting issuers (or the equivalent), as follows:

Director	Other Directorships	Stock Exchange Listing
Joanne Yan	Hanwei Energy Services Corp. Alphanco Venture Corp. Electramecccanica Vehicles Corp.	TSX TSXV NASDAQ
Ying Xu	Aquarius AI Inc.	TSXV

Orientation and Continuing Education

Changes to the Board are infrequent so there is no need for a formal orientation program for directors. The Board does not provide formal continuing education for directors. Directors maintain the skill and knowledge necessary to meet their obligations as directors through a combination of their existing education, experience as businesspersons and managers, professional continuing education requirements, service as directors of other issuers and advice from the Company's legal counsel, auditor and other advisers.

Ethical Business Conduct

The Board has not adopted a written code of business conduct and ethics for its directors, officers and employees. A director with a material interest in a transaction or agreement considered by the Corporation is required to declare and fully disclose his interest, refrain from participating in any discussion of such matters and abstain from voting on any resolutions respecting such matters. The Board also believes that the skill and knowledge of Board members and advice from counsel ensure that non-conflicted directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Directors and officers are required to disclose dealings in the industry in which the Company operates.

Nomination of Directors

The Company does not have a formal process or committee for proposing new nominees to the Board. Changes to the Board are infrequent.

Compensation

The Board has not appointed a compensation committee. Instead, the independent directors fulfil that role. See "Executive Compensation".

Other Board Committees

There are no committees of the Board at this time other than the Audit Committee.

Assessments

The full Board has responsibility for assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors. Owing to the small size of the Board, this task has not been assigned to any committee of directors and no formal process is in place.

PLAN OF DISTRIBUTION

This is a non-offering prospectus. No securities are being offered pursuant to this Prospectus.

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 of 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.).

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

The Common Shares of the Company will be freely tradeable in accordance with section 2.11 of NI 45-106 and section 2.4 and 2.6 of NI 45-102.

RISK FACTORS

Risks Related to Business and Industry

There is no certainty that the Company will continue as a going concern. If the Company does not, shareholders could lose their investment.

The financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. However, as at September 30, 2020, as a start-up, we had an accumulated deficit of $2,339,143. We anticipate that we will incur increased expenses without realizing sufficient revenues to offset those expenses and we therefore may incur significant losses for the foreseeable future. Our ability to continue as a going concern is dependent on receiving continued support from our shareholders, creditors and service providers, as well as obtaining additional financing, and, most importantly, acquiring and developing a profitable business and generating future revenues. No assurance can be given that we will successfully be able to do so.

Our business has been, and may continue to be, impacted by the global COVID-19 pandemic.

Since the first quarter of 2020, there has been a worldwide impact from the COVID-19 pandemic. Government regulations and shifting social behaviors have limited or closed non-essential transportation, government functions, business activities and person-to-person interactions. In some cases, the relaxation of such trends has recently been followed by actual or contemplated returns to stringent restrictions on gatherings or commerce, including in parts of the U.S. and a number of areas in Europe.

The Company's business has been and continues to be impacted by the COVID-19 pandemic. As a result of the pandemic, the Company's cost per unit has increased due to rising shipping costs, and an overall more challenging environment faced by the Company's manufacturers and suppliers, which at different periods, have had disruptions in their operations arising from the additional public health and other requirements imposed by the Chinese authorities on their operations. The Company's operations in Canada have also been subject to public health and other requirements imposed by the federal and Ontario health authorities, which have required adjustments in staffing and adoption of work from home arrangements. This has resulted in a delay in the assembly and shipping of the Model Z units.

The social distancing and travel restrictions imposed by various governments in response to the COVID-19 pandemic has also reduced the Company's ability to advance its proposed vertical farm business in China. In the near term, the Company will focus on developing its business in Canada, with minimal spending in China.

We cannot predict the duration or direction of the COVID-19 pandemic, the sustained impact of which is largely unknown, is rapidly evolving and has varied across geographic regions. If current global market conditions continue or worsen as a result of the COVID-19, both the manufacturing and demand for our products may be affected, and our business, prospects, financial condition and operating results may be harmed.

We have incurred operating losses in each year since our inception and expect to continue to incur substantial and increasing losses for the foreseeable future. We also have negative capital cash flows from operating activities. If we cannot generate sufficient revenues to operate profitably or with positive cash flow from operating activities, we may suspend or cease our operations.

Since our inception on October 12, 2017, we have incurred operating and net losses in each year of our existence. We experienced a net loss of $1,416,041 for the year ended September 30, 2020, compared to a net loss of $666,721 for the year ended September 30, 2019. We expect to incur continuing losses in the near future. If we fail to generate sufficient revenues to operate profitably, or if we are unable to fund our continuing losses, you could lose all or part of your investment.

We have a limited operating history.

Mary Ag has limited history of operations, and only one recently commercialized product. There is no assurance that the Company's current product will prove commercially successful, or that the Company will develop additional products in the future. As such, Mary Ag is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. There is no assurance that we will be successful in achieving a return on shareholders' investment and the likelihood of our success must be considered in light of our early stage of operations.

The Company's actual financial position and results of operations may differ materially from the expectations of the Company's management.

The process for estimating the Company's revenue, net income and cash flow requires the use of judgment in determining the appropriate assumptions and estimates. These estimates and assumptions may be revised as additional information becomes available and as additional analyses are performed. In addition, the assumptions used in planning may not prove to be accurate, and other factors may affect the Company's financial condition or results of operations.

The Company expects to incur significant ongoing costs and obligations related to its investment in infrastructure, growth, regulatory compliance and operations.

The Company expects to incur significant ongoing costs and obligations related to its investment in infrastructure and growth and for regulatory compliance, which could have a material adverse impact on the Company's results of operations, financial condition and cash flows. In addition, future changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on our business, results of operations and financial condition. Our efforts to grow our business may be costlier than we expected, and we may not be able to increase our revenue enough to offset our higher operating expenses. We may incur significant losses in the future for a number of reasons, including the other risks described in this Prospectus, and unforeseen expenses, difficulties, complications and delays, and other unknown events. If we are unable to achieve and sustain profitability, the market price of our Common Shares may significantly decrease.

If we are unable to continually innovate and increase efficiencies, our ability to attract new customers may be adversely affected.

In the area of innovation, the Company must be able to develop new products that appeal to its customers. This depends, in part, on the technological and creative skills of its personnel and on its ability to protect its intellectual property rights. The Company may not be successful in the development, introduction, marketing, and sourcing of new products, that satisfy customer needs, achieve market acceptance, or generate satisfactory financial returns.

The Company has various confidentiality arrangements, which may be breached.

While discussing potential business relationships or other transactions with third parties, the Company may disclose confidential information relating to the business, operations or affairs of the Company. Although confidentiality agreements are to be signed by third parties prior to the disclosure of any confidential information, a breach of such confidentiality agreement could put the Company at competitive risk and may cause significant damage to its business.

The harm to the Company's business from a breach of confidentiality cannot presently be quantified but may be material and may not be compensable in damages. There can be no assurance that, in the event of a breach of confidentiality, the Company will be able to obtain equitable remedies, such as injunctive relief from a court of competent jurisdiction in a timely manner, if at all, in order to prevent or mitigate any damage to its business that such a breach of confidentiality may cause.

The Company may be liable for the actions of its employees, contractors and consultants.

The Company could be liable for fraudulent or illegal activity by its employees, contractors and consultants resulting in significant financial losses to claims against the Company.

The Company is exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to the Company that violates: (i) government regulations; (ii) manufacturing standards; (iii) fraud and abuse laws and regulations; or (iv) laws that require the true, complete and accurate reporting of financial information or data. It is not always possible for the Company to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Company to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against the Company, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on its business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, the curtailment of the Company's operations or asset seizures, any of which could have a material adverse effect on the Company's business, financial condition and results of operations.

We may be subject to litigation.

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for common shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant company resources.

Our business is subject to extensive government regulation.

Government approvals and permits may in the future be required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from conducting its business. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, or remedial actions. The Company may be required to compensate those suffering loss or damage by reason of its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Changes to current laws and regulations may be unfavorable and have an adverse effect on the Company’s operations.

The cannabis industry and market are relatively new in Canada and this industry and market may not exist and grow as anticipated or the Company may be ultimately unable to succeed in this new industry and market.

While the Company’s main product is marketed as a smart automated home grow box that can be used to grow a wide variety of plants, the growth strategy of the Company takes advantage of the relatively recent legalization of marijuana in Canada and the growth in the cannabis growing community. The Company may be affected by the overall cannabis industry and market. As the Company is operating its business in a relatively new industry and market, in addition to being subject to general business risks, the Company must continue to build brand awareness in this industry and market through significant investments in its strategy, its production capacity, quality assurance and compliance with regulations. In addition, there is no assurance that the industry and market will continue to exist and grow as currently estimated or anticipated or function and evolve in the manner consistent with management’s expectations and assumptions. Any event or circumstance that adversely affects the cannabis industry and market could have a material adverse effect on the Company's business, financial conditions and results of operations.

Cannabis continues to be a controlled substance under the United States Federal Controlled Substances Act, and is subject to a patchwork of state regulation.

Unlike in Canada which has federal legislation uniformly governing the cultivation, distribution, sale and possession of medical cannabis under the Access to Cannabis for Medical Purposes Regulations (Canada) and the Cannabis Act (Canada), investors are cautioned that in the United States, cannabis is largely regulated at the State level. In addition, United States federal law pre-empts state law, and the United States federal government can assert criminal violations of federal law despite state law. The level of prosecutions of state-legal cannabis operations is entirely unknown, and may be changed at any time by the Department of Justice.

Certain states have legalized or decriminalized cannabis in one form or another. The regulation of cannabis in each state is not uniform, and varies significantly from state to state.

Although the Company is only in the business of providing growing devices which may be used by the end users to grow cannabis, there is nevertheless a risk that the Company may face enforcement by U.S. authorities. Violations of U.S. cannabis laws could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities or divestiture. This could have a material adverse effect on the Corporation, including its reputation and ability to conduct business, the listing of its securities on various stock exchanges, its financial position, operating results, profitability or liquidity or the market price of its publicly traded common shares. In addition, it is difficult to estimate the time or resources that would be needed for the investigation of any such matters or its final resolution because, in part, the time and resources that may be needed are dependent on the nature and extent of any information requested by the applicable authorities involved, and such time or resources could be substantial.

Growth management has risks.

In executing the business plan of Mary Ag for the future, there will be significant pressure on management, operations and technical resources. Mary Ag anticipates that its operating and personnel costs will increase in the future. To manage their growth, the Company will have to increase the number of its technical and operational employees and efficiently manage its employees, while at the same time maintaining a large number of relationships with third parties. There is no assurance that the Company will be able to execute its business plan successfully or at all.

There is a risk that the Company's growth targets will not be achieved on time, on budget, or at all, as they can be adversely affected by a variety of factors, including the following:

- delays in obtaining, or conditions imposed by, regulatory approvals;
- design errors;
- environmental pollution;
- non-performance by third party contractors;
- increases in materials or labour costs;
- breakdown, aging or failure of equipment or processes;
- operational inefficiencies;
- labour disputes, disruptions or declines in productivity;
- inability to attract sufficient numbers of qualified workers; disruption in the supply of energy and utilities; and
- major incidents and/or catastrophic events such as fires, explosions, storms, or physical attacks.

Disruptions to the Company's material supplier manufacturer may affect the Company's business.

The Company currently has one material supplier manufacturer based in China for raw materials, prototypes, and parts for Mary Model Z. While there are many other manufacturers in China with comparable capability and capacity to meet the needs of the Company, the Company has yet to develop a relationship with such other manufacturers. Until the Company establishes relationships with additional supplier manufacturers, any disruptions to the material supplier manufacturer or a breakdown in the relationship with the material supplier manufacturer may affect the Company's business.

The Company is subject to changes in Canadian laws, regulations and guidelines which could adversely affect the Company's future business, financial condition and results of operations.

Mary Ag's operations will be subject to various laws, regulations and guidelines relating to the manufacture, management, packaging/labelling, advertising, sale, transportation, storage and disposal of cannabis but also including laws and regulations relating to drugs, controlled substances, health and safety, the conduct of operations and the protection of the environment. Changes to such laws, regulations and guidelines due to matters beyond the control of the Company may cause material adverse effects on business, financial condition and results of operations of Mary Ag. Mary Ag endeavours to comply with all relevant laws, regulations and guidelines.

There is no assurance that the Company will turn a profit or generate immediate revenues.

There is no assurance as to whether the Company will be profitable, earn revenues, or pay dividends. The Company has incurred and anticipates that it will continue to incur substantial expenses relating to the development and initial operations of its business. The payment and amount of any future dividends will depend upon, among other things, the Company's results of operations, cash flow, financial condition, and operating and capital requirements. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividends.

The Company faces competition from other companies where it will conduct business that may have higher capitalization, more experienced management or may be more mature as a business.

The Company conducts business in the technology and product innovation industries which are extremely competitive. Others in the field may have significantly more financial, technical, distribution and marketing resources. Technological progress and product innovation and development may cause Mary Ag's services and product offerings to become obsolete or may reduce their market preference or acceptance.

An increase in the companies competing in this industry could limit the ability of the Company to expand its operations. Current and new competitors may be better capitalized, have a longer operating history, more expertise and ability to develop higher quality equipment or products, at the same or a lower cost. The Company cannot provide assurances that it will be able to compete successfully against current and future competitors. Competitive pressures faced by the Company could have a material adverse effect on its business, operating results and financial condition. If the Company is unable to develop and market new products, it may not be able to keep up with market developments.

The cannabis industry is in its early stages and it is likely that the Company and its competitors will seek to introduce new products in the future. In attempting to keep up with any new market developments, the Company will need to expend significant amounts of capital in order to successfully develop and generate revenues from new products. The Company may also be required to obtain additional regulatory approvals from applicable authorities which may take significant time. The Company may not be successful in developing effective and safe new products, bringing such products to market in time to be effectively commercialized, or obtaining any required regulatory approvals, which together with capital expenditures made in the course of such product development and regulatory approval processes, may have material adverse effects on the Company's business, financial condition and results of operations.

The size of the Company's target market is difficult to quantify, and investors will be reliant on their own estimates on the accuracy of market data.

Because the cannabis industry is in a nascent stage with uncertain boundaries, there is a lack of information about comparable companies available for potential investors to review in deciding about whether to invest in the Company and, few, if any, established companies whose business model the Company can follow or upon whose success the Company can build. Accordingly, investors will have to rely on their own estimates in deciding about whether to invest in the Company. There can be no assurance that the Company's estimates are accurate or that the market size is sufficiently large for its business to grow as projected, which may negatively impact its financial results. The Company regularly follows market research.

The expansion of the cannabis industry may require new clinical research into effective medical therapies, when such research has been restricted in the U.S. and is new to Canada.

Research in Canada and internationally regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis or isolated cannabinoids (such as CBD and THC) remains in its early stages. There have been relatively few clinical trials on the benefits of cannabis or isolated cannabinoids (such as CBD and THC). Although the Company believes that the articles, reports and studies support its beliefs regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis, future research and clinical trials may prove such statements to be incorrect, or could raise concerns regarding, and perceptions relating to, cannabis. Given these risks, uncertainties and assumptions, investors should not place undue reliance on such articles and reports. Future research studies and clinical trials may draw opposing conclusions to those stated in this Prospectus or reach negative conclusions regarding the medical benefits, viability, safety, efficacy, dosing, social acceptance or other facts and perceptions related to cannabis, which could have material adverse effects on the demand for the Company’s products with the potential to lead to material adverse effects on the Company’s business, financial condition, and results of operations.

As a start-up with limited resources, we may lack sufficient internal controls.

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's consolidated financial statements and materially adversely affect the trading price of the Company’s shares.

Mary Ag faces potential intellectual property and commercial litigation exposure, and any claim brought against Mary Ag may cause it to divert resources from its normal operations or terminate selling, distributing and marketing any product. This may cause Mary Ag to cease its operations as those operations relate to that product, those intellectual property rights or entirely.

New technologies, especially in highly competitive and emerging markets, are often fraught with competing claims regarding the first inventor or creator and the infringement of a third party’s rights. The technological industry is well known for such competing claims and, as a result, for extensive, time-consuming and expensive litigation. Such litigation is often based on infringement of intellectual property rights or misuse of confidential information. Mary Ag is at risk of being the object of such claims and, accordingly, is exposed to the risks of such intellectual property litigation and other commercial litigation. Any licensing of Mary Ag’s technology or sale of Mary Ag’s products may expose Mary Ag to liability claims from consumers, competitors, pharmaceutical companies or other entities.

If Mary Ag is unable to maintain and enforce Mary Ag’s intellectual property rights, Mary Ag may not be able to operate profitably.

Mary Ag’s commercial success will depend, in part, in obtaining and maintaining patent protection for Mary Ag’s licensed technology, trademark registrations for Mary Ag, trade secret protection and regulatory protection as well as successfully defending third-party challenges to such technologies and intellectual property rights. Mary Ag will be able to protect Mary Ag’s technologies and intellectual property rights from use by third parties only to the extent that valid and enforceable patents, trademarks, trade secrets or regulatory protection cover them and Mary Ag has exclusive rights to use them.

Changes in either the patent laws or in interpretations of patent laws in Canada or the United States or in other countries may diminish the value of our intellectual property. Accordingly, we cannot predict with any certainty the range of claims that may be allowed or enforced concerning any patents which Mary Ag develops.

Mary Ag may also rely on trade secrets to protect Mary Ag's technologies, especially where Mary Ag does not believe patent protection is appropriate or obtainable. However, trade secrets are difficult to protect. While Mary Ag will seek to continue to protect confidential information, in part through confidentiality agreements with Mary Ag's consultants and scientific and other advisors, they may unintentionally or willfully disclose Mary Ag's information to the public or to competitors. Enforcing a claim against a third party related to the illegal acquisition and use of trade secrets can be expensive and time consuming, and the outcome is often unpredictable.

If Mary Ag is not able to maintain patent or trade secret protection on Mary Ag's technologies, then Mary Ag may not be able to exclude competitors from developing or marketing competing products, and Mary Ag may not be able to operate profitability.

If Mary Ag is the subject of an intellectual property infringement claim, the cost of participating in any such litigation could cause Mary Ag to go out of business.

Mary Ag cannot be certain that a third party will not challenge its position in the future. Other parties may own patent rights that Mary Ag might infringe, and Mary Ag's competitors or other patent holders may assert that Mary Ag's products and the methods Mary Ag employs are covered by their patents. Those parties could bring claims against Mary Ag that would cause it to incur substantial litigation expenses and, if successful, may require Mary Ag to pay substantial damages. Some of Mary Ag's potential competitors may be better able to sustain the costs of complex patent litigation and, depending on the circumstances, Mary Ag could be forced to stop or delay our manufacturing or sales activities. Any of these costs could cause Mary Ag to go out of business. scope or enforceability will also play an important role in determining Mary Ag's future.

Our expansion into international jurisdictions such as United States and China is subject to risks.

The Company's expansion into jurisdictions outside of Canada is subject to risks. In addition, in jurisdictions outside of Canada, there can be no assurance that any market for the Company's products will develop. The Company may face new or unexpected risks or significantly increase its exposure to one or more existing risk factors, including economic instability, changes in laws and regulations, and the effects of competition. These factors may limit the Company's ability to successfully expand its operations into such jurisdictions and may have a material adverse effect on the Company's business, financial condition, and results of operations.

The Company May Have Limited Access to Banks and Financial Services in the U.S.

To date, the Company has no banking relationship in the U.S. and has conducted its business using the banking and financial services available in Canada and China. The Company may have difficulty accessing the services of banks in the U.S. in the future, which may make it difficult for the Company to operate in or sell into the U.S. Since the use of cannabis is illegal under U.S. Federal Law, and in light of concerns in the banking industry regarding money laundering and other federal financial crime related to cannabis, U.S. banks have been reluctant to accept deposit funds from businesses involved with the cannabis industry. Consequently, businesses involved in the cannabis industry often have difficulty finding a bank willing to accept their business. Likewise, cannabis businesses have limited, if any, access to credit card processing services in the U.S. As a result, cannabis businesses in the U.S. are largely cash-only. This complicates the implementation of financial controls and increases security issues. The inability to open or maintain bank accounts or take credit cards may make it difficult for the Company to operate in or sell into the U.S.

The lack of banking and financial services presents unique and significant challenges to businesses related to the cannabis industry in the U.S. The potential lack of a secure place in which to deposit and store cash, the inability to pay creditors through the issuance of cheques and the inability to secure traditional forms of operational financing, such as lines of credit, are some of the many challenges presented by the unavailability of traditional banking and financial services.

The Company has historically had access to equity and debt financing from the prospectus-exempt (private placement) markets in Canada. Further, upon listing, the Company anticipates that it will also have access to public capital. The Company does not expect that it will require traditional forms of operational financing or access to traditional financial services from U.S. banks in the near future.

Nevertheless, there can be no assurance that additional financing will be available to us when needed or on terms which are acceptable. The Company's inability to complete financings to fund capital expenditures or acquisitions could limit its growth and may have a material adverse effect upon future profitability.

Regulatory scrutiny of cannabis industry may negatively impact Mary Ag's ability to raise additional capital.

The Company's business activities rely on newly established and/or developing laws and regulations. These laws and regulations are rapidly evolving and subject to change with minimal notice. Regulatory changes may adversely affect the Company's profitability or cause it to cease operations in certain jurisdictions entirely. In the U.S., the cannabis industry may come under the scrutiny by the Securities and Exchange Commission, the U.S. DOJ, the Financial Industry Regulatory Advisory or other federal, state or non-governmental regulatory authorities or self-regulatory organizations that supervise or regulate the production, distribution, sale or use of cannabis for medical and/or adult-use purposes in the U.S. It is impossible to determine the extent of the impact of any new laws, regulations or initiative that may be proposed, or whether any proposals will become law. The regulatory uncertainty surrounding the Company's industry may adversely affect its business and operations, including without limitation, the costs to remain compliant with applicable laws and the impairment of its ability to raise additional capital, create a public trading market in the U.S. for securities of the Company or to find a suitable acquirer, which could reduce, delay or eliminate any return on investment in the Company.

The Company's operations in China and other emerging markets are subject to political and other risks associated with operating in a foreign jurisdiction.

The Company will have operations in China and may have operations in additional emerging markets in the future. Such operations expose the Company to the socioeconomic conditions as well as the laws governing the cannabis industry in such countries. Inherent risks with conducting foreign operations include, but are not limited to: high rates of inflation; extreme fluctuations in currency exchange rates, military repression; war or civil war; social and labour unrest; organized crime; hostage taking; terrorism; violent crime; expropriation and nationalization; renegotiation or nullification of existing licenses, approvals, permits and contracts; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political norms, currency controls and governmental regulations that favour or require the Company to award contracts in, employ citizens of, or purchase supplies from, the jurisdiction. Governments in certain foreign jurisdictions intervene in their economies, sometimes frequently, and occasionally make significant changes in policies and regulations. Changes, if any, in marijuana industry or investment policies or shifts in political attitude in the countries in which the Company operates may adversely affect the Company's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, importation of product and supplies, income and other taxes, royalties, the repatriation of profits, expropriation of property, foreign investment, maintenance of concessions, licenses, approvals and permits, environmental matters, land use, land claims of local people, water use and workplace safety. Failure to comply strictly with applicable laws, regulations and local practices could result in loss, reduction or expropriation of licenses, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. The Company continues to monitor developments and policies in the emerging markets in which it will operate and assess the impact thereof to its operations; however, such developments cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.

Inflation in emerging markets, along with governmental measures to combat inflation, may have a significant negative effect on local economies and also on the Company's financial condition and results of operations.

In the past, high levels of inflation have adversely affected emerging economies and financial markets, and the ability of government to create conditions that stimulate or maintain economic growth. Moreover, governmental measures to curb inflation and speculation about possible future governmental measures have contributed to the negative economic impact of inflation and have created general economic uncertainty. The emerging markets in which the Company operates or may operate may experience high levels of inflation in the future. Inflationary pressures may weaken investor confidence in such countries and lead to further government intervention in the economy. If countries in which the Company operates experience high levels of inflation in the future and/or price controls are imposed, the Company may not be able to adjust the rates the Company charges the Company's customers to fully offset the impact of inflation on the Company's cost structures, which could adversely affect the Company's results of operations or financial condition.

The Company may expand into other geographic areas, which could increase the Company's operational, regulatory and other risks.

In addition to the jurisdictions described elsewhere in this Prospectus, the Company may in the future expand into other geographic areas, which could increase the Company's operational, regulatory, compliance, reputational and foreign exchange rate risks. The failure of the Company's operating infrastructure to support such expansion could result in operational failures and regulatory fines or sanctions. Future international expansion could require the Company to incur a number of up-front expenses, including those associated with obtaining regulatory approvals, as well as additional ongoing expenses, including those associated with infrastructure, staff and regulatory compliance. The Company may not be able to successfully identify suitable acquisition and expansion opportunities or integrate such operations successfully with the Company's existing operations.

The Company may be responsible for corruption and anti-bribery law violations.

The Company's business is subject to Canadian laws which generally prohibit companies and employees from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. In addition, the Company is subject to the anti-bribery laws of any other countries in which it conducts business now or in the future. The Company's employees or other agents may, without its knowledge and despite its efforts, engage in prohibited conduct under the Company's policies and procedures and anti-bribery laws for which the Company may be held responsible. The Company's policies mandate compliance with these anti-corruption and anti-bribery laws. However, there can be no assurance that the Company's internal control policies and procedures will always protect it from recklessness, fraudulent behaviour, dishonesty or other inappropriate acts committed by its affiliates, employees, contractors or agents. If the Company's employees or other agents are found to have engaged in such practices, the Company could suffer severe penalties and other consequences that may have a material adverse effect on its business, financial condition and results of operations.

The Company's officers and directors may be engaged in a range of business activities resulting in conflicts of interest.

The Company may be subject to various potential conflicts of interest because some of its officers and directors may be engaged in a range of business activities. In addition, the Company's executive officers and directors may devote time to their outside business interests, so long as such activities do not materially or adversely interfere with their duties to the Company. In some cases, the Company's executive officers and directors may have fiduciary obligations associated with these business interests that interfere with their ability to devote time to the Company's business and affairs and that could adversely affect the Company's operations. These business interests could require significant time and attention of the Company's executive officers and directors. In addition, the Company may also become involved in other transactions which conflict with the interests of its directors and the officers who may from time to time deal with persons, firms, institutions or companies with which the Company may be dealing, or which may be seeking investments similar to those desired by it. The interests of these persons could conflict with those of the Company. In addition, from time to time, these persons may be competing with the Company for available investment opportunities. Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws. In particular, if such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict is obligated to declare and fully disclose the fact and substance of the matter giving rise to any such conflict and will abstain from voting for or against the approval of such participation or such terms. In accordance with applicable laws, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company.

We may be subject to risks relating to publicity or consumer perception.

The Company believes that the cannabis growing industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of the marijuana produced. Consumer perception of the Company' future products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of marijuana products.

There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favourable to the marijuana market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for Mary Ag's future products and the business, results of operations, financial condition and Mary Ag's future cash flows. The Company's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on Mary Ag. Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of marijuana in general, or associating the consumption of marijuana with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed.

Mary Ag may be relying on third parties.

The nature of the operations of Mary Ag requires it to enter into various agreements with partners, joint venture partners, other businesses partners, equipment suppliers, government agencies, licensors, licensees, and other parties for the successful operation of their businesses and the successful marketing of their services.

There is no guarantee that those with whom Mary Ag may need to deal will not adopt other services providers or that they will not develop alternative business strategies, acting either alone or in conjunction with other parties, including Mary Ag's competitors in preference to those of Mary Ag.

Due to Mary Ag's direct to client shipping model, Mary Ag depends on fast and efficient courier services to deliver its supplies to its customers. Any prolonged disruption of this courier service could have an adverse effect on Mary Ag's financial condition and results of operations. Rising costs associated with the courier services which Mary Ag uses to deliver its supplies to its customers may also adversely impact its business and ability to operate profitably.

Our business is difficult to forecast.

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the cannabis growing industry in Canada. A failure in the demand for products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

We are exposed to currency risk.

The Company will be exposed to foreign currency fluctuations to the extent that certain operations are located in the China and therefore certain expenditures and obligations are denominated in Hong Kong dollars and Chinese yuan, yet the Company is headquartered in Canada, has applied to list its Common Shares on a Canadian stock exchange and typically raises funds in Canadian dollars. As such, the Company's results of operations are subject to foreign currency fluctuation risks and such fluctuations may adversely affect the financial position and operating results of the Company.

We currently have no insurance coverage.

We do not currently carry any insurance – general public liability insurance, directors' and officers' insurance, key person insurance, business interruption insurance or any other kind of insurance. In the future, we may carry insurance to protect against such risks and in such amounts as we consider appropriate and adequate. There is no assurance that the Company will ever carry any or all of these types of insurance, or any other kind of insurance or, if carried, that any insurance carried will cover the type of loss suffered by the Company or will adequately cover that amount of any such loss. In the event of a loss, the lack of insurance or the lack of adequate or appropriate insurance coverage could have a significant adverse effect on the Company and its financial viability and, accordingly, the value of its Common Shares. There is no assurance that the Company will be able to obtain, maintain in effect or increase any insurance coverage on acceptable terms or at reasonable costs, or that such insurance will provide the Company with adequate protection against potential liability.

We plan to indemnify our directors and officers against liability to us and our security holders, and such indemnification could increase our operating costs.

Applicable corporate laws allow us to indemnify our directors and officers against claims associated with carrying out the duties of their offices. Applicable corporate laws also allow us to reimburse our officers and directors for the costs of certain legal defenses. However, certain corporate and securities laws and regulations may, in certain circumstances, prohibit or limit such indemnification and, in such circumstances, such indemnification will therefore be unenforceable in that jurisdiction.

Since our officers and directors are aware that they may be indemnified for carrying out the duties of their offices, they may be less motivated to meet the standards required by law to properly carry out such duties, which could increase our operating costs. Further, if our officers and directors file a claim against us for indemnification, the associated expenses could also increase our operating costs.

There is no underwriter in our Listing.

Underwriters have an obligation to establish, maintain and apply policies and procedures that are critical to fostering fair and efficient capital markets. The absence of an underwriter in the listing process creates the risk that such policies and procedures were not engaged to ensure the extra level of oversight that the prospectus constitutes full, true and plain disclosure of all material facts related to the securities and the issuer. Underwriters and their officers and employees, with assistance from underwriters' counsel and other expert advisors, discharge their role by completing a due diligence investigation, participating in the preparation of the prospectus and certifying the contents of the prospectus. The absence of an underwriter engaged with respect to this Prospectus lessens the level of protection built into the process through the underwriter's role as an additional "gatekeeper" to the capital market.

Risks Associated with Our Securities

You will experience dilution as a result of our financing activities.

We must raise additional capital from external sources to carry out our business plan over the next few years or longer. To do so, we may issue debt securities, equity securities or a combination of these securities; however, we may not be able to sell these securities, particularly under current market conditions. Even if we are successful in finding buyers for our debt securities, such buyers could demand high interest rates or require us to agree to onerous operating covenants, which could in turn harm our ability to operate our business by reducing our cash flow and restricting our operating activities. If we choose to sell shares, this will result in dilution to our existing shareholders. In addition, any shares we may issue may have rights, privileges and preferences superior to those of our current Common Shares.

We do not intend to pay dividends and, accordingly, there will be fewer ways in which you are able to make a return on your investment, if at all.

We have never paid dividends and do not intend to pay any dividends for the foreseeable future. To the extent that we may require additional funding currently not provided for in our financing plan, our funding sources may prohibit the declaration of dividends. Because we do not intend to pay dividends, any return on your investment will need to result from an appreciation in the price of our Common Shares. There will, therefore, be fewer ways in which you are able to make a return on your investment, if at all. There is also no guarantee that your investment will appreciate or even maintain its current value.

Although we have tried to identify all significant risks, we may not have identified all risks. There may be other risks.

We have sought to identify what we believe to be the most significant risks to our business, but we cannot predict whether, or to what extent, any of such risks may be realized nor can we guarantee that we have identified all possible risks that might arise. Investors should carefully consider all such risk factors before making an investment decision with respect to our Common Shares.

PROMOTERS

Chuhan Qin is considered to be a "promoter" of the Company as that term is defined in the *Securities Act* (Ontario) in that he took the initiative in forming the Company. Mr. Qin is also Chief Executive Officer and director of the Company. Please refer to "Directors and Officers" above. In addition to his shareholdings, Mr. Qin holds 80,000 stock options that were granted to him in his capacity as a director and officer.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no material pending legal proceedings or regulatory actions to which the Company is, or, to the knowledge of management of the Company, is likely to be a party**.**

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no Insider of the Company or associate or affiliate of an Insider of the Company has or has had any material interest, direct or indirect, in any transaction within the three years before the date of this Prospectus that has materially affected or is reasonably expected to materially affect the Company.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Auditors

Mary Ag's auditor is Mao & Ying LLP, Charter Professional Accountants, with an office at 1488 - 1188 West Georgia Street Vancouver, BC, V6E 4A2.

Transfer Agent and Registrar

The transfer agent and registrar for Mary Ag's Common Shares is Odyssey Trust Company at its principal office in Vancouver at 323-409 Granville Street, Vancouver, BC, V6C 1T2.

MATERIAL CONTRACTS

The Company does not currently have any contracts material to investors in the Common Shares, other than:

1) the Mary Ag Stock Option Plan (see "Appendix D");

2) the Transfer Agent Agreement;

3) the escrow agreement among the Company, Odyssey Trust Company and the principals of the Company (see "Escrowed Securities")

EXPERTS

No person or company whose profession or business gives authority to a report, valuation, statement or opinion made by such person or company and who is named in this Prospectus as having prepared or certified a part of this Prospectus, or a report, valuation, statement or opinion described in this Prospectus, has received or shall receive a direct or indirect interest in any securities or other property of the Company or any associate or affiliate of the Company.

Mao & Ying LLP, Charter Professional Accountants, the Company's auditor, has confirmed that it is independent of Mary Ag within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

OTHER MATERIAL FACTS

There are no material facts about the Company which are not disclosed in this Prospectus.

EXEMPTIONS FROM NI 41-101

The Company has applied for exemptive relief from the requirement contained in subsection 2.3(1) of NI 41-101 that prohibits an issuer from filing its first amendment to a preliminary prospectus more than 90 days after the date of the receipt for the preliminary prospectus that relates to the final prospectus. In particular, the Company has applied for exemptive relief with respect to the requirement to file its first amendment to the preliminary prospectus by March 9, 2021 provided that the Company file an amended and restated preliminary prospectus on or before March 29, 2021. The exemption requested will be evidenced by the issuance of a receipt for this prospectus.

FINANCIAL STATEMENTS AND MD&As

The following Mary Ag financial statements are attached as Appendix A to this Prospectus and management's discussion and analysis for the corresponding periods are attached as Appendix B to this Prospectus:

- Audited financial statements as at and for the fiscal years ended September 30, 2020 and September 30, 2019;
- Interim financial statements for the three month period ended December 31, 2020;
- Management's discussion and analysis for the three month period ended December 31, 2020, and for the fiscal year ended September 30, 2020.

CERTIFICATE OF THE ISSUER

Dated: March 23, 2021

This Amended and Restated Preliminary Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Company as required by the securities legislation of Ontario.

(signed) *"Chuhan Qin"*
Chuhan Qin, Chief Executive Officer

(signed) *"Xin Ran Mai"*
Xin Ran Mai, Chief Financial Officer

On behalf of the Board of Directors

(signed) *"Joanne Yan"*
Joanne Yan, Director

(signed) *"Ying Xu"*
Ying Xu, Director

CERTIFICATE OF THE PROMOTER

Dated: March 23, 2021

This Amended and Restated Preliminary Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Company as required by the securities legislation of Ontario.

(signed) *"Chuhan Qin"*
Chuhan Qin

APPENDIX A

Audited Financial Statements of Mary Agrotechnologies Inc. for the years ended September 30, 2020 and September 30, 2019
and
Unaudited Interim Condensed Financial Statements for the three month period ended December 31, 2020.

(see attached)

Mary Agrotechnologies Inc.

Consolidated Financial Statements

For the Years Ended September 30, 2020 and 2019

Mary Agrotechnologies Inc.

Years Ended September 30, 2020 and 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of **Mary Agrotechnologies Inc.**

Opinion

We have audited the consolidated financial statements of **Mary Agrotechnologies Inc.** (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2020 and 2019, and the statements of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated financial statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

The engagement partner on the audit resulting in this independent auditor’s report is Linda Zhu.

Vancouver, Canada,
XX, 2020

Chartered Professional Accountants

Mary Agrotechnologies Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	September 30, 2020 $	September 30, 2019 $
ASSETS		
Current Assets		
Cash and cash equivalent	144,731	261,049
Prepaid expenses and deposits	6,390	2,200
Inventory (note 5)	71,336	-
Accounts receivable	34,034	12,697
Due from a related party (note 7)	-	420
	256,491	276,366
Non-current Assets		
Property and equipment (note 6)	299,482	108,269
TOTAL ASSETS	555,973	384,635
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	86,428	8,476
Customer advances	63,660	124,658
Due to a related party (note 7)	68,897	-
Current portion of lease obligation (note 9)	52,061	22,270
	271,046	155,404
Non-Current Liabilities		
Non-current portion of lease obligation (note 9)	106,373	43,705
Bank loans (note 10)	40,000	-
Convertible notes (note 8)	-	1,035,000
TOTAL LIABILITIES	417,419	1,234,109
SHAREHOLDERS' EQUITY (DEFICIENCY)		
Share capital (note 11)	2,328,694	8
Contributed surplus	149,003	73,620
Deficit	(2,339,143)	(923,102)
TOTAL SHARESHOLDERS' EQUITY (DEFICIENCY)	138,554	(849,474)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)	555,973	384,635

Nature of operations (note 1)
Subsequent events (note 18)

Approved on behalf of the Board:

"Chuhan Qin"
Chuhan Qin, Director

"Ying Xu"
Ying Xu, Director

The accompanying notes are an integral part of these consolidated financial statements.

Mary Agrotechnologies Inc.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	For the years ended September 30,	
	2020	**2019**
	$	$
Revenue	85,211	-
Cost of revenue	(84,308)	-
Gross profit	903	-
Professional fees	246,619	18,013
Amortization (note 6)	39,364	14,404
Accretion (note 9)	6,862	1,875
Computer software	18,116	8,559
Marketing and advertising	36,968	66,778
Office and administrative	52,012	15,701
Research and development (note 12)	460,388	386,823
Share-based compensation (note 7, 11)	125,356	23,647
Travel and entertainment	44,137	29,273
Wages and salaries (note 7)	425,629	107,104
	1,455,451	672,177
LOSS BEFORE OTHER ITEMS	(1,454,548)	(672,177)
OTHER ITEMS		
Foreign exchange gain	37,249	456
Interest income	1,258	5,000
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	(1,416,041)	(666,721)
Basic and Diluted Loss per Common Share	(0.05)	(0.03)
Weighted Average Number of Common Shares Outstanding	30,310,047	22,500,000

The accompanying notes are an integral part of these consolidated financial statements.

Mary Agrotechnologies Inc.

Consolidated Statements of Changes in Shareholders' Equity(Deficiency)

(Expressed in Canadian Dollars)

	Number of common shares	Number of shares to be issued	Share capital	Contributed surplus	Deficit	Total shareholders' equity(deficiency)
			$	$	$	$
Balance, September 30, 2018	**22,500,000**	**459,180**	**8**	**-**	**(256,381)**	**(256,373)**
Seed shares subscribed at nominal amount	-	240,000	-	-	-	-
Share-based compensation	-	-		73,620		73,620
Net loss for the year	-	-	-	-	(666,721)	(666,721)
Balance, September 30, 2019	**22,500,000**	**699,180**	**8**	**73,620**	**(923,102)**	**(849,474)**
Seed shares subscribed at nominal amount	669,180	(669,180)	-	-	-	-
Share issued for KISS note conversion	7,882,531	-	1,035,000	-	-	1,035,000
Share issued from private placement	3,800,900	-	950,225	-	-	950,225
Share-based compensation	-	-	-	125,356	-	125,356
Earned out shares issued	480,000	-	120,000	(49,973)	-	70,027
Share issued for professional services	893,846	-	223,461	-	-	223,461
Net loss for the year	-	-	-	-	(1,416,041)	(1,416.041)
Balance, as at September 30, 2020	**36,256,457**	**-**	**2,328,694**	**149,003**	**(2,339,143)**	**138,554**

The accompanying notes are an integral part of these consolidated financial statements.

Mary Agrotechnologies Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	For the years ended September 30, 2020	2019
	$	$
Cash provided by (used in) operating activities:		
Net loss for the period	$ (1,416,041)	$ (666,721)
Items not involving cash:		
Accretion	6,862	1,875
Share-based compensation	125,356	73,620
Earned out shares	70,027	-
Share issued for professional services	223,461	-
Amortization	39,364	14,404
Changes in non-cash working capital:		
Inventory	(71,336)	-
Accounts receivable	(21,337)	(2,542)
Accounts payable and accrued liabilities	16,326	-
Customer advances	(60,998)	42,470
Prepaid expenses	(4,190)	22,800
Amount (due to) from a related party	69,317	(40,505)
Net cash used in operating activities	(1,023,189)	(554,599)
Cash provided by (used in) investing activities		
Purchase of property and equipment	(47,954)	(45,775)
Net cash used in investing activities	(47,954)	(45,775)
Cash provided by (used in) financing activities		
Lease payments	(35,400)	(8,800)
Proceeds from private placements	950,225	315,000
Proceeds from bank loan	40,000	-
Net cash provided by financing activities	954,825	306,200
Decrease in cash and cash equivalents	$ (116,318)	$ (294,174)
Cash and cash equivalent, beginning of year	261,049	555,223
Cash and cash equivalent, end of year	$ 144,731	$ 261,049

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE OF OPEARTIONS

Mary Agrotechnologies Inc. ("Mary AG" or "the Company") was incorporated under the laws of the Province of Ontario by articles of incorporation on October 12, 2017. The primary business activity of the Company is to produce the fully automated plant growing device managed and controlled by an artificial intelligent algorithm, allowing consumers to grow their own herbs and vegetables effortlessly from seed to plant, while providing optimal conditions to assure premium quality produce year-round. The Company's head office is located at 115 Apple Creek Boulevard, Unit 3&4, Markham, Ontario, L3R 6C9. The Company's registered and records office address is 25 White Oak Crescent, Richmond Hill, Ontario, L4B 3R7.

The Company operates mainly in the fields of development and distribution of home growing automated machines and commercial containers for variety of herbs and vegetables worldwide. The Company also plans, establishes and will operate container farms.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future.

On October 15, 2019, the Company amended its amended and restated certificate of incorporation to implement a 1 for 30 reverse stock split of its common shares. The stock split did not cause an adjustment to the value of the common shares issued previously. As a result of the reverse stock split, the Company adjusted the number of shares under its employee incentive plans, share earn out agreement, and common share subscription agreements accordingly. The number of shares presented in these Consolidated Financial Statements have been adjusted to reflect the reverse stock split since the earliest period presented.

On December 11, 2019, the Company's wholly owned Hong Kong subsidiary, Mary Agrotechnologies Hong Kong Limited ("Mary HK") together with an arm's length party, Yunnan Xizhi Biotechnology Limited ("Yunnan Xizhi"), incorporated Yunnan Moquan Agrotechnologies Limited ("Yunnan Moquan") in the province of Yunnan, China. Yunnan Moquan was incorporated to obtain licenses to cultivate and process industrial hemp in China. Mary HK and Yunnan Xizhi own 75% and 25% of Yunnan Moquan respectively.

2. BASIS OF PRESENTATION

These consolidated financial statements have been prepared using accounting policies consistent with IFRS. These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting.

These consolidated financial statements are authorized for issue by the Board of Directors on **xxx, 2021.**

(In Canadian Dollars, unless otherwise stated)

Novel Coronavirus (COVID-19)

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

The extent to which the Company's operating and financial results are affected by COVID-19 will depend on various factors and consequences beyond its control such as the duration and scope of the pandemic; additional actions taken by business and government in response to the pandemic and the speed and effectiveness of response to combat the virus.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of consolidation

These consolidated financial statements include the financial statements of the Company and the entities controlled by the Company (its "subsidiaries"). The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany balances and transactions are eliminated on consolidation. Control is based on whether an investor has power over the investee, exposure or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of return.

As of September 30, 2020, the following entities are controlled by the Company. These entities have no material transactions for the period from the inception to September 30, 2020.

Entity	Location	Ownership	Basis of accounting
Mary Agrotechnologies Hong Kong Limited ("Mary HK")	China	100%	Consolidated
Yunnan Moquan Agrotechnologies Limited ("Yunnan Moquan")	China	75% (1)	Consolidated

(1) Owned through Mary HK.

b) Functional currency

The financial statements of each entity in the group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The

Company's consolidated financial statements are presented in Canadian dollars. which is also the Company's functional currency.

The functional currency of the Company's Hong Kong subsidiary is the Hong Kong dollar ("HKD").

The functional currency of Yunnan Moquan is Chinese Renminbi ("RMB").

c) Cash and cash equivalents

Cash and cash equivalents consist of cash balances with bank and cash on hand.

d) Inventories, net

Inventories are stated at the lower of cost or net realizable value. The cost of inventories comprises costs of purchase and costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated selling costs. The cost of inventory is determined on a weighted average basis.

e) Property and equipment

Property and equipment are stated at cost, net of accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, at the following annual rates:

	%
Computers, software and peripheral equipment	33%
Mold & production equipment	10%
Office furniture and equipment	10%

The Company estimates the useful lives of property and equipment based on the period for which the assets are expected to be in use. The estimation of the useful lives and the residual value of property and equipment are based on internal technical evaluation and experience with similar assets. Estimates for depreciation methods, useful lives and residual values are reviewed at each reporting year-end and adjusted, if appropriate.

f) Impairment of long-lived assets

The Company's long-lived assets are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit, or "CGU"). The recoverable amount of an asset or a CGU is the higher of its fair value, less costs to sell, and its value in use. If the carrying amount of an asset exceeds its recoverable amount, an impairment charge is recognized immediately in profit or loss by the amount by which the carrying amount of the asset exceeds the recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the lesser of the revised estimate of recoverable amount, and the carrying amount that would have been recorded had no impairment loss been recognized previously. During the years ended September 30, 2020 and 2019, no impairment losses have been recorded.

g) Customer Advances

Advances from customers include primarily unearned amounts received in respect of sale and service contracts, but not yet recognized as revenues and therefore are classified as a liability.

h) Financial instruments

The Company follows IFRS 9 – Financial Instrument ("IFRS 9") to account its financial instruments. IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value. The classification and measurement of financial assets is based on the Company's business models for managing its financial assets and whether the contractual cash flows represent solely payments for principal and interest.

Under IFRS 9, financial assets are classified into one of three categories below:

- amortized cost;
- fair value changes through other comprehensive income ("FVTOCI"); and
- fair value through profit or loss ("FVTPL")

Under IFRS 9, financial liabilities are classified into one of two categories below:

- amortized cost; and
- FVTPL

The following table summarizes the classification of the Company's financial instruments under IFRS 9:

Financial instruments	IFRS 9 Classification
Cash	Amortized cost
Accounts receivable (exclude taxes receivable)	Amortized cost
Due from a related party	Amortized cost
Accounts payable and accrual liabilities (exclude taxes payable)	Amortized cost
Bank loan payable	Amortized cost
Lease Liabilities	Amortized cost
Due to a related party	Amortized cost
Convertible notes	FVTPL

<u>Financial assets</u>

(i) Recognition of financial assets

The classification is determined at initial recognition and depends on the nature and purpose of the financial asset. On initial recognition, all financial assets and financial liabilities are recorded at fair value adjusted for directly attributable transaction costs except for financial assets and liabilities classified as FVTPL, in which case transaction costs are expensed as incurred.

(ii) Subsequent measurement of financial assets

Financial assets classified as amortized cost are measured using the effective interest method. Amortized cost is calculated by taking into account any discount or premiums on acquisition and fees that are an integral part of the effective interest method. Amortization from the effective interest method is included in finance income. Financial assets classified as FVTPL are measured at fair value with changes in fair values recognized in profit or loss. Equity investments designated as FVTOCI are measured at fair value with changes in fair values recognized in other comprehensive income ("OCI"). Dividends from that investment are recorded in profit or loss when the Company's right to receive payment of the dividend is established unless they represent a recovery of part of the cost of the investment.

(iii) Impairment of financial assets carried at amortized cost

The Company assesses at the end of each reporting period whether there is objective evidence that financial assets or group of financial assets measured at amortized cost are impaired. Impairment losses and reversal of impairment losses, if any, are recognized in profit or loss in the period they are incurred.

(iv) Subsequent measure of financial liabilities

Financial liabilities classified as amortized cost are measured using the effective interest method. Amortized cost is calculated by taking into account any discount or premiums on acquisition and fees that are an integral part of the effective interest method. Amortization using the effective interest method is included in finance costs.

Financial liabilities classified as FVTPL are measured at fair value with gains and losses recognized in profit or loss.

(v) Derecognition of financial assets and financial liabilities

A financial asset is derecognized when the rights to receive cash flows from the asset have expired; or The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass- through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The assets and settle liabilities simultaneously gains and losses on derecognition of financial assets and liabilities classified as amortized cost are recognized in profit or loss when the instrument is derecognized or impaired, as well as through the amortization process. Gains and losses on derecognition of equity investments designated as FVTOCI (including any related foreign exchange component) are recognized in OCI. Amounts presented in OCI are not subsequently transferred to profit or loss, although the cumulative gain or loss may be transferred within equity.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability. In this case, a new liability is recognized, and the difference in the respective carrying amounts is recognized in the statement of income.

(vi) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position if and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize.

(vii) *Fair value of financial instruments*

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices, without deduction for transaction costs. For financial instruments that are not traded in active markets, the fair value is determined using appropriate valuation techniques, such as using a recent arm's length market transaction between knowledgeable and willing parties, discounted cash flow analysis, reference to the current fair value of another instrument that is substantially the same, or other valuation models.

i) Leases

The Company adopted IFRS 16 – Leases ("IFRS 16") which requires leases to be reported on the statement of financial position unless certain requirements for exclusion are met.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset over a period of time in exchange for consideration. The Company assesses whether the contract involves the use of an identified asset, whether the Company has the right to obtain substantially all of the economic benefits from the use of the asset during the term of the contract and if the Company has the right to direct the use of the asset.

As a lessee, the Company recognizes a right-of-use asset, which is included in property, plant and equipment, and a lease liability at the commencement date of the lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received and initial direct costs. The right-of-use asset is depreciated on a straight-line basis over the lease term.

Lease liabilities are initially measured at the present value of the unavoidable lease payments and discounted using the Company's incremental borrowing rate when an implicit rate in the lase is not readily available. Interest expense is recognized on the lease liabilities using the effective interest rate method.

The Company makes judgments and assumptions on incremental borrowing rates and the lease term by evaluating the probability of exercising its option to extend or renew its lease contracts. The carrying balance of the right-of-use assets and lease liabilities, and related interest and depreciation expense, may differ due to changes in market conditions and expected lease terms.

j) Provisions

A provision is recorded when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. With respect to legal matters, provisions are reviewed and adjusted to reflect the impact of negotiations, estimated settlements, legal rulings, advice of legal counsel and other information and events pertaining to a particular matter. As at September 30, 2020, the Company is not a party to any litigation that could have a material adverse effect on the Company's business, financial position, results of operations or cash flows.

k) Income tax

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax is estimated using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The Company does not provide for temporary differences relating to differences relating to investments in subsidiaries, associates, and joint ventures to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax estimated is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position reporting date applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable income will be available against which the asset can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

l) Basic and diluted net loss per shares

Basic loss per common share is computed by dividing their respective net loss by the weighted average number of common shares outstanding during the year. The computation of diluted loss per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the income per share. The dilutive effect of convertible securities is reflected in the diluted loss per share by application of the "if converted" method. The dilutive effect of outstanding incentive stock options and their equivalents is reflected in the diluted loss per share by application of the treasury stock method.

m) Revenue recognition

Revenue is recorded net of estimated provisions for returns, rebates and sales allowances from the sale of products. Revenues are recognized when it transfers control of the product or service to a customer, which is usually when the goods are delivered to locations designated by the customers. Amounts billed to customers for shipping are included in revenue and shipping costs are charged to cost of revenue.

n) Research and development expenses

Research and development costs are charged to the consolidated statement of operations as incurred.

Based on the Company's product development process, technological feasibility is established upon the completion of a working model. The Company does not incur significant costs between the completion of a working model and the point at which the products are ready for general release. Therefore, research and development costs are charged to the consolidated statement of operations as incurred. The Company did not capitalized expenses during the years ended September 30, 2020 and 2019.

o) Government grants

Government grants consist of grants received under the refundable scientific research and experimental development tax credits (“SR&ED”) and Industrial Research Assistance Program (“IRAP”). Government grants are recorded as a reduction of research and development expense on the statement of comprehensive loss upon cash receipt.

p) Share-based compensation

The fair value of equity settled stock options awarded to employees defined under IFRS 2 Share-based payments (i.e. employees for legal and tax purpose, directors and certain consultants), determined as of the date of grant, and awarded to non-employees defined under IFRS 2, as of the date of delivery of service, is recognized as share-based payments expense, included in general and administrative expenses in the statement of comprehensive loss, over the vesting period of the stock options based on the estimated number of options expected to vest, with a corresponding increase in equity.

q) New standards adopted in the reporting period

The Company has adopted the following amendments to existing standards on January 1, 2020.

Amendments to IFRS 3, Business Combinations, improve the definition of a business. The amendments help entities determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others.

Definition of Material (Amendments to IAS 1, Presentation of Financial Statements, "IAS 1" and to IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors "IAS 8") is intended to make the definition of material in IAS 1 easier to understand and is not intended to alter the underlying concept of materiality in IFRS Standards. The concept of "obscuring" material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from "could influence" to "could reasonably be expected to influence". The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1.

The amendments listed above did not have a significant impact on the Company's consolidated financial statements.

r) Accounting standards issued but not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended September 30, 2020 and have not been applied in preparing these consolidated financial statements. None of these pronouncements are expected to have material impact on the Company's consolidated financial statements.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these consolidated 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 consolidated financial statements and reported amounts of expenses during the reporting year. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the year in which the estimate is revised and future years if the revision affects both current and future years. 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.

For the year ended September 30, 2020, the COVID-19 had an impact on the global economy. The Company has taken into account of the impacts of COVID-19 and the unique circumstances it has created in making estimates, assumptions and judgements in the preparation of the consolidated financial statements. Actual results may differ from estimated amounts, and those differences may be material.

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:

Significant accounting estimates

- Estimated useful life of property and equipment – Depreciation of property and equipment is dependent upon estimates of useful lives, which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

- Share based compensation - In estimating fair value of options using the Black-Scholes option pricing model, management is required to make certain assumptions such as the expected life of options, volatility of the Company's future share price, risk free rate, future dividend yields and estimated forfeitures at the initial grant date. Changes in assumptions used to estimate fair value could result in materially different results. In order to estimate volatility, the Company uses companies with similar characteristics that have prices quoted on an active exchange.

Significant accounting judgments

- The Company has projected 2021 cash flows that are sufficient to cover its ongoing operating expenditures, meet its liabilities for the ensuing year. The future cash flows projection involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In addition, the Company's business could be significantly adversely affected by the effects of the recent outbreak of COVID-19.

- The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts and therefore do not necessarily provide certainty as to their recorded values.

- Research and development expenditures. - The application of the Company's accounting policy for research and development expenditures requires judgment in determining whether it is likely that the future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after expenditures is unlikely, the amount capitalized is written off to profit or loss in the period the new information becomes available.

5. INVENTORY

As at September 30, 2020, the Company has finished products valued at $71,336 (2019 - nil). For the year ended September 30, 2020, inventories in the amount of $92,697 (2019 - nil) was recognized as research and development expense. There was no write-down or reversal of write-down of inventories for the years ended September 30, 2020 and 2019.

(In Canadian Dollars, unless otherwise stated)

6. PROPERTY AND EQUIPMENT, NET

	Computer and peripheral equipment	Office furniture and equipment	Production equipment	Right-of-use assets	Total
	$	**$**	**$**	**$**	**$**
COST					
Balance, September 30, 2018	5,020	705	-	-	5,725
Additions	-	1,582	44,193	72,900	118,675
Balance, September 30, 2019	5,020	2,287	44,193	72,900	124,400
Additions	2,988	-	103,462	170,701	277,151
Disposals	-	-	-	(72,900)	(72,900)
Balance, September 30, 2020	8,008	2,287	147,655	170,701	328,651
ACCUMULATED AMORTIZATION					
Balance, September 30, 2018	1,657	70	-	-	1,727
Additions	1,656	229	4,420	8,099	14,404
Balance, September 30, 2019	3,313	299	4,420	8,099	16,131
Additions	1,656	229	5,029	32,450	39,364
Disposals	-	-	-	(26,326)	(26,326)
Balance, September 30, 2020	4,969	528	9,449	14,223	29,169
CARRYING VALUE					
Balance, September 30, 2019	**1,707**	**1,988**	**39,773**	**64,801**	**108,269**
Balance, September 30, 2020	**3,039**	**1,759**	**138,206**	**156,478**	**299,482**

7. RELATED PARTIES TRANSACTIONS

Related party transactions are in the normal course of business and have been valued at the exchange amount of the services performed or consideration paid. Related party transactions not presented elsewhere are presented below.

a) As at September 30, 2020, due to a related party comprises a payable of $68,897 (2019 – nil) to the Chief Executive Officer ("CEO") of the Company, and the payable is unsecured, non-interest bearing, and due on demand.
b) As at September 30, 2020, due from a related party comprises a receivable of nil (2019 - $420) due from the CEO of the Company.

Transactions with key management personnel:

Key management personnel include those persons having the authority and responsibility of planning, directing, and executing the activities of the Company. The Company has determined that its key management personnel consist of all executive officers and directors of the Company.

(In Canadian Dollars, unless otherwise stated)

The compensation paid or payable to key management personnel during the years ended September 30, 2020 and 2019 were as follows:

	For the year ended September 30, 2020	For the year ended September 30, 2019
	$	$
Salaries and short-term employee benefits	143,867	77,727
Share-based compensation	34,399	23,647

8. CONVERTIBLE NOTES

During the years ended September 30, 2019 and 2018, the Company entered into various convertible notes, referred as Keep It Simple Security ("KISS") for gross proceeds of $720,000 and $315,000, respectively. The KISS has a maturity date of eighteen months following the date of issuance and bear no interest. The KISS provides the right of its investors to future equity in the Company at a discounted price of the Company's future financing. Because the conversion price of the KISS is not fixed, there is no fixed number of shares upon conversion. Therefore, the entire amount of KISS proceeds was presented as liabilities as at September 30, 2019.

In February 2020, the Company completed a private placement at a price of $0.25 per share. All KISS was converted to common shares of the Company according to the terms of the KISS agreements and resulting in total 7,882,531 shares issued.

9. LEASES OBLIGATIONS

During the year ended September 30, 2019, the Company entered into a lease agreement for office and warehouse space("Old Lease") for a term of three years commencing June 1, 2019 with an option to renew for another three years. Accordingly, the related right-of-use asset of $72,900 was recorded in property and equipment based on an estimated incremental borrowing rate of 8% for three years non-cancellable lease term.

In June 2020, in order to lease additional warehouse space, the Company terminated the Old Lease and entered into a new lease agreement("New Lease") with the same landlord for a term of three years commencing July 1, 2020 with an option to renew for another three years. Therefore, the Company derecognized the net book value of the right-of-use asset and lease obligation under the Old Lease and resulting a gain of $3,129 recognized in the profit and loss. The Company recognized the right-of-use asset of $170,701 under the New Lease based on estimated incremental borrowing rate of 8% for three years non-cancellable lease term on July 1, 2020.

(In Canadian Dollars, unless otherwise stated)

A summary of the lease obligations is listed below.

	September 30, 2020	September 30, 2019
	$	$
Balance, beginning of the period	65,975	72,900
Derecognized liabilities	(49,704)	-
Additional liabilities	170,701	-
Accretion	6,862	1,875
Lease payments	(35,400)	(8,800)
Balance, end of the period	158,434	65,975
Current portion of lease obligation	52,061	22,270
Non-current portion of lease obligation	106,373	43,705

The following table presents a reconciliation of the Company's undiscounted cash flows to the present value for its lease payable as at September 30, 2020 and 2019.

	September 30, 2020	September 30, 2019
	$	$
Within 1 year	62,868	26,752
Between 1 – 3 years	114,404	46,858
Total undiscounted amount	177,272	73,610
Less: accretion	(18,838)	7,635
Total discounted amount	158,434	65,975

10. BANK LOANS

On April 9, 2020, the Government of Canada launched Canada Emergency Business Account ("CEBA") program as one of the COVID 19 relief measures. The program provides interest-free loans of up to $40,000 to support small businesses and non-for-profits across Canada. On April 17, 2020, the Company obtained $40,000 line of credit from Bank of Montreal under the CEBA program. The loan bears zero interest prior to December 31, 2022. $10,000 of the loan will be forgiven if $30,000 is repaid in full on or before December 31, 2022. After December 31, 2022, any remaining balance will be converted to a 3-year term loan at 5% fixed interest rate per annum with monthly interest- only payments. The outstanding balance must be repaid in full by December 31, 2025.

11. SHARE CAPITAL

a) Authorized Share Capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

b) Issued Share Capital

During the year ended September 30, 2020, the Company had the following capital transactions:

1) On November 28, 2019, the Company entered into a Common Share Earned-out Agreement with an employee. Based on the terms of Agreement, the employee will receive 250,500 common shares at a nominal value after four years of services. These shares were valued at $0.25 per shares based on the per share price of the Company's recently completed private placements. The value of shares is amortized over the period of four years. During the year end September 30, 2020, $13,168 were recognized as share-based compensation.

2) In February 2020, the Company completed a private placement by issuing 3,800,900 common shares at a price of $0.25 per share for total proceeds of $950,225. Upon the completion of the equity financing, all KISS investors converted KISS to 7,882,531 common shares of the Company in accordance with the KISS agreements.

3) On February 20, 2020, 893,846 common shares were issued for professional services received. These shares were valued at a price of $0.25 per share based on the per share price of the recently completed private placements.

4) On February 29, 2020, 699,180 common shares were issued for seed shares subscribed on June 10, 2019 and September 29, 2018 for nominal value.

5) On May 1, 2020, 480,000 common shares were issued pursuant to the Common Share Earned-out Agreement entered with an employee on May 1, 2019. These shares were valued at $0.25 per share based on the per share price issued for private placements. $70,027 was included in the research and development expenses for the year ended September 30, 2020.

During the year ended September 30, 2019, the Company had the following capital transactions:

6) On May 1, 2019, the Company entered into a Common Share Earned-out Agreement with an employee for software development. In accordance with the earned-out agreement, the Company issues 480,000 common shares at a nominal value, vesting in one year on April 30, 2020.

7) On June 10, 2019, 240,000 common shares were subscribed for a nominal value.

c) Stock Options

Pursuant to the Company's stock option plan, the aggregate number of common shares that may be reserved for issuance pursuant to options shall not exceed 10% of the outstanding common shares at the time of the granting of an option, less the aggregate number of common shares then reserved for issuance pursuant to any other share compensation arrangement. The exercise price per common share for an option granted shall not be less than the market price. Every option shall have a term not exceeding and shall expire no later than 10 years after the date of grant. The terms of the granted stock options as well as the vesting conditions are at the sole discretion of the directors.

(In Canadian Dollars, unless otherwise stated)

The following table summarizes the continuity of the Company's stock options:

	Number of shares	Weighted average exercise price $	Weighted average remaining contractual life (years)
Outstanding, September 30, 2018	-	-	-
Granted	330,000	0.01	4.47
Outstanding, September 30, 2019	330,000	0.01	4.47
Granted	1,720,000	0.25	9.82
Granted	70,000	0.46	9.82
Outstanding, September 30, 2020	2,120,000	0.22	8.83
Exercisable, September 30, 2020	110,000	0.01	3.47

The following table summarizes the information of outstanding and exercisable share options as of September 30, 2020.

Grant Date	Expiry Date	Exercise Price	Number of Options	Exercisable
March 20, 2019	March 20, 2024	$ 0.01	330,000	110,000
July 24, 2020	July 23, 2030	$0.25	1,720,000	-
July 24, 2020	July 23, 2030	$0.46	70,000	-

During the year ended September 30, 2020, 1,790,000 options were granted with exercise prices of $0.25 and $0.46 per share, vesting over 24 months on a 6-month base in 4 equal tranches with an expiration date on July 23, 2030.

During the year ended September 30, 2019, 330,000 options were granted with an exercise price of $0.01 per share with an expiration date on March 20, 2024. Each one third of these options vest on September 30, 2020, September 30, 2021 and September 30, 2022 respectively.

The fair values of the options granted were calculated using the Black-Scholes option-pricing model with the following assumptions:

(In Canadian Dollars, unless otherwise stated)

	2020	2019
Stock Price	$0.25	$0.25
Risk-free interest rate	0.55%	1.4%
Expected volatility	236%	298%
Expected life (in years)	5	5
Expected dividend yield	0%	0%

Volatility was estimated by using the historical volatility of other companies in the same industry during the similar period. The expected life in years represents the period of time that option granted are expected to be outstanding. The risk-free rate was based on Canada government bonds with a remaining term equal to the expected life of the options. The per share price at the grant date is estimated to be $0.25 based on the per share price of the private placements.

During the years ended September 30, 2020 and 2019, the Company recognized share-based compensation for stock options of $112,187 and $23,647 respectively.

12. RESEARCH AND DEVELOPMENT EXPENSES

The Company incurs costs related to its R&D activities. To date, all of the costs relating to the Company's projects under development have been expensed as incurred. During the year ended September 30, 2020, the Company fulfilled certain testing orders and collected the payments of $73,028 (2019 - nil) from users. The amount was recorded as a recovery of research and development expenses. During the year ended September 30, 2020, the Company received assistance from government sources net of related costs in the amount of $164,395 (2019- nil), which was recorded as a reduction of research and development expenses.

13. INCOME TAXES

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

	2020	2019
	$	$
Canadian statutory tax rate	26.5%	26.5%
Income before income taxes	(1,416,041)	(666,721)
Income tax expense computed at Canadian statutory rates	(375,251)	(176,681)
Permanent items	34,868	20,207
Change in unrecognized deferred tax assets	340,383	156,474
Income tax expense	-	-

(In Canadian Dollars, unless otherwise stated)

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their corresponding values for tax purposes. As of September 30, 2020 and 2019, deferred tax benefits of the deductible temporary differences have not been recognized in the consolidated statement of financial position because the probable criteria for the recognition has not been met.

As at September 30, 2020, the Company has non-capital losses of approximately $1.3 million available that may be carried forward and applied against future income for Canadian income tax purpose. The non-capital losses expire as follows:

	Total
	$
2039	26,000
2040	1,254,000
	1,280,000

The deferred tax assets have not been recognized because it is not determinable that future taxable profit will be available against which the Company can utilize such deferred income tax assets.

14. FINANCIAL INSTRUMENTS

The carrying amount of financial assets and liabilities which approximate fair value are shown in the statement of financial position, are as follows:

	September 30, 2020 Carrying Amount	September 30, 2019 Carrying Amount
	$	$
Assets carried at amortized cost		
Cash and cash equivalent	144,731	261,049
Due from a related party	-	420
	144,731	261,469
Liabilities carried at amortized cost		
Accounts payable and accrued liabilities	86,428	8,475
Lease obligation	158,434	65,974
Bank loans	40,000	-
Due to a related party	68,897	-
Liabilities carried at FVTPL		
Convertible notes	-	1,035,000
	353,759	1,109,449

The fair values of cash and cash equivalent, due from a related party, accounts payable and accrued liabilities (excluding taxes payable), due to a related party approximated carrying values as at the reporting date due to the short-term maturities of these instruments. For lease obligation, fair value approximates their carrying value at the reporting date as the interest rates used to discount the host contracts approximate market rates.

15. RISK MANAGEMENT

The Company manages risk through establishing policies that provide management oversight related to the risks of operations, including ensuring that risks are identified and assessed, and that appropriate and effective policies are in place. Market risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. For purposes of this disclosure, market risk is segregated into three categories: other market risk, interest rate risk and currency risk. Other risks associated with financial instruments include credit risk and liquidity risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of these financial instruments.

The Company minimized credit risk associated with its cash balance substantially by dealing with a major financial institution that has been accorded a strong investment grade rating by a primary rating agency.

Other than cash, there are no other significant concentrations of credit risk within the Company.

Interest rate risk

Interest rate risk is the risk that fair value of the Company's interest-bearing investments will fluctuate due to changes in market interest rates.

As at September 30, 2020 and 2019, the Company did not have a significant exposure to interest rate risk, given that the Company's financial instruments are non-interest bearing.

Liquidity risk

Liquidity risk is the risk that the Company may not have sufficient liquid assets to meet its commitments associated with these liabilities. The Company retains sufficient cash to maintain liquidity.

Currency risk

Currency risk is the risk that the value of financial assets denominated in currencies, other than the functional currency of the Company, will fluctuate due to changes in foreign currency exchange rates.

All financial instruments are denominated in Canadian dollars, the functional currency of the Company. Therefore, the Company is not significantly exposed to currency risk as at September 30, 2020 and 2019.

16. CAPITAL MANAGEMENT

The Company requires capital to fund existing and future operations and to meet regulatory capital requirements. The Company's policy is to maintain sufficient and appropriate levels of capital.

The Company's source of capital is mainly from equity financing. The Company does not presently utilize any quantitative measures to monitor its capital. The Company currently is not subject to externally imposed capital requirements. The capital management framework followed by the Company is designed to maintain the level of capital that will:

(a) Meet the Company's regulatory requirements;
(b) Fund current and future operations;
(c) Ensure that the Company is able to meet its financial obligations as they come due.

As at September 30, 2020, the Company had a working capital deficit of $14,555, non-current portion of lease obligation of $106,373 and loans payable of $40,000.

17. OPERATING SEGMENT

Operating segments are defined as components of an enterprise that is a profit center, for which separate financial information is available and which are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

For the year ended September 30, 2020 and 2019, the Company only has one operating segment in accordance with IFRS 8 Operating Segments.

18. SUBSEQUENT EVENTS

a) In November 2020, the Company completed an equity financing by issuing 1,666,667 common shares at a price of $0.36 per share for total gross proceeds of $600,000.

b) In November 2020, the Company completed an equity financing by issuing 2,574,800 common shares at a price of $0.46 per share for total gross proceeds of $1,184,408.

Mary Agrotechnologies Inc.

Condensed Interim Consolidated Financial Statements

For the Three Months Ended December 31, 2020 and 2019

(Unaudited)

Mary Agrotechnologies Inc.

Three months ended December 31, 2020 and 2019

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Mary Agrotechnologies Inc.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited – Expressed in Canadian Dollars)

	December 31, 2020	September 30, 2020
	$	$
ASSETS		
Current Assets		
Cash and cash equivalent	1,594,187	144,731
Prepaid expenses and deposits	11,390	6,390
Inventory (note 5)	46,588	71,336
Accounts receivable	43,132	34,034
	1,695,297	256,491
Non-current Assets		
Property and equipment (note 6)	293,933	299,482
TOTAL ASSETS	1,989,230	555,973
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	102,864	86,428
Customers advances	57,518	63,660
Due to a related party (note 7)	11,750	68,897
Current portion of lease obligation (note 8)	53,580	52,061
	225,712	271,046
Non-Current Liability		
Non-current portion of lease obligation (note 8)	92,339	106,373
Bank loans (note 9)	60,000	40,000
TOTAL LIABILITIES	378,051	417,419
SHAREHOLDERS' EQUITY		
Share capital (note 10)	4,113,102	2,328,694
Contributed surplus	274,300	149,003
Deficit	(2,776,223)	(2,339,143)
	1,611,179	138,554
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,989,230	555,973

Nature of operations (note 1)

Approved on behalf of the Board

”Chuhan Qin”
Chuhan Qin, Director

”Ying Xu”
Ying Xu, Director

The accompanying notes are an integral part of these interim consolidated financial statements.

Mary Agrotechnologies Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Unaudited - Expressed in Canadian Dollars)

	Three months ended December 31, 2020	2019
	$	$
Revenue	27,415	-
Cost of revenue	(42,604)	-
	(15,189)	-
Professional fees	21,350	2,593
Amortization (note 6)	18,673	6,075
Accretion (note 8)	3,085	1,284
Computer software	4,379	4,661
Marketing and advertising	10,455	4,662
Office and administrative	26,340	20,628
Research and development (note 11)	18,096	62,158
Share-based compensation (note 7,10)	125,297	11,214
Travel and entertainment	12,528	14,158
Wages and salaries (note 7)	169,143	66,778
	409,346	194,211
LOSS BEFORE OTHER ITEMS	(424,535)	(194,211)
OTHER ITEMS		
Foreign exchange loss (gain)	(12,909)	42
Interest income	364	-
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	(437,080)	(194,169)
Basic and Diluted Loss per Common Share	(0.01)	(0.01)
Weighted Average Number of Common Shares Outstanding	38,081,148	22,500,000

The accompanying notes are an integral part of these interim consolidated financial statements.

Mary Agrotechnologies Inc.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Unaudited - Expressed in Canadian Dollars)

	Number of common shares	Number of shares to be issued	Share capital	Shares to be issued	Contributed surplus	Deficit	Total shareholders' equity(deficiency)
			$	$	$	$	$
Balance, September 30, 2019	**22,500,000**	**699,180**	**8**	**-**	**73,620**	**(923,102)**	**(849,474)**
Share to be issued from private placement	-	1,480,000	-	370,000	-	-	370,000
Share-based compensation	-	-	-	-	11,214	-	11,214
Net loss for the period	-	-	-	-	-	(194,169)	(194,169)
Balance, December 31, 2019	**22,500,000**	**2,179,180**	**8**	**370,000**	**84,834**	**(1,117,271)**	**(662,429)**
Balance, September 30, 2020	**36,256,457**	**-**	**2,328,694**	**-**	**149,003**	**(2,339,143)**	**138,554**
Share issued from private placement	4,241,467	-	1,784,408	-	-	-	1,784,408
Share-based compensation	-	-	-	-	125,297	-	125,297
Net loss for the period	-	-	-	-	-	(437,080)	(437,080)
Balance, December 31, 2020	**40,497,924**	**-**	**4,113,102**	**-**	**274,300**	**(2,776,223)**	**1,611,179**

The accompanying notes are an integral part of these interim consolidated financial statements.

Mary Agrotechnologies Inc.
Condensed Interim Consolidated Statements of Cash Flow
(Unaudited - Expressed in Canadian Dollars)

	Three months ended December 31,	
	2020	**2019**
	$	$
Cash provided by (used in) operating activities:		
Net loss for the period	(437,080)	(194,169)
Items not involving cash:		
Accretion	3,085	1,284
Share-based compensation	125,297	11,214
Amortization	18,673	6,075
Changes in non-cash working capital:		
Inventory	24,748	(16,990)
Accounts receivable	(9,098)	(4,390)
Accounts payable and accrued liabilities	16,436	10,100
Customer advances	(6,142)	4,372
Prepaid expenses	(5,000)	(10,883)
Amount (due to) from a related party	(57,147)	420
Net cash used in operating activities	(326,228)	(192,967)
Cash provided by (used in) investing activities		
Purchase of property and equipment	(13,124)	-
Net cash used in investing activities	(13,124)	-
Cash provided by (used in) financing activities		
Lease payments	(15,600)	-
Proceeds from private placements	1,784,408	370,000
Proceeds from bank loan	20,000	-
Net cash provided by financing activities	1.788,808	370,000
Increase in cash and cash equivalents	1,449,456	177,033
Cash and cash equivalent, beginning of period	144,731	261,049
Cash and cash equivalent, end of period	1,594,187	438,082

The accompanying notes are an integral part of these interim consolidated financial statements.

1. NATURE OF OPEARTIONS

Mary Agrotechnologies Inc. ("Mary AG" or "the Company") was incorporated under the laws of the Province of Ontario by articles of incorporation on October 12, 2017. The primary business activity of the Company is to produce the fully-automated plant growing device managed and controlled by an artificial intelligent algorithm, allowing consumers to grow their own herbs and vegetables effortlessly from seed to plant, while providing optimal conditions to assure premium quality produce year-round. The Company's head office is located at 115 Apple Creek Boulevard, Unit 3&4, Markham, Ontario, L3R 6C9. The Company's registered and records office address is 25 White Oak Crescent, Richmond Hill, Ontario, L4B 3R7.

The Company operates mainly in the fields of development and distribution of home growing automated machines and commercial containers for variety of herbs and vegetables worldwide. The Company also plans, established and will operate container farms.

2. BASIS OF PRESENTAITON

a) Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with international Accounting Standard 34 Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). These condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

These condensed interim consolidated financial statements have been prepared in accordance with the same accounting policies and methods of application as the most recent audited financial statements for the year ended September 30, 2020. These condensed interim consolidated financial statements do not include all the disclosures required for the annual audited financial statements. These condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company for the year ended September 30, 2020. The Company's interim results are not necessarily indicative of its results for a full year.

These condensed interim consolidated financial statements are authorized for issue by the Board of Directors on **xx, 2021.**

b) Novel Coronavirus (COVID-19)

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

The extent to which the Company's operating and financial results are affected by COVID-19 will depend on various factors and consequences beyond its control such as the duration and scope of the pandemic; additional actions taken by business and government in response to the pandemic and the speed and effectiveness of response to combat the virus.

c) Basis of preparation

These condensed interim consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments measured at fair value. These condensed consolidation interim financial statements have prepared using the accrual basis of accounting, except for cash flow information.

d) Basis of consolidation

These consolidated financial statements include the financial statements of the Company and the entities controlled by the Company (its "subsidiaries"). The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany balances and transactions are eliminated on consolidation. Control is based on whether an investor has power over the investee, exposure or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of return.

As of December 31, 2020, the following entities are controlled by the Company. These entities have no material transactions for the period from the inception to December 31, 2020.

Entity	Location	Ownership	Basis of accounting
Mary Agrotechnologies Hong Kong Limited ("Mary HK")	China	100%	Consolidated
Yunnan Moquan Agrotechnologies Limited ("Yunnan Moquan")	China	75% (1)	Consolidated

(1) Owned through Mary HK.

3. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim consolidated financial statements have been prepared in accordance with the same accounting policies and methods of application as the most recent audited financial statements for the year ended September 30, 2020.

a) New standards adopted in the reporting period

No new and revised accounting standard was adopted by the Company for annual periods beginning on October 1, 2020.

b) Accounting standards issued but not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective for the three months ended December 31, 2020 and have not been applied in preparing these consolidated financial statements. None of these pronouncements are expected to have material impact on the Company's consolidated financial statements.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these consolidated 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 consolidated financial statements and reported amounts of expenses during the reporting year. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the year in which the estimate is revised and future years if the revision affects both current and future years. 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:

<u>Significant accounting estimates</u>

- Estimated useful life of property, plant and equipment – Depreciation of property and equipment is dependent upon estimates of useful lives, which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

- Stock based compensation - In estimating fair value of options using the Black-Scholes option pricing model, management is required to make certain assumptions such as the expected life of options, volatility of the Company's future share price, risk free rate, future dividend yields and estimated forfeitures at the initial grant date. Changes in assumptions used to estimate fair value could result in materially different results. In order to estimate volatility, the Company uses companies with similar characteristics that have prices quoted on an active exchange.

(Unaudited - Expressed in Canadian Dollars)

Significant accounting judgments

- The Company has projected 2021 cash flows that are sufficient to cover its ongoing operating expenditures, meet its liabilities for the ensuing year. The future cash flows projection involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In addition, the Company's business could be significantly adversely affected by the effects of the recent outbreak of COVID-19.

- Determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts and therefore do not necessarily provide certainty as to their recorded values.

- Research and development expenditures - The application of the Company's accounting policy for research and development expenditures requires judgment in determining whether it is likely that the future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after expenditures is unlikely, the amount capitalized is written off to profit or loss in the period the new information becomes available.

5. INVENTORY

As at December 31, 2020, the Company has inventories valued at $46,588 (September 30, 2020 - $71,336). There was no write-down or reversal of write-down of inventories for the three months ended December 31, 2020 (2019 -nil).

	December 31, 2020	September 30, 2020
	$	$
Raw materials	10,127	-
Finished products	36,461	71,336
	46,588	71,336

(Unaudited - Expressed in Canadian Dollars)

6. PROPERTY AND EQUIPMENT, NET

	Computer and peripheral equipment	Office furniture and equipment	Mold & production Equipment	Right-of-use asset	Total
	$	**$**	**$**	**$**	**$**
COST					
Balance, September 30, 2020	8,008	2,287	147,655	170,701	328,651
Additions/adjustment	(200)	-	13,324	-	13,124
Balance, December 31, 2020	7,808	2,287	160,979	170,701	341,775
ACCUMULATED AMORTIZATION					
Balance, September 30, 2020	4,969	528	9,449	14,223	29,169
Additions	644	57	3,747	14,225	18,673
Balance, December 31, 2020	5,613	585	13,196	28,448	47,842
CARRYING VALUE					
Balance, September 30, 2020	**3,039**	**1,759**	**138,206**	**156,478**	**299,482**
Balance, December 31, 2020	**2,195**	**1,702**	**147,783**	**142,253**	**293,933**

7. RELATED PARTY TRANSACTIONS

Related party transactions are in the normal course of business and have been valued at the exchange amount of the services performed or consideration paid. Related party transactions not presented elsewhere are presented below.

a) As at December 31, 2020, due to a related party comprises a payable of $11,750 (September 30, 2020 - $68,897) to the Chief Executive Officer ("CEO") of the Company for the reimbursement expenses incurred on behalf of the Company.

Transactions with key management personnel:

Key management personnel include those persons having the authority and responsibility of planning, directing, and executing the activities of the Company. The Company has determined that its key management personnel consist of all executive officers and directors of the Company.

The compensation paid or payable to key management personnel during the three months ended December 31, 2020 and 2019 were as follows:

	Three months ended December 31, 2020	Three months ended December 31, 2019
	$	$
Salaries and short-term employee benefits	69,981	27,867
Share-based compensation	22,556	8,281

(Unaudited - Expressed in Canadian Dollars)

8. LEASE OBLIGATION

A summary of the lease obligations is listed below.

	December 31, 2020	September 30, 2020
	$	$
Balance, beginning of the period	158,434	65,975
Derecognized liabilities	-	(49,704)
Additional liabilities	-	170,701
Accretion	3,085	6,862
Lease payments	(15,600)	(35,400)
Balance, end of the period	145,919	158,434
Current portion of lease obligation	53,580	52,061
Non-current portion of lease obligation	92,339	106,373

The following table presents a reconciliation of the Company's undiscounted cash flows to the present value for its lease payable.

	December 31, 2020	September 30, 2020
	$	$
Within 1 year	63,336	62,868
Between 1 – 3 years	98,336	114,404
Total undiscounted amount	161,672	177,272
Less: accretion	(15,753)	(18,838)
Total discounted amount	145,919	158,434

9. BANK LOAN

On April 9, 2020, the Government of Canada launched Canada Emergency Business Account ("CEBA") program as one of the COVID 19 relief measures. The program provides interest-free loans of up to $40,000 to support small businesses and non-for-profits across Canada. On December 4, 2020, the CEBA was expanded for additional $20,000. The Company borrowed $40,000 on April 17, 2020 and $20,000 on December 15, 2020, in a total of $60,000 loan from Bank of Montreal. The loan bears zero interest prior to December 31, 2022. $20,000 of the loan will be forgiven if $40,000 is repaid in full on or before December 31, 2022. After December 31, 2022, any remaining balance will be converted to a 3-year term loan at 5% fixed interest rate per annum with monthly interest-only payments. The outstanding balance must be repaid in full by December 31, 2025.

(Unaudited - Expressed in Canadian Dollars)

10. SHARE CAPITAL

a) Authorized Share Capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

b) Issued Share Capital

During the three months ended December 31, 2020, the Company had the following capital transactions:

- In November 2020, the Company completed an equity financing by issuing 1,666,667 common shares at a price of $0.36 per share for total gross proceeds of $600,000.

- In November 2020, the Company completed an equity financing by issuing 2,574,800 common shares at a price of $0.46 per share for total gross proceeds of $1,184,408.

The Company had no capital transactions during the three months ended December 31, 2019,

c) Stock Options

Pursuant to the Company's stock option plan, the aggregate number of common shares that may be reserved for issuance pursuant to options shall not exceed 10% of the outstanding common shares at the time of the granting of an option, less the aggregate number of common shares then reserved for issuance pursuant to any other share compensation arrangement. The exercise price per common share for an option granted shall not be less than the market price. Every option shall have a term not exceeding and shall expire no later than 10 years after the date of grant. The terms of the granted stock options as well as the vesting conditions are at the sole discretion of the directors.

The following table summarizes the continuity of the Company's stock options:

	Number of shares	Weighted average exercise price $	Weighted average remaining contractual life (years)
Outstanding, September 30, 2019	330,000	0.01	4.47
Granted	1,720,000	0.25	9.82
Granted	70,000	0.46	9.82
Outstanding, September 30, 2020	2,120,000	0.22	8.83
Outstanding, December 31, 2020	2,120,000	0.22	8.58
Exercisable, December 31, 2020	110,000	0.01	3.22

(Unaudited - Expressed in Canadian Dollars)

The following table summarizes the information of outstanding and exercisable share options as of December 31, 2020.

Grant Date	Expiry Date	Exercise Price	Number of Options	Exercisable
March 20, 2019	March 20, 2024	$ 0.01	330,000	110,000
July 24, 2020	July 23, 2030	$0.25	1,720,000	-
July 24, 2020	July 23, 2030	$0.46	70,000	-

No stock options were granted during the three months ended December 31, 2020 and 2019.

During the three months ended December 31, 2020, the Company recognized share-based compensation of $121,351 for stock options and $3,946 for earned out shares (2019 - $8,281 and $1,458) respectively related to general operating expenses.

11. RESEARCH AND DEVELOPMENT EXPENSES

The Company incurs costs related to its research and development activities. To date, all of the costs relating to the Company's projects under development have been expensed as incurred. During the three months ended December 31, 2020, the Company received assistance from government sources net of related costs in the amount of $9,061 (2019-nil), which was recorded as recovery of research and development expenses .

12. FINANCIAL INSTRUMENTS

The carrying amount of financial assets and liabilities which approximate fair value are shown in the statement of financial position, are as follows:

	December 31, 2020 Carrying Amount	September 30, 2020 Carrying Amount
	$	$
Assets carried at amortized cost		
Cash and cash equivalent	1,594,187	144,731
	1,594,187	144,731
Liabilities carried at amortized cost		
Accounts payable and accrued liabilities	102,864	86,428
Lease obligation	145,919	158,434
Bank loans	60,000	40,000
Due to a related party	11,750	68,897
	320,533	353,759

The fair values of cash and cash equivalent, accounts payable and accrued liabilities (excluding taxes payable), bank loans and due to a related party approximated carrying values as at the reporting date due to the short-term maturities of these instruments. For lease obligation, fair value approximates their carrying value at the reporting date as the interest rates used to discount the host contracts approximate market rates.

13. RISK MANAGEMENT

The Company manages risk through establishing policies that provide management oversight related to the risks of operations, including ensuring that risks are identified and assessed, and that appropriate and effective policies are in place. Market risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. For purposes of this disclosure, market risk is segregated into three categories: other market risk, interest rate risk and currency risk. Other risks associated with financial instruments include credit risk and liquidity risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of these financial instruments.

The Company minimized credit risk associated with its cash balance substantially by dealing with a major financial institution that has been accorded a strong investment grade rating by a primary rating agency.

Other than cash, there are no other significant concentrations of credit risk within the Company.

Interest rate risk

Interest rate risk is the risk that fair value of the Company's interest-bearing investments will fluctuate due to changes in market interest rates.

As at December 31, 2020 and 2019, the Company did not have a significant exposure to interest rate risk, given that the Company's financial instruments are non-interest bearing.

Liquidity risk

Liquidity risk is the risk that the Company may not have sufficient liquid assets to meet its commitments associated with these liabilities. The Company retains sufficient cash to maintain liquidity.

Currency risk

Currency risk is the risk that the value of financial assets denominated in currencies, other than the functional currency of the Company, will fluctuate due to changes in foreign currency exchange rates.

All financial instruments are denominated in Canadian dollars, the functional currency of the parent Company. Therefore, the Company is not significantly exposed to currency risk as at December 31, 2020 and 2019.

14. CAPITAL MANAGEMENT

The Company requires capital to fund existing and future operations and to meet regulatory capital requirements. The Company's policy is to maintain sufficient and appropriate levels of capital.

The Company's source of capital is mainly from equity financing. The Company does not presently utilize any quantitative measures to monitor its capital. The Company currently is not subject to externally imposed capital requirements. The capital management framework followed by the Company is designed to maintain the level of capital that will:

(i) Meet the Company's regulatory requirements
(ii) Fund current and future operations
(iii) Ensure that the Company is able to meet its financial obligations as they come due

As at December 31, 2020, the Company had an excess working capital of $1,469,585 and has long term portion of lease obligation of $92,339 and bank loan of $60,000.

15. OPERATING SEGMENT

Operating segments are defined as components of an enterprise that is a profit center, for which separate financial information is available and which are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

For the period ended December 31, 2020 and 2019, the Company only has one operating segment in accordance with IFRS 8 Operating Segments.

APPENDIX B

Management's Discussion and Analysis of Mary Agrotechnologies Inc. for the year ended September 30, 2020
and
Management's Discussion and Analysis of Mary Agrotechnologies Inc. for the three month period ended December 31, 2020

(see attached)

MARY AGROTECHNOLOGIES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

BACKGROUND

This Management's Discussion and Analysis ("MD&A") has been prepared as of xx, 2021 **[date of board approval]**, and it presents management's analysis of the consolidated financial position and financial performance for the year ended September 30, 2020 of Mary Agrotechnologies Inc. ("Mary AG"), its 100% owned subsidiary Mary Agrotechnologies Hong Kong Limited ("Mary HK") and Mary HK's 75% owned subsidiary Yunnan Moquan Agrotechnologies Limited ("Yunnan Moquan"). Collectively, Mary AG, Mary HK and Yunnan Moquan, are referred to as the "Company". All inter-company balances and transactions have been eliminated.

The following information should be read in conjunction with the audited financial statements of the Company for the years ended September 30, 2020 and 2019, including the notes contained therein. Except otherwise indicated, the consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars unless noted otherwise.

These consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future.

FORWARDING LOOKING INFORMATION

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guarantee of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the "Risk Factors" section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and underlie the forward-looking statements as reasonable assumptions, any of which could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements.

Within this MD&A, the Company has specifically noted the forward-looking nature of comments where applicable. Generally, readers should be aware that forward-looking statements included or incorporated by reference in this document include statements with respect to:

- The Company's dependency on future profitable operations;
- The management's ability to manage costs;
- Expectations regarding the ability to raise capital to fund future working capital requirements.

A number of factors could cause actual events, performance or results, including those in respect of the foregoing items, to differ materially from the events, performance and results discussed in the forward-looking statements. Factors that could cause actual events, performance or results to differ materially from those set forth in the forward-looking statements include, but are not limited to:

- the effect of continuing operating losses on the Company's ability to obtain, on satisfactory terms, or at all, the capital required to maintain itself as a going concern;
- the risks associated with the increase in operating costs from additional research and development costs and increased staff;
- the Company's ability to attract and retain key personnel and key collaborators;

Although the forward-looking statements contained in this MD&A are based on what we consider to be reasonable assumptions based on information currently available to us, there can be no assurance that actual events, performance or results will be consistent with these forward-looking statements, and our assumptions may prove to be incorrect. These forward-looking statements are made as of the date of this MD&A. Forward-looking statements made in this MD&A are made as of the date of the original document and have not been updated by us except as expressly provided for in this MD&A. As required by applicable securities legislation, as a reporting issuer, it is the Company's policy to update forward-looking information in its periodic management discussions and analyses, as required from time to time, and provide updates on its activities to the public through the filing and dissemination of news releases and material change reports.

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

NOVEL CORONAVIRUS (COVID-19)

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

The extent to which the Company's operating and financial results are affected by COVID-19 will depend on various factors and consequences beyond its control such as the duration and scope of the pandemic; additional actions taken by business and government in response to the pandemic and the speed and effectiveness of response to combat the virus.

1. DESCRIPTION OF BUSINESS

Agriculture has always been at the centre of society. Our ability to grow crops in abundance meant that we settled in areas that offered the best growing conditions. Mary Agrotechnologies Inc. ("Mary AG" or the "Company") is an agricultural automation start-up that leverages vertically integrated hardware and sensors, with big data and machine learning to replicate those same ideal conditions in an artificially controlled environment. Each plant grows in optimized conditions with minimal human input, regardless of local weather, seasons or climates.

The Company was incorporated in Ontario, Canada, on October 12, 2017. The Company's head office is located at 115 Apple Creek Boulevard, Unit 3, Markham, Ontario, Canada, L3R 6C9. The Company's registered and records office address is 25 White Oak Crescent, Richmond Hill, Ontario, L4B 3R7.

The Company has developed a proprietary automation platform - numerous algorithms interconnected with each other – that allows various kinds of plants to grow adaptively to the hardware and environment the plants are in.

To provide the best value of the algorithms to growers, the Company has created two distinct product lines: (i) small-medium standalone growing systems for home growing ("grow boxes"); and (ii) commercial indoor vertical farms. Mary AG has applied for provisional patents relating to both the grow box and the commercial vertical farm.

Mary AG's flagship consumer product, the Mary Model Z (the "Model Z"), is an at-home grow box designed with the everyday consumer in mind. It has been developed specifically for growing cannabis and takes the guesswork out of the process allowing anybody to grow at home.

A grow box is a partially or completely enclosed system for growing plants indoors or in small areas. The Model Z is a sophisticated, automated and cost-effective grow box, which takes a "set it and forget it" approach with only minimal intervention (20-30 minutes a week) required by the user to refill nutrients and trim the plant. The enclosed hydroponic and lighting systems enable increased yields and quicker harvesting intervals than traditional growing methods.

Mary AG collects unidentifiable encrypted cultivation data from its Model Z units and utilizes machine learning and artificial intelligence to create more efficient growing systems and methods. The Company plans to apply this data to its larger vertical growing systems which will be used on a commercial scale to grow cannabis, hemp and general agriculture.

2. CORPORATE UPDATE

- During the year ended September 30, 2020, the Company fulfilled and shipped 208 Model Z grow boxes to end customers.

- On December 11, 2019, the Company's wholly owned Hong Kong subsidiary, Mary Agrotechnologies Hong Kong Limited ("Mary HK") together with an arm's length party, Yunnan Xizhi Biotechnology Limited ("Yunnan Xizhi"), incorporated Yunnan Moquan Agrotechnologies Limited ("Yunnan Moquan") in the province of Yunnan, China. Yunnan Moquan was incorporated to obtain licenses to cultivate and process industrial hemp in China. Mary HK and Yunnan Xizhi own 75% and 25% of Yunnan Moquan respectively.

- In February 2020, the Company completed an equity financing of by issuing 3,800,900 common shares at $0.25 per share for total gross proceeds of $950,225. Upon the completion of the equity financing, all KISS investors converted KISS to the common shares of the Company in accordance with the amended KISS agreements, resulting totalling 7,882,531 shares issued.

- On April 24, 2020, Yunnan Moquan received a license to grow industrial hemp in Yunnan China, which will be the first application of its vertical growing technology. The license allows Mary AG to grow industrial hemp over a maximum area of 66 hectares (1000 mu). The Company is currently in the process of finding a suitable facility for which to set up its vertical farming operations for industrial hemp in China.

- On May 15, 2020, Yunnan Moquan received conditional approval (pre-license) to process industrial hemp in Yunnan, China. Currently, there are seven processing licenses issued by the government of Yunnan, which is the only province that has legalized the processing of industrial hemp.

- In November 2020, the Company completed an equity financing by issuing 1,666,667 common shares at a price of $0.36 per share for total gross proceeds of $600,000.

- In November 2020, the Company completed an equity financing by issuing 2,574,800 common shares at a price of $0.46 per share for total gross proceeds of $1,184,408.

Strategic Accomplishments

During the year ended September 30, 2020, the company accomplished the following milestones:

- Further improved its Model Z grow box;
- Finished tooling of the Model Z grow box;
- Finished sourcing of key components of the Model Z;
- Launched commercial production of Model Z;

- Further improved the smartphone app that can monitor and control the unit virtually anywhere.

Business Objectives

For the financial year ending September 30, 2021, the primary objective business objectives for the Company are to:

(a) market, sell and ship Model Z in North America;
(b) continue to improve the automation platform;
(c) improve on the production cost of Model Z;
(d) refine technology and create further intellectual property;
(e) obtain equity financing to fund business development;
(f) go public, listing on the Canadian Security Exchange
(g) secure a vertical farm facility in China and processing equipment; and
(h) develop Mary Ag's business and seek new business opportunities.

COVID 19 Impact on Our Operations and Financial Position

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. Responses to the spread of COVID-19 resulted in a sudden decline in economic activity and a significant increase in economic uncertainty. Various vaccine approvals in Canada and around the world were announced recently, however, the economic environment remains volatile and challenging which may have adverse impacts the Company's operational results and financial position, including , but not limited to:

- Decline in inventory level due to the delay in Manufacturing and delivery of products;
- Increase in international shipping costs due to worldwide lockdown, which result in the increase of costs of revenue;
- Decline in revenue and cash flows as a result of an economic downturn.

The COVID-19 situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Company is not known at this time. Estimates and judgments made by management in the preparation of this MD&A and our financial statements are increasingly difficult and subject to a higher degree of measurement uncertainty during this volatile period.

3. OVERALL PERFORMANCE

The Company started to ship commercial units of Model Z in North America on July 1, 2020 and generated total sales revenue of $85,211 during the three months ended September 30, 2020. During the nine months ended June 30, 2020, the Company fulfilled certain testing orders and collected the payment of $73,028 from users. The amount was recorded as recovery of research and development expenditures.

Operating expenses were $1,455,451 for the year ended September 30, 2020 as compared to $672,177 for the prior year. The increase in operating expenses during the year ended September 30, 2020 was primarily driven by the increase in research and development expenses, wages and salaries, professional fees, stock-based compensation and amortization expenses.

(All amounts expressed in Canadian dollars, unless otherwise stated)

Net losses were $1,416,041 for the year ended September 30, 2020 as compared to $666,721 for the prior year. The increase in loss during the year ended September 30, 2020 was primarily due to the increase in operating expenses.

Basic and Diluted loss per share was $0.05 for the year ended September 30, 2020 as compared to $0.03 for the prior year as a result of increase in net loss.

During the years ended September 30, 2020 and 2019, the Company was mainly relied on the proceeds from the convertible notes and equity financing to fund all of its activities and meet its ongoing working capital requirements. Subsequent to the year ended September 30, 2020, the Company closed private placements for gross proceeds of $1,784,408 to fund its operations in fiscal year 2021.

4. SELECTED ANNUAL INFORMATION

In CAD$	Year ended September 30, 2020	Year ended September 30, 2019
	$	$
Revenue	85,211	-
Total Assets	555,973	384,635
Total Liabilities	417,419	1,234,109
Shareholders' Equity(deficiency)	138,554	(849,474)
Operating Expenses	1,455,451	672,177
Net Loss	(1,416,041)	(666,721)
Basic and Diluted Earnings (Loss) Per Share	(0.05)	(0.03)

5. DISCUSSION OF OPERATIONS

The Company incurred a net loss and comprehensive loss of $1,416,041 for the year ended September 30, 2020 (2019: $666,721). As at September 30, 2020, the Company's deficit was $2,339,143 (September 30, 2019: $923,102).

Revenue

During the year ended September 30, 2020, the Company realized revenue of $85,211 as compared to nil for the prior year. The Company started to ship commercial units of Model Z in North America on July 1, 2020 and generated total sales revenue of $85,211 during the three months ended September 30, 2020, the sales revenue included $4,202 billed to customers for shipping, and shipping costs of $20,241 were charged to the cost of revenue for the period.

(All amounts expressed in Canadian dollars, unless otherwise stated)

The gross profit for the year ended September 30, 2020 was $903 or 1% as compared to nil for the prior year. The low gross profit was primarily due to:

1. Intentionally lowered retail price for better market adoption;
2. Discounted pricing for "early bird" customers during the Company's 2018 crowdfunding campaign;
3. Shipping charges billed to customers were also intentionally lower than actual shipping costs;
4. Higher manufacturing cost in exchange for more flexible starting quantities and better payment terms.

During the nine months ended June 30, 2020, the Company fulfilled certain testing orders and collected the payment of $73,028 from users. The amount was recorded as recovery of research and development expenditures.

The following is the breakdown of the operating expenses for the year ended September 30, 2020 and September 30, 2019:

	Year ended September 30, 2020	Year ended September 30, 2019
Expenses	$	$
Professional fees	246,619	18,013
Amortization	39,364	14,404
Accretion	6,862	1,875
Computer software	18,116	8,559
Marketing and advertising	36,968	66,778
Office and administrative	52,012	15,701
Research and development	460,388	386,823
Share-based compensation	125,356	23,647
Travel and entertainment	44,137	29,273
Wages and salaries	425,629	107,104
Total	**1,455,451**	**672,177**

Significant operating expenses for the year ended September 30, 2020 were mainly comprised of research and development of $460,388 (2019 – $386,823), wages and salaries of $425,629 (2019 - $107,104), and professional fees of $246,619 (2019 - $18,013).

Research and development

Research and development expenses are primarily related to product testing and research. The Company conducted extensive research and development activities in the year ended September 30, 2020 for progressing the grow box from a prototype version into commercial production. For the year ended September 30, 2020, the research and development expenses were $460,388 compared to $386,823 for the prior year. During the year ended September 30, 2020, the Company fulfilled certain testing orders and collected the payments of $73,028 (2019 - nil) from users. The amount was recorded as a recovery of research and development expenses. During the year ended September 30, 2020, the Company received assistance from government sources net of related costs in the amount of $164,395 (2019- nil), which was recorded as a reduction of research and development expenses.

Wages and salaries

For the year ended September 30, 2020, wages and salaries expenses increased to $425,629 from $107,104 for the year ended September 30, 2019. The Company hired more employees as a result of the commencement of commercial production and shipment of Model Z grow boxes.

Share-based compensation

Share-based compensation is related to stock options granted to directors, officers, employees and consultants of the Company, as well earned-out shares issued to an employee. For the year ended September 30, 2020, the Company incurred share-based compensation expenses of $125,356 including $13,168 related to earned-out shares as compared to $23,647 share-based compensation related stock-option granted for the prior year. The increase in share-based compensation was due to the increase in both the total number and the fair values of the stock options granted.

Professional fees

Professional fees are primarily related to legal, accounting, and audit services. For the year ended September 30, 2020, the Company incurred professional fees of $246,619 as compared to $18,013 for the prior year. As the Company has been seeking a listing on a Canadian stock exchange, the increase in professional fees were mainly related to professional services for the potential listing. 893,846 shares of the Company valued at $223,462 was issued for professional services during the year ended September 30, 2020.

Amortization

Amortization are related to computers, office furniture and equipment, production equipment and right-of use assets. For the year ended September 30, 2020, the Company incurred amortization expenses of $39,364 as compared to $14,404 for the prior year. The increase in amortization expenses was driven by expanded warehouse space and additions to production equipment.

Accretion

Accretion expenses are related to interest expenses on lease liabilities. For the year ended September 30, 2020, the Company incurred $6,862 in accretion expenses as compared to $1,875 for the prior year. In June 2020, the Company leased additional warehouse space, which resulted in the increase in accretion expenses.

(All amounts expressed in Canadian dollars, unless otherwise stated)

Marketing and advertising

Marketing and advertising expenses are related to activities in promoting products, such as market studies, advertisement, social media launch and maintenance and creatives and contents for the website. For the year ended September 30, 2020, the Company incurred $36,968 in marketing and advertising expenses as compared to $66,778 for the prior year. The decrease in marketing and advertising expenses was due to the reduction in marking activities considering the Company had limited inventory because of the delay in production and delivery of grow boxes resulted from Covid-19 pandemic.

Office and administrative

For the year ended September 30, 2020, the Company incurred office and administrative expenses of $52,012 as compared to $15,701 for the prior year. The increase in office and administrative expenses was driven by expanded staffing and increased activities to support the launch of production units of the Model Z grow box.

Travel and entertainment

For the year ended September 30, 2020, the Company incurred travel and entertainment expenses of $44,137 as compared to $29,273 for the prior year. The increase in travel and entertainment expenses was driven by trips to manufacturers for key components sourcing and production supervision. Most of the travel and entertainment expenses was incurred before the travel and social distancing restrictions imposed in March 2020 due to Covid-19 pandemic.

6. SUMMARY OF QUARTERLY RESULTS (UNAUDITED)

The following is a summary of selected financial data from the Company for the eight most recently completed quarters.

	For the quarters ended			
	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019
	$	$	$	$
Revenue	85,211	-	-	-
Net Loss	(164,850)	(728,579)	(328,443)	(194,169)
Basic and diluted loss per share	(0.005)	(0.020)	(0.012)	(0.009)
Weighted average number of common shares outstanding – basic and diluted	36,256,457	35,921,512	26,582,700	22,500,000

	For the quarters ended			
	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
	$	$	$	$
Revenue	-	-	-	-
Net Loss	(172,082)	(320,189)	(73,875)	(100,575)
Basic and diluted loss per share	(0.008)	(0.014)	(0.003)	(0.004)
Weighted average number of common shares outstanding – basic and diluted	22,500,000	22,500,000	22,500,000	22,500,000

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

7. LIQUIDITY

(In Canadian dollars, except ratios)	September 30, 2020	September 30, 2019
Current ratio (1)	0.9: 1.0	1.7: 1.0
Cash and cash equivalent	144,731	261,049
Working capital(deficit) (2)	(14,555)	120,962

(1) Current ratio is current assets divided by current liabilities.
(2) Working capital is current assets minus current liabilities

Cash Position

The Company's cash balance was $144,731 as at September 30, 2020, representing a decrease of $116,318 as compared to $261,049 as at September 30, 2019. The decrease in cash was mainly driven by payments for operating expenses offset by equity financing. Subsequent to the year ended September 30, 2020, the Company closed private placements for gross proceeds of $1,784,408 to fund its operations in fiscal year 2021.

	Year ended September 30, 2020	Year ended September 30, 2019
	$	$
Cash used in operating activities	(1,023,189)	(554,599)
Cash used in investing activities	(47,954)	(45,775)
Cash provided by financing activities	954,825	306,200
Net decrease in cash and cash equivalents	(116,318)	(294,174)

(All amounts expressed in Canadian dollars, unless otherwise stated)

The Company's operational activities during the year ended September 30, 2020 were mainly financed by equity financing. As at September 30, 2020, the Company had current asset of $256,491 compared to $276,266 as at September 30, 2019.

Working Capital

The Company had a working capital deficit of $14,555 as compared to a working capital of $120,962 for the prior year, representing a decrease of working capital of $135,517. The decrease in working capital for the year ended September 30, 2020 was primarily due to the decrease in cash and cash equivalent.

Contractual Obligation

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The following table summarizes the significant remaining contracted maturities of the Company's financial liabilities and capital expenditures as at September 30, 2020:

		Due by period			
	Total	Less than one year	1 - 3 years	4 - 5 years	After 5 years
	$	$	$	$	$
Bank loans	40,000	-	40,000	-	-
Accounts payable and accruals	86,428	86,428	-	-	-
Rental lease	158,434	52,061	106,373	-	-
Total	284,862	138,489	146,373	-	-

8. OUTSTANDING SHARE DATA

Under the Articles of the Company, the Company is authorized to issue unlimited shares with no par value.

The following share capital data is current as of the date of this document:

	Balance
Shares issued and outstanding	40,497,924
Stock Options	2,120,000

(All amounts expressed in Canadian dollars, unless otherwise stated)

9. RELATED PARTY TRANSACTIONS

Related party transactions are in the normal course of business and have been valued at the exchange amount of the services performed or consideration paid. Related party transactions not presented elsewhere are presented below.

a) As at September 30, 2020, due to a related party comprises a payable of $68,897 (2019 – nil) to the Chief Executive Officer ("CEO") of the Company, and the payable is unsecured, non-interest bearing, and due on demand.

b) As at September 30, 2020, due from a related party comprises a receivable of nil (2019 - $420) due from the CEO of the Company.

Transactions with key management personnel:

Key management personnel include those persons having the authority and responsibility of planning, directing, and executing the activities of the Company. The Company has determined that its key management personnel consist of all executive officers and directors of the Company.

The compensation paid or payable to key management personnel during the year ended September 30, 2020 and September 30, 2019 were as follows:

	For the Year ended September 30, 2020	For the Year ended September 30, 2019
	$	$
Salaries and short-term employee benefits	143,867	77,727
Share-based compensation	34,399	23,647

10. RESULT OF THE FOURTH QUARTER (UNAUDITED)

	Three months ended September 30, 2020	Three months ended September 30, 2019
	$	$
Revenue	85,211	-
Net Loss	(164,850)	(172,082)
Basic and diluted loss per share	(0.005)	(0.008)
Weighted average number of common shares outstanding – basic and diluted	36,256,457	22,500,000

(All amounts expressed in Canadian dollars, unless otherwise stated)

11. SUBSEQUENT EVENTS

(a) In November 2020, the Company completed an equity financing by issuing 1,666,667 common shares at a price of $0.36 per share for total gross proceeds of $600,000.

(b) In November 2020, the Company completed an equity financing by issuing 2,574,800 common shares at a price of $0.46 per share for total gross proceeds of $1,184,408.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The carrying amount of financial assets and liabilities which approximate fair value are shown in the statement of financial position, are as follows:

	September 30, 2020 Carrying Amount	September 30, 2019 Carrying Amount
	$	$
Assets carried at amortized cost		
Cash and cash equivalent	144,731	261,049
Due from a related party	-	420
	144,731	261,469
Liabilities carried at amortized cost		
Accounts payable and accrued liabilities	86,428	8,475
Lease obligation	158,434	65,974
Bank loans	40,000	-
Due to a related party	68,897	-
Liabilities carried at FVTPL		
Convertible notes	-	1,035,000
	353,759	1.109.449

The fair values of cash and cash equivalent, due from a related party, accounts payable and accrued liabilities (excluding taxes payable), due to a related party approximated carrying values as at the reporting date due to the short-term maturities of these instruments. For lease obligation, fair value approximates their carrying value at the reporting date as the interest rates used to discount the host contracts approximate market rates.

The Company has exposure to the following risks from its use of financial instruments:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of these financial instruments.

The Company minimized credit risk associated with its cash balance substantially by dealing with a major financial institution that has been accorded a strong investment grade rating by a primary rating agency.

Other than cash, there are no other significant concentrations of credit risk within the Company.

Interest rate risk

Interest rate risk is the risk that fair value of the Company's interest-bearing investments will fluctuate due to changes in market interest rates.

As at September 30, 2020 and 2019, the Company did not have a significant exposure to interest rate risk, given that the Company's financial instruments are non-interest bearing.

Liquidity risk

Liquidity risk is the risk that the Company may not have sufficient liquid assets to meet its commitments associated with these liabilities. The Company retains sufficient cash to maintain liquidity.

Currency risk

Currency risk is the risk that the value of financial assets denominated in currencies, other than the functional currency of the Company, will fluctuate due to changes in foreign currency exchange rates.

All financial instruments are denominated in Canadian dollars, the functional currency of the Company. Therefore, the Company is not significantly exposed to currency risk as at September 30, 2020 and 2019.

13. CAPITAL RESOURCES

As at September 30, 2020, the Company had cash and cash equivalent of $144,731.

The Company requires capital to fund existing and future operations. The Company's policy is to maintain sufficient and appropriate levels of capital.

The Company's source of capital is mainly from equity financing. The Company does not presently utilize any quantitative measures to monitor its capital. The Company currently is not subject to externally imposed capital requirements. The capital management framework followed by the Company is designed to maintain the level of capital that will:

(a) Meet the Company's regulatory requirements;
(b) Fund current and future operations;
(c) Ensure that the Company is able to meet its financial obligations as they come due.

As at September 30, 2020, the Company had an working capital deficit of $14,555 and has long term portion of lease obligation of $106,373 and loans payable of $40,000.

The Company's operations have been funded through equity financing, credit facilities and cash generated from operations and the Company expects it will continue to be able to utilize these sources to fund its operations through fiscal year 2021.

There can be no assurance that the Company will be successful in its endeavours. If such funds are not available or other sources of finance cannot be obtained, then the Company will be forced to curtail its activities to a level for which funding is available and can be obtained.

14. RISK AND UNCERTAINTIES

Conflicts of Interest

Certain directors of the Company also serve as directors and/or officers of other companies involved in other business ventures. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Negative Operating Cash Flows

As the Company is at the early stage start up stage it may continue to have negative operating cash flows. Without the injection of further capital and the development of revenue streams from its business, the Company may continue to have negative operating cash flows until it can realize stable cash flow from operations.

Reliance on Key Personnel and Advisors

The Company relies heavily on its officers. The loss of their services may have a material adverse effect on the business of the Company. There can be no assurance that one or all of the employees of, and contractors engaged by, the Company will continue in the employ of, or in a consulting capacity to, the Company or that they will not set up competing businesses or accept positions with competitors. There is no guarantee that certain employees of, and contractors to, the Company who have access to confidential information will not disclose the confidential information.

Global Economy Risk

The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. We will be dependent upon the capital markets to raise additional financing in the future, while we establish a client base for our product. Access to financing has been negatively impacted by the ongoing global economic downturn. As such, we are subject to liquidity risks in meeting our development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact our ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to us and our management. If uncertain market conditions persist, our ability to raise capital could be jeopardized, which could have an adverse impact on our operations.

15. OFF-BALANCE SHEET TRANSACTIONS

The Company has no off-balance sheet agreements as at September 30, 2020 or as of the date of this MD&A.

16. CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of these consolidated 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 consolidated financial statements and reported amounts of expenses during the reporting year. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the year in which the estimate is revised and future years if the revision affects both current and future years. 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.

For the year ended September 30, 2020, the COVID-19 had an impact on the global economy. The Company has taken into account of the impacts of COVID-19 and the unique circumstances it has created in making estimates, assumptions and judgements in the preparation of the consolidated financial statements. Actual results may differ from estimated amounts, and those differences may be material.

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:

Significant accounting estimates

- Estimated useful life of property, plant and equipment – Depreciation of property and equipment is dependent upon estimates of useful lives, which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

- Share based compensation - In estimating fair value of options using the Black-Scholes option pricing model, management is required to make certain assumptions such as the expected life of options, volatility of the Company's future share price, risk free rate, future dividend yields and estimated forfeitures at the initial grant date. Changes in assumptions used to estimate fair value could result in materially different results. In order to estimate volatility, the Company uses companies with similar characteristics that have prices quoted on an active exchange.

Significant accounting judgments

- The Company has projected 2021 cash flows that are sufficient to cover its ongoing operating expenditures, meet its liabilities for the ensuing year. The future cash flows projection involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In addition, the Company's business could be significantly adversely affected by the effects of the recent outbreak of COVID-19.

- The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts and therefore do not necessarily provide certainty as to their recorded values.

- Research and development expenditures. - The application of the Company's accounting policy for research and development expenditures requires judgment in determining whether it is likely that the future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after expenditures is unlikely, the amount capitalized is written off to profit or loss in the period the new information becomes available.

17. CONTROL AND PROCEDURES

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all material information related to the Company, including its consolidated subsidiaries, is made known to senior management on a timely basis so that appropriate decisions can be made regarding public disclosure.

Internal Control over Financial Reporting ("ICOFR")

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

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS and that the Company's receipts and expenditures are made only in accordance with authorization of management and the Company's directors; and

- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the annual or interim financial statements.

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

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

18. CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The following new and revised accounting standard, along with any consequential amendments was adopted by the Company for annual periods beginning on or after October 1, 2019.

Amendments to IFRS 3, Business Combinations, improve the definition of a business. The amendments help entities determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others.

Definition of Material (Amendments to IAS 1, Presentation of Financial Statements, "IAS 1" and to IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors "IAS 8") is intended to make the definition of material in IAS 1 easier to understand and is not intended to alter the underlying concept of materiality in IFRS Standards. The concept of "obscuring" material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from "could influence" to "could reasonably be expected to influence". The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1.

The amendments listed above did not have a significant impact on the Company's consolidated financial statements.

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended September 30, 2020 and have not been applied in preparing these consolidated financial statements. None of these pronouncements are expected to have material impact on the Company's consolidated financial statements.

MARY AGROTECHNOLOGIES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED DECEMBER 31, 2020

BACKGROUND

This Management's Discussion and Analysis ("MD&A") has been prepared as of xx, 2021 **[date of board approval]**, and it presents management's analysis of the consolidated financial position and financial performance for the three months ended December 31, 2020 of Mary Agrotechnologies Inc. ("Mary AG"), its 100% owned subsidiary Mary Agrotechnologies Hong Kong Limited ("Mary HK") and Mary HK's 75% owned subsidiary Yunnan Moquan Agrotechnologies Limited ("Yunnan Moquan"). Collectively, Mary AG, Mary HK and Yunnan Moquan, are referred to as the "Company". All inter-company balances and transactions have been eliminated.

The following information should be read in conjunction with the financial statements of the Company for the year ended September 30, 2020 and 2019, including the notes contained therein. Except otherwise indicated, the condensed interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars unless noted otherwise.

The condensed interim consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future.

FORWARDING LOOKING INFORMATION

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guarantee of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the "Risk Factors" section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and underlie the forward-looking statements as reasonable assumptions, any of which could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements.

Within this MD&A, the Company has specifically noted the forward-looking nature of comments where applicable. Generally, readers should be aware that forward-looking statements included or incorporated by reference in this document include statements with respect to:

- The Company's dependency on future profitable operations;
- The management's ability to manage costs;

- Expectations regarding the ability to raise capital to fund future working capital requirements.

A number of factors could cause actual events, performance or results, including those in respect of the foregoing items, to differ materially from the events, performance and results discussed in the forward-looking statements. Factors that could cause actual events, performance or results to differ materially from those set forth in the forward-looking statements include, but are not limited to:

- the effect of continuing operating losses on the Company's ability to obtain, on satisfactory terms, or at all, the capital required to maintain itself as a going concern;
- the risks associated with the increase in operating costs from additional research and development costs and increased staff;
- the Company's ability to attract and retain key personnel and key collaborators.

Although the forward-looking statements contained in this MD&A are based on what we consider to be reasonable assumptions based on information currently available to us, there can be no assurance that actual events, performance or results will be consistent with these forward-looking statements, and our assumptions may prove to be incorrect. These forward-looking statements are made as of the date of this MD&A. Forward-looking statements made in this MD&A are made as of the date of the original document and have not been updated by us except as expressly provided for in this MD&A. As required by applicable securities legislation, as a reporting issuer, it is the Company's policy to update forward-looking information in its periodic management discussions and analyses, as required from time to time, and provide updates on its activities to the public through the filing and dissemination of news releases and material change reports.

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

NOVEL CORONAVIRUS (COVID-19)

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

The extent to which the Company's operating and financial results are affected by COVID-19 will depend on various factors and consequences beyond its control such as the duration and scope of the pandemic; additional actions taken by business and government in response to the pandemic and the speed and effectiveness of response to combat the virus.

1. DESCRIPTION OF BUSINESS

Agriculture has always been at the centre of society. Our ability to grow crops in abundance meant that we settled in areas that offered the best growing conditions. Mary Agrotechnologies Inc. ("Mary AG" or the "Company") is an agricultural automation start-up that leverages vertically integrated hardware and sensors, with big data and machine learning to replicate those same ideal conditions in an artificially controlled environment. Each plant grows in optimized conditions with minimal human input, regardless of local weather, seasons or climates.

The Company was incorporated in Ontario, Canada, on October 12, 2017. The Company's head office is located at 115 Apple Creek Boulevard, Unit 3, Markham, Ontario, Canada, L3R 6C9. The Company's registered and records office address is 25 White Oak Crescent, Richmond Hill, Ontario, L4B 3R7.

The Company has developed a proprietary automation platform - numerous algorithms interconnected with each other – that allows various kinds of plants to grow adaptively to the hardware and environment the plants are in.

To provide the best value of the algorithms to growers, the Company has created two distinct product lines: (i) small-medium standalone growing systems for home growing ("grow boxes"); and (ii) commercial indoor vertical farms. Mary AG has applied for provisional patents relating to both the grow box and the commercial vertical farm.

Mary AG's flagship consumer product, the Mary Model Z (the "Model Z"), is an at-home grow box designed with the everyday consumer in mind. It has been developed specifically for growing cannabis and takes the guesswork out of the process allowing anybody to grow at home.

A grow box is a partially or completely enclosed system for growing plants indoors or in small areas. The Model Z is a sophisticated, automated and cost-effective grow box, which takes a "set it and forget it" approach with only minimal intervention (20-30 minutes a week) required by the user to refill nutrients and trim the plant. The enclosed hydroponic and lighting systems enable increased yields and quicker harvesting intervals than traditional growing methods.

Mary AG collects unidentifiable encrypted cultivation data from its Model Z units and utilizes machine learning and artificial intelligence to create more efficient growing systems and methods. The Company plans to apply this data to its larger vertical growing systems which will be used on a commercial scale to grow cannabis, hemp and general agriculture.

2. CORPORATE UPDATE

In November 2020, the Company completed an equity financing by issuing 1,666,667 common shares at a price of $0.36 per share for total gross proceeds of $600,000.

In November 2020, the Company completed an equity financing by issuing 2,574,800 common shares at a price of $0.46 per share for total gross proceeds of $1,184,408.

Business Objectives

For the financial year ending September 30, 2021, the primary objective business objectives for the Company are to:

(a) market, sell and ship Model Z in North America;
(b) continue to improve the automation platform;
(c) improve on the production cost of Model Z;
(d) refine technology and create further intellectual property;
(e) obtain equity financing to fund business development;
(f) go public, listing on the Canadian Security Exchange
(g) secure a vertical farm facility in China and processing equipment; and
(h) develop Mary Ag’s business and seek new business opportunities.

COVID 19 Impact on Our Operations and Financial Position

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. Responses to the spread of COVID-19 resulted in a sudden decline in economic activity and a significant increase in economic uncertainty. Various vaccine approvals in Canada and around the world were announced recently, however, the economic environment remains volatile and challenging which may have adverse impacts the Company's operational results and financial position, including, but not limited to:

- Decline in inventory level due to the delay in Manufacturing and delivery of products;
- Increase in international shipping costs due to worldwide lockdown, which result in the increase of costs of revenue;
- Decline in revenue and cash flows as a result of an economic downturn.

The COVID-19 situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Company is not known at this time. Estimates and judgments made by management in the preparation of this MD&A and our financial statements are increasingly difficult and subject to a higher degree of measurement uncertainty during this volatile period.

3. OVERALL PERFORMANCE

The Company started to ship commercial units of Model Z in North America on July 1, 2020. During the three months ended December 31, 2020, the Company shipped 28 Model Z grow boxes and generated sales revenue of $27,415 including shipping revenue of $3,160.

Operating expenses were $409,346 for the three months ended December 31, 2020 as compared to $194,211 for the same period of the prior year. The increase in operating expenses during the three months ended December 31, 2020 was primarily driven by the increase in wages and salaries, professional fees, stock-based compensation and amortization expenses.

Net losses were $437,080 for the three months ended December 31, 2020 as compared to $194,169 for the same period of the prior year. The increase in loss was primarily due to the increase in operating expenses.

Basic and Diluted loss per share was $0.01 for the three months ended December 31, 2020 as compared to $0.01 for the same period of the prior year.

During the three months ended December 31, 2020 and 2019, the Company was mainly relied on the proceeds from equity financing to fund all of its activities and meet its ongoing working capital requirements. In November 2020, the Company closed private placements for gross proceeds of $1,784,408 to fund its operations in fiscal year 2021.

4. DISCUSSION OF OPERATIONS

Revenue

During the three months ended December 31, 2020, the Company realized total revenue of $27,415 as compared to nil for the same period of the prior year. The sales revenue included $3,160 billed to customers for shipping, and shipping costs of $10,773 were charged to the cost of revenue for the period.

The gross margin for the three months ended December 31, 2020 was negative $15,189 or negative 55% as compared to nil for the same period of the prior year. The negative gross margin for the period was primarily due to:

1. Intentionally lowered retail price for better market adoption;
2. Discounted pricing for "early bird" customers during the Company's 2018 crowdfunding campaign;
3. Shipping charges billed to customers were also intentionally lower than actual shipping costs;
4. Higher manufacturing cost in exchange for more flexible starting quantities and better payment terms.

(All amounts expressed in Canadian dollars, unless otherwise stated)

The following is the breakdown of the operating expenses for the three months ended December 31, 2020 and 2019:

	Three months ended December 31, 2020	Three months ended December 31, 2019
Expenses	$	$
Professional fees	21,350	2,593
Amortization	18,673	6,075
Accretion	3,085	1,284
Computer software	4,379	4,661
Marketing and advertising	10,455	4,662
Office and administrative	26,340	20,628
Research and development	18,096	62,158
Share-based compensation	125,297	11,214
Travel and entertainment	12,528	14,158
Wages and salaries	169,143	66,778
Total	**409,346**	**194,211**

Significant operating expenses for the three months ended December 31, 2020 were mainly comprised of wages and salaries of $169,143 (2019 - $66,778), and share-based compensation of $125,297 (2019 - $11,214).

Wages and salaries

For the three months ended December 31, 2020, wages and salaries expenses were $169,143 as compared to $66,778 for the same period of the prior year. The $102,365 increase was due to the Company hired more employees as a result of the commencement of commercial production and shipment of Model Z grow boxes.

Share-based compensation

Share-based compensation is related to stock options granted to directors, officers, employees and consultants of the Company, as well earned-out shares issued to an employee. For the three months ended December 31, 2020, the Company incurred share-based compensation expenses of $125,297 including $3,946 related to earned-out shares as compared to $11,214 share-based compensation related stock-option granted for the same period of the prior year. The increase in share-based compensation was due to the increase in both the total number and the fair values of the stock options granted.

Professional fees

Professional fees are primarily related to legal, accounting, and audit services. For the three months ended December 31, 2020, the Company incurred professional fees of $21,350 as compared to $2,593 for the same period of the prior year. As the Company has been seeking a listing on a Canadian stock exchange, the increase in professional fees were mainly related to professional services for the potential listing.

Amortization

Amortization are related to computers, office furniture and equipment, production equipment and right-of use assets. For the three months ended December 31, 2020, the Company incurred amortization expenses of $18,673 as compared to $6,075 for the same period of the prior year. The increase in amortization expenses was driven by expanded warehouse space and additions to production equipment.

Research and development

Research and development expenses are primarily related to product testing and research. For the three months ended December 31, 2020, the research and development expenses were $18,096 as compared to $62,158 for the same period of the prior year. The decrease in research and development expenses was due to reduction in research and development activities of Model Z grow box as the Company started commercial production of the grow box. In addition, during the three months ended December 31, 2020, the Company received assistance from government source net of related costs in the amount of $9,061(2019-nil), the amount was recorded as a reduction of research and development expenses.

Accretion

Accretion expenses are related to interest expenses on lease liabilities. For the three months ended December 31, 2020, the Company incurred $3,085 in accretion expenses as compared to $1,284 for the same period of the prior year. In June 2020, the Company leased additional warehouse space, which resulted in the increase in accretion expenses.

Marketing and advertising

Marketing and advertising expenses are related to activities in promoting products, such as market studies, advertisement, social media launch and maintenance and creatives and contents for the website. For the three months ended December 31, 2020, the Company incurred marketing and advertising expenses of $10,455 as compared to $4,662 for the same period of the prior year. The Company reduced its marketing activities considering the Company had limited inventory because of the delay in production and delivery of grow boxes resulted from Covid-19 pandemic. The increase as compared to the same period of the prior year was mainly due to very limited marking activities during the three months ended December 31, 2019.

(All amounts expressed in Canadian dollars, unless otherwise stated)

Office and administrative

For the three months ended December 31, 2020, the Company incurred office and administrative expenses of $26,340 as compared to $20,628 for the three months ended December 31, 2019. The increase in office and administrative expenses was driven by expanded staffing and increased activities to support the launch of production units of the Model Z grow box.

Travel and entertainment

For the three months ended December 31, 2020, the Company incurred travel and entertainment expenses of $12,528 as compared to $14,158 for the three months ended December 31, 2019. The decrease in travel and entertainment expenses was resulted from travel bans imposed by the governments.

5. SUMMARY OF QUARTERLY RESULTS (UNAUDITED)

The following is a summary of selected financial data from the Company for the eight most recently completed quarters.

	For the quarters ended			
	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020
	$	$	$	$
Revenue	27,415	85,211	-	-
Net Loss	(437,080)	(164,850)	(728,579)	(328,443)
Basic and diluted loss per share	(0.011)	(0.005)	(0.020)	(0.012)
Weighted average number of common shares outstanding – basic and diluted	38,081,148	36,256,457	35,921,512	26,582,700

	For the quarters ended			
	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
	$	$	$	$
Revenue	-	-	-	-
Net Loss	(194,169)	(172,082)	(320,189)	(73,875)
Basic and diluted loss per share	(0.009)	(0.008)	(0.014)	(0.003)
Weighted average number of common shares outstanding – basic and diluted	22,500,000	22,500,000	22,500,000	22,500,000

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

6. LIQUIDITY

(In Canadian dollars, except ratios)	December 31, 2020	September 30, 2020
Current ratio (1)	7.5 : 1.0	0.9 : 1.0
Cash and cash equivalent	1,594,187	144,731
Working capital (deficit) (2)	1,469,585	(14,555)

(1) Current ratio is current assets divided by current liabilities.
(2) Working capital is current assets minus current liabilities

Cash Position

The Company's cash balance was $1,594,187 as at December 31, 2020, representing an increase of $1,449,456 as compared to $144,731 as at September 30, 2020. The increase in cash was mainly driven by equity financing. In November 2020, the Company closed private placements for gross proceeds of $1,784,408 to fund its operations in fiscal year 2021.

	Three months ended December 31, 2020	Three months ended December 31, 2019
	$	$
Cash used in operating activities	(326,228)	(192,967)
Cash used in investing activities	(13,124)	-
Cash provided by financing activities	1,788,808	370,000
Increase in cash and cash equivalents	1,449,456	177,033

The Company's operational activities during the three months ended December 31, 2020 were mainly financed by equity financing. As at December 31, 2020, the Company had current asset of $1,695,297 compared to $256,491 as at September 30, 2020.

Working Capital

The Company had a working capital of $1,469,585 as at December 31, 2020 as compared to a working capital deficit of $14,555 as at September 30, 2020, representing an increase of working capital of $1,484,140. The increase in working capital for the three months ended December 31, 2020 was primarily due to the increase in cash and cash equivalent.

(All amounts expressed in Canadian dollars, unless otherwise stated)

Contractual Obligation

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The following table summarizes the significant remaining contracted maturities of the Company's financial liabilities and capital expenditures as at December 31, 2020:

		Due by period			
	Total	Less than one year	1 - 3 years	4 - 5 years	After 5 years
	$	$	$	$	$
Bank loans	60,000	-	60,000	-	-
Accounts payable and accruals	102,864	102,864	-	-	-
Lease obligation	145,919	53,580	92,339	-	-
Total	308,783	156,444	152,339	-	-

7. OUTSTANDING SHARE DATA

Under the Articles of the Company, the Company is authorized to issue unlimited shares with no par value.

The following share capital data is current as of the date of this document:

	Balance
Shares issued and outstanding	40,497,924
Stock Options	2,120,000

8. RELATED PARTY TRANSACTIONS

Related party transactions are in the normal course of business and have been valued at the exchange amount of the services performed or consideration paid. Related party transactions not presented elsewhere are presented below.

- As at December 31, 2020, due to a related party comprises a payable of $11,750 (as at September 30, 2020 – $68,897) to the Chief Executive Officer ("CEO") of the Company, and the payable is unsecured, non-interest bearing, and due on demand.

(All amounts expressed in Canadian dollars, unless otherwise stated)

Transactions with key management personnel:

Key management personnel include those persons having the authority and responsibility of planning, directing, and executing the activities of the Company. The Company has determined that its key management personnel consist of all executive officers and directors of the Company.

The compensation paid or payable to key management personnel during the three months ended December 31, 2020 and 2019 were as follows:

	For the three months ended December 31, 2020	For the three months ended December 31, 2019
	$	$
Salaries and short-term employee benefits	69,981	27,867
Share-based compensation	22,556	8,281

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The carrying amount of financial assets and liabilities which approximate fair value are shown in the statement of financial position, are as follows:

	December 31, 2020 Carrying Amount	September 30, 2020 Carrying Amount
	$	$
Assets carried at amortized cost		
Cash and cash equivalent	1,594,187	144,731
	1,594,187	144,731
Liabilities carried at amortized cost		
Accounts payable and accrued liabilities	102,864	86,428
Lease obligation	145,919	158,434
Bank loans	60,000	40,000
Due to a related party	11,750	68,897
	320,533	353,759

The fair values of cash and cash equivalent, accounts payable and accrued liabilities (excluding taxes payable), bank loans and due to a related party approximated carrying values as at the reporting date due to the short-term maturities of these instruments. For lease obligation, fair value approximates their carrying value at the reporting date as the interest rates used to discount the host contracts approximate market rates.

The Company has exposure to the following risks from its use of financial instruments:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of these financial instruments.

The Company minimized credit risk associated with its cash balance substantially by dealing with a major financial institution that has been accorded a strong investment grade rating by a primary rating agency.

Other than cash, there are no other significant concentrations of credit risk within the Company.

Interest rate risk

Interest rate risk is the risk that fair value of the Company's interest-bearing investments will fluctuate due to changes in market interest rates.

As at December 31, 2020 and 2019, the Company did not have a significant exposure to interest rate risk, given that the Company's financial instruments are non-interest bearing.

Liquidity risk

Liquidity risk is the risk that the Company may not have sufficient liquid assets to meet its commitments associated with these liabilities. The Company retains sufficient cash to maintain liquidity.

Currency risk

Currency risk is the risk that the value of financial assets denominated in currencies, other than the functional currency of the Company, will fluctuate due to changes in foreign currency exchange rates.

All financial instruments are denominated in Canadian dollars, the functional currency of the Company. Therefore, the Company is not significantly exposed to currency risk as at December 31, 2020 and 2019.

10. CAPITAL RESOURCES

As at December 31, 2020, the Company had cash and cash equivalent of $1,594,187.

The Company requires capital to fund existing and future operations. The Company's policy is to maintain sufficient and appropriate levels of capital.

The Company's source of capital is mainly from equity financing. The Company does not presently utilize any quantitative measures to monitor its capital. The Company currently is not subject to externally imposed capital requirements. The capital management framework followed by the Company is designed to maintain the level of capital that will:

(a) Meet the Company's regulatory requirements;
(b) Fund current and future operations;
(c) Ensure that the Company is able to meet its financial obligations as they come due.

As at December 31, 2020, the Company had an working capital of $1,469,585 and has long term portion of lease obligation of $92,339 and loans payable of $60,000.

The Company's operations have been funded through equity financing, credit facilities and cash generated from operations and the Company expects it will continue to be able to utilize these sources to fund its operations through fiscal year 2021.

There can be no assurance that the Company will be successful in its endeavours. If such funds are not available or other sources of finance cannot be obtained, then the Company will be forced to curtail its activities to a level for which funding is available and can be obtained.

11. RISK AND UNCERTAINTIES

Conflicts of Interest

Certain directors of the Company also serve as directors and/or officers of other companies involved in other business ventures. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Negative Operating Cash Flows

As the Company is at the early stage start up stage it may continue to have negative operating cash flows. Without the injection of further capital and the development of revenue streams from its business, the Company may continue to have negative operating cash flows until it can realize stable cash flow from operations.

Reliance on Key Personnel and Advisors

The Company relies heavily on its officers. The loss of their services may have a material adverse effect on the business of the Company. There can be no assurance that one or all of the employees of, and contractors engaged by, the Company will continue in the employ of, or in a consulting capacity to, the Company or that they will not set up competing businesses or accept positions with competitors. There is no guarantee that certain employees of, and contractors to, the Company who have access to confidential information will not disclose the confidential information.

Global Economy Risk

The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. We will be dependent upon the capital markets to raise additional financing in the future, while we establish a client base for our product. Access to financing has been negatively impacted by the ongoing global economic downturn. As such, we are subject to liquidity risks in meeting our development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact our ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to us and our management. If uncertain market conditions persist, our ability to raise capital could be jeopardized, which could have an adverse impact on our operations.

12. OFF-BALANCE SHEET TRANSACTIONS

The Company has no off-balance sheet agreements as at December 31, 2020 or as of the date of this MD&A.

13. CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of these consolidated 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 consolidated financial statements and reported amounts of expenses during the reporting year. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the year in which the estimate is revised and future years if the revision affects both current and future years. 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.

For the three months ended December 31, 2020, the COVID-19 had an impact on the global economy. The Company has taken into account of the impacts of COVID-19 and the unique circumstances it has created in making estimates, assumptions and judgements in the preparation of the consolidated financial statements. Actual results may differ from estimated amounts, and those differences may be material.

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:

Significant accounting estimates

- Estimated useful life of property, plant and equipment – Depreciation of property and equipment is dependent upon estimates of useful lives, which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

- Share based compensation - In estimating fair value of options using the Black-Scholes option pricing model, management is required to make certain assumptions such as the expected life of options, volatility of the Company's future share price, risk free rate, future dividend yields and estimated forfeitures at the initial grant date. Changes in assumptions used to estimate fair value could result in materially different results. In order to estimate volatility, the Company uses companies with similar characteristics that have prices quoted on an active exchange.

Significant accounting judgments

- The Company has projected 2021 cash flows that are sufficient to cover its ongoing operating expenditures, meet its liabilities for the ensuing year. The future cash flows projection involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In addition, the Company's business could be significantly adversely affected by the effects of the recent outbreak of COVID-19.

- The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts and therefore do not necessarily provide certainty as to their recorded values.

- Research and development expenditures. - The application of the Company's accounting policy for research and development expenditures requires judgment in determining whether it is likely that the future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after expenditures is unlikely, the amount capitalized is written off to profit or loss in the period the new information becomes available.

14. CONTROL AND PROCEDURES

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all material information related to the Company, including its consolidated subsidiaries, is made known to senior management on a timely basis so that appropriate decisions can be made regarding public disclosure.

Internal Control over Financial Reporting ("ICOFR")

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

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

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

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

15. CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

No new and revised accounting standard was adopted by the Company for annual periods beginning on October 1, 2020.

A number of new standards, amendments to standards and interpretations are not yet effective for the three months ended December 31, 2020 and have not been applied in preparing these condensed interim consolidated financial statements. None of these pronouncements are expected to have material impact on the Company's consolidated financial statements.

APPENDIX C

Audit Committee Charter of Mary Agrotechnologies Inc.

(see attached)

MARY AGROTECHNOLOGIES INC.
(the "Corporation")

AUDIT COMMITTEE CHARTER

NAME

There shall be a committee of the Board of Directors (the "**Board**") of Mary Agrotechnologies Inc. (the "**Company**") known as the Audit Committee.

PURPOSE OF AUDIT COMMITTEE

The Audit Committee has been established to assist the Board in fulfilling its oversight responsibilities with respect to the following principal areas:

(a) the Company's external audit function; including the qualifications, independence, appointment and oversight of the work of the external auditors;

(b) the Company's accounting and financial reporting requirements;

(c) the Company's reporting of financial information to the public;

(d) the Company's compliance with law and regulatory requirements;

(e) the Company's risks and risk management policies;

(f) the Company's system of internal controls and management information systems; and

(g) such other functions as are delegated to it by the Board.

Specifically, with respect to the Company's external audit function, the Audit Committee assists the Board in fulfilling its oversight responsibilities relating to: the quality and integrity of the Company's financial statements; the independent auditors' qualifications; and the performance of the Company's independent auditors.

MEMBERSHIP

The Audit Committee shall consist of as many members as the Board shall determine but, in any event not fewer than three directors appointed by the Board. Each member of the Audit Committee shall continue to be a member until a successor is appointed, unless the member resigns, is removed or ceases to be a director of the Company. The Board may fill a vacancy that occurs in the Audit Committee at any time.

CHAIR AND SECRETARY

The Chair of the Audit Committee shall be designated by the Board. If the Chair is not present at a meeting of the Audit Committee, the members of the Audit Committee may designate an interim Chair for the meeting by majority vote of the members present. The Secretary of the Audit Committee shall be such member of the Audit Committee as may be designate by majority vote of the Audit Committee from time to time, provided that if the Secretary is not present, the Chair of the meeting may appoint a secretary for the meeting with the consent of the Audit Committee members who are present. A member of the Audit

Committee may be designated as the liaison member to report on the deliberations of the Audit Committees of affiliated companies (if applicable).

MEETINGS

The Chair of the Audit Committee, in consultation with the Audit Committee members, shall determine the schedule and frequency of the Audit Committee meetings provided that the Audit Committee will meet at least four times in each fiscal year and at least once in every fiscal quarter. The Audit Committee shall have the authority to convene additional meetings as circumstances require.

Notice of every meeting shall be given to the external and internal auditors of the Company, and meetings shall be convened whenever requested by the external auditors or any member of the Audit Committee in accordance with applicable law. The Audit Committee shall meet separately and periodically with management, legal counsel and the external auditors. The Audit Committee shall meet separately with the external auditors at every meeting of the Audit Committee at which external auditors are present.

MEETING AGENDAS

Agendas for meetings of the Audit Committee shall be developed by the Chair of the Audit Committee in consultation with the management and the corporate secretary, and shall be circulated to Audit Committee members as far in advance of each Audit Committee meeting as is reasonable.

RESOURCES AND AUTHORITY

The Audit Committee shall have the resources and the authority to discharge its responsibilities, including the authority, in its sole discretion, to engage, at the expense of the Company, outside consultants, independent legal counsel and other advisors and experts as it determines necessary to carry out its duties, without seeking approval of the Board or management.

The Audit Committee shall have the authority to conduct any investigation necessary and appropriate to fulfilling its responsibilities, and has direct access to and the authority to other officers and employees of the Company.

The members of the Audit Committee shall have the right for the purpose of performing their duties to inspect all the books and records of the Company and its subsidiaries and to discuss such accounts and records and any matters relating to the financial position, risk management and internal controls of the Company with the officers and external and internal auditors of the Company and its subsidiaries. Any member of the Audit Committee may require the external or internal auditors to attend any or every meeting of the Audit Committee.

RESPONSIBILITIES

The Company's management is responsible for preparing the Company's financial statements and the external auditors are responsible for auditing those financial statements. The Audit Committee is responsible for overseeing the conduct of those activities by the Company's management and external auditors, and overseeing the activities of the internal auditors.

The specific responsibilities of the Audit Committee shall include those listed below. The enumerated responsibilities are not meant to restrict the Audit Committee from examining any matters related to its purpose.

1. Financial Reporting Process and Financial Statements

The Audit Committee shall:

(a) in consultation with the external auditors and the internal auditors, review the integrity of the Company's financial reporting process, both internal and external, and any major issues as to the adequacy of the internal controls and any special audit steps adopted in light of material control deficiencies;

(b) review all material transactions and material contracts entered into between (i) the Company or any subsidiary of the Company, and (ii) any subsidiary, director, officer, insider or related party of the Company, other than transactions in the ordinary course of business;

(c) review and discuss with management and the external auditors: (i) the preparation of Company's annual audited consolidated financial statements and its interim unaudited consolidated financial statements; (ii) whether the financial statements present fairly (in accordance with Canadian generally accepted accounting principles) in all material respects the financial condition, results of operations and cash flows of the Company as of and for the periods presented; (iii) any matters required to be discussed with the external auditors according to Canadian generally accepted auditing standards; (iv) an annual report by the external auditors describing: (A) all critical accounting policies and practices used information within generally accepted accounting principles that have been discussed with management of the Company, including the ramifications of the use such alternative treatments and disclosures and the treatment preferred by the external auditors; and (C) other material written communications between the external auditors and management;

(d) following completion of the annual audit, review with each of: (i) management; (ii) the external auditors; and (iii) the internal auditors, any significant issues, concerns or difficulties encountered during the course of the audit;

(e) resolve disagreements between management and the external auditors regarding financial reporting;

(f) review the financial statements, management discussion and analysis and annual and interim press releases prior to public disclosure of this information; and

(g) review and be satisfied that adequate procedures are in place for the review of the public disclosure of financial information by the Company extracted or derived from the Company's financial statements, other than the disclosure referred to in (f), and periodically assess the adequacy of those procedures.

2. External Auditors

The Audit Committee shall:

(a) require the external auditors to report directly to the Audit Committee;

(b) recommend to the Board the external auditors to be nominated for approval by the shareholders and the compensation of the external auditor;

(c) be directly responsible for the selection, nomination, compensation, retention, termination and oversight of the work of the Company's external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;

(d) approve all audit engagements and must pre-approve the provision by the external auditors of all non-audit services, including fees and terms for all audit engagements and non-audit engagements, and in such regard the Audit Committee may establish the types of non-audit services the external auditors shall be prohibited from providing and shall establish the types of audit, audit related and non-audit services for which the Audit Committee will retain the external auditors. The Audit Committee may delegate to one or more of its members the authority to pre-approve non-audit services, provided that any such delegated pre-approval shall be exercised in accordance with the types of particular non-audit services authorized by the Audit Committee to be provided by the external auditor and the exercise of such delegated pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting following such pre-approval;

(e) review and approve the Company's policies for the hiring of partners and employees and former partners and employees of the external auditors;

(f) consider, assess and report to the Board with regard to the independence and performance of the external auditors; and

(g) request and review the audit plan of the external auditors as well as a report by the external auditors to be submitted at least annually regarding: (i) the external auditing firm's internal quality-control procedures; (ii) any material issues raised by the external auditor's own most recent internal quality-control review or peer review of the auditing firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the external auditors, and any steps taken to deal with any such issues.

3. Accounting Systems and Internal Controls

The Audit Committee shall:

(a) oversee management's design and implementation of and reporting on internal controls. The Audit Committee shall also receive and review reports from management, the internal auditors and the external auditors on an annual basis with regard to the reliability and effective operation of the Company's accounting system and internal controls; and

(b) review annually the activities, organization and qualifications of the internal auditors and discuss with the external auditors the responsibilities, budget and staffing of the internal audit function.

4. Legal and Regulatory Requirements

The Audit Committee shall:

(a) receive and review timely analysis by management of significant issues relating to public disclosure and reporting;

(b) review, prior to finalization, periodic public disclosure documents containing financial information, including the Management's Discussion and Analysis and Annual Information Form, if required;

(c) prepare the report of the Audit Committee required to be included in the Company's periodic filings;

(d) review with the Company's counsel legal compliance matters, significant litigation and other legal matters that could have a significant impact on the Company's financial statements; and

(e) assist the Board in the oversight of compliance with legal and regulatory requirements and review with legal counsel the adequacy and effectiveness of the Company's procedures to ensure compliance with legal and regulatory responsibilities.

5. Additional Responsibilities

The Audit Committee shall:

(a) discuss policies with the external auditor, internal auditor and management with respect to risk assessment and risk management;

(b) establish procedures and policies for the following

(i) the receipt, retention, treatment and resolution of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and

(ii) the confidential, anonymous submission by directors or employees of the Company of concerns regarding questionable accounting or auditing matters;

(c) prepare and review with the Board an annual performance evaluation of the Audit Committee;

(d) report regularly to the Board, including with regard to matters such as the quality or integrity of the Company's financial statements, compliance with legal or regulatory requirements, the performance of the internal audit function, and the performance and independence of the external auditors; and

(e) review and reassess the adequacy of the Audit Committee's Charter on an annual basis.

6. Limitation on the Oversight Role of the Audit Committee

Nothing in this Charter is intended, or may be construed, to impose on any member of the Audit Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board are subject.

Each member of the Audit Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the information provided to the Company by such persons or organizations.

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

APPENDIX D

Stock Option Plan of Mary Agrotechnologies Inc.

(see attached)

MARY AGROTECHNOLOGIES INC.

STOCK OPTION PLAN

PART 1

INTERPRETATION

1.01 Definitions. In this Plan the following words and phrases shall have the following meanings, namely:

(a) "Award Date" means the date on which the Board grants a particular Option;

(b) “Business Day” means any day from Monday to Friday inclusive, excluding Statutory Holidays;

(c) "Board" means the board of directors of the Company and includes any committee of directors appointed by the directors as contemplated by to Section 3.01 hereof;

(d) "Cause" means: (i) "Cause" as such term is defined in the written employment agreement, if any, between the Company and Employee; or (ii) if there is no written employment agreement between the Company and the Employee or "Cause" in not defined in the written employment agreement between the Company and the Employee, the usual meaning of just cause under the common law or the laws of Ontario;

(e) "Company" mean Mary Agrotechnologies Inc.;

(f) "Consultant" means an individual who: (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company, other than services provided in relation to a distribution; (ii) provides the services under a written contract between the Company and the individual, as the case may be; (c) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company; and (d) has a relationship with the Company that enables the individual to be knowledgeable about the business and affairs of the Company;

(g) "Director" means any director of the Company or of any of its subsidiaries;

(h) "Employee" means: (i) an individual who is considered an employee of the Company or its subsidiary under the *Income Tax Act* (Canada) (and for whom income tax, employment insurance and CPP deductions must be made at source); (ii) an individual who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or (iii) an individual who works for a Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source;

(i) "Exchange" means the Canadian Securities Exchange and any other stock exchange on which the Shares are listed for trading;

(j) "Exchange Policy" means the policies, bylaws, rules and regulations of the Exchange governing definitions, interpretation and the granting of options by the Company, as amended from time to time;

(k) "Exercise Notice" means the notice respecting the exercise of an Option, in the form set out as Schedule "B" hereto, duly executed by the Option Holder.

(l) "Exercise Price" means the price at which an Option may be exercised as determined in accordance with Section 4.01

(m) "Expiry Date" means not later than ten years from the Award Date of the Option or such shorter period as may be prescribed by the Exchange;

(n) "Insider" has the meaning ascribed thereto in the *Securities Act* (Ontario);

(o) "Joint Actor" means a person acting "jointly or in concert with" another person as that phrase is interpreted in section 1.9 of Multilateral Instrument 62-104 - Take Over Bids and Company Bids;

(p) "Officer" means any senior officer of the Company or of any of its subsidiaries as defined in the Securities Act;

(q) "Option" means an option to acquire Shares awarded under and pursuant to the Plan;

(r) "Option Certificate" means the certificate, substantially in the form set out as Schedule "A" hereto, evidencing an Option;

(s) "Option Holder" means a current or former Director, Employee, or Consultant who holds an unexercised and unexpired Option;

(t) "Plan" means this stock option plan as from time to time amended;

(u) "*Securities Act*" means the *Securities Act*, R.S.O. 199, c. S.5, as amended, from time to time;

(v) "Securities Laws" means the act, policies, bylaws, rules and regulations of the securities commissions governing the granting of options by the Company, as amended from time to time;

(w) "Shares" means common shares of the Company.

1.02 Interpretation. Any words capitalized but not defined in this Plan shall have the meanings ascribed to them in Exchange Policy.

1.03 Gender. Throughout this Plan, words importing the masculine gender shall be interpreted as including the female gender.

PART 2

PURPOSE OF PLAN

2.01 Purpose. The purpose of this Plan is to attract and retain Directors, Employees or Consultants to the Company and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through Options granted under this Plan to purchase Shares.

PART 3

GRANTING OF OPTIONS

3.01 Administration. This Plan shall be administered by the Board or, if the Board so elects, by a committee (which may consist of only one person) appointed by the Board from its members.

3.02 Committee's Recommendations. The Board may accept all or any part of recommendations of the committee or may refer all or any part thereof back to the committee for further consideration and recommendation.

3.03 Grant by Resolution. The Board may, by resolution, designate eligible persons who are bona fide Directors, Employees, Consultants, to whom Options should be granted and specify the terms of such Options which shall be in accordance with Exchange Policy and Securities Laws. It is the responsibility of the Company and the Option Holder for ensuring and confirming that the Option Holder is a bona fide Director, Employee or Consultant, as the case may be.

3.04 Terms of Option. The resolution of the Board shall specify the number of Shares that should be placed under option to each such Director, Employee or Consultant, the Exercise Price to be paid for such Shares, and the period, including any applicable vesting periods during which such Option may be exercised.

3.05 Option Certificate. Every Option granted under this Plan shall be evidenced by an Option Certificate, and all Option Certificates will be so legended as required by Exchange Policy and Securities Laws.

PART 4

CONDITIONS GOVERNING THE GRANTING AND EXERCISING OF OPTIONS

4.01 Exercise Price. The Exercise Price of an Option granted under this Plan shall not be less than the greater of the closing market price of the Shares on (a) the trading day prior to the date of grant of the Options; and (b) the date of grant of the Options. In any event, no Options shall be granted which are exercisable at an Exercise Price of less than permitted by Exchange Policy. An Exercise Price cannot be established unless the Options are allocated to a particular Option Holder.

4.02 Expiry Date. Each Option shall, unless sooner terminated, expire on a date to be determined by the Board which will not be later than the Expiry Date. However, if the Expiry Date falls within a period (a "blackout period") during which the Company prohibits Option Holders from exercising their Options, the Expiry Date may be extended to a maximum of 10 business days after the expiry of the blackout period. The blackout period must be formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material

Information. For greater certainty, in the absence of the Company formally imposing a blackout period, the Expiry Date of any options will not be automatically extended in any circumstances.

4.03 Different Exercise Periods, Prices and Number. The Board may, in its absolute discretion, upon granting an Option under this Plan and subject to the provisions of Section 6.04 hereof, specify a particular time period or periods following the date of granting the Option during which the Option Holder may exercise his Option to purchase Shares and may designate the Exercise Price and the number of Shares in respect of which such Option Holder may exercise his Option during each such time period.

4.04 Number of Shares. The number of Shares reserved for issuance under the Plan shall:

(a) not exceed 5% of the issued Shares of the Company to any one person (and companies wholly owned by that person) in any 12- month period, calculated on the date the Option is granted; and

(b) not exceed 2% of the issued Shares of the Company to any one Consultant in any 12-month period, calculated on the date the Option is granted to the Consultant.

4.05 Ceasing to Hold Office. If an Option Holder holds his or her Options as a Director and such Option Holder ceases to be Director for any reason other than death, such Director shall have rights to exercise any Option not exercised prior to such termination (but only to the extent that such Option has vested on or before the date the Option Holder ceased to be a Director) within a reasonable period of time after the date of termination, as set out in the Option Holder's Option Certificate, such "reasonable period" not to exceed one year after termination. However, if the Option Holder ceases to be a Director of the Company as a result of: (i) ceasing to meet the qualifications set forth in the *Business Corporations Act* (Ontario); or (ii) his or her removal as a director of the Company pursuant to the *Business Corporations Act* (Ontario); or (iii) an order made by any regulatory authority having jurisdiction to so order; in which case the Expiry Date shall be the date the Option Holder ceases to be a Director of the Company. Notwithstanding anything contained herein, in no case will an Option be exercisable later than the Expiry Date of such Option fixed by the Board at the time the Option is awarded to the Option Holder.

4.06 Ceasing to be an Employee or Consultant. If an Option Holder holds his or her Options as an Employee or Consultant and such Option Holder ceases to be an Employee or Consultant for any reason other than death, such Employee or Consultant shall have rights to exercise any Option not exercised prior to such termination (but only to the extent that such Option has vested on or before the date the Option Holder ceased to be so employed or provide services to the Company) within a reasonable period of time after the date of termination, as set out in the Option Holder's Option Certificate, such "reasonable period" not to exceed one (1) year after termination. However, (i) if the Option Holder ceases to be an Employee or Consultant as a result of (i) termination for Cause; or (ii) an order made by any regulatory authority having jurisdiction to so order, the Expiry Date shall be the date the Option Holder is terminated by the Company. Notwithstanding anything contained herein, in no case will an Option be exercisable later than the Expiry Date of such Option fixed by the Board at the time the Option is awarded to the Option Holder.

4.07 Death of Option Holder. If a Director, Consultant or Employee dies prior to the expiry of his option, his legal representatives may, within the lesser of one (1) year from the date of the Option Holder's death or the Expiry Date of the Option, exercise that portion of an Option granted to the Director, Consultant or Employee under this Plan which remains outstanding.

4.08 Assignment. No Option granted under this Plan or any right thereunder or in respect thereof shall be transferable or assignable otherwise than by will or pursuant to the laws of succession except that, if permitted by the rules and policies of the Exchange, an Option Holder shall have the right to assign any Option granted to him hereunder to a trust, RRSP, RESP or similar legal entity established by such Option Holder.

4.09 Notice. Options shall be exercised only in accordance with the terms and conditions of the Option Certificates under which they are respectively granted and shall be exercisable only by notice in writing to the Company.

4.10 Payment. Options may be exercised in whole or in part at any time prior to their lapse or termination. Shares purchased by an Option Holder on exercise of an Option shall be paid for in full, in cash, bank wire transfer, bank draft, or by cheque, at the time of their purchase.

4.11 Options to Employees or Consultants. In the case of Options granted to Employees or Consultants, the Option Holder must be a bona-fide Employee or Consultant, as the case may be, of the Company or its subsidiary.

4.12 Withholding Tax. Upon exercise of an Option, the Option Holder will, upon notification of the amount due and prior to or concurrently with the delivery of the certificates representing the Shares, pay to the Company amounts necessary to satisfy applicable withholding tax requirements or will otherwise make arrangements satisfactory to the Company for such requirements. In order to implement this provision, the Company or any related corporation will have the right to retain and withhold from any payment of cash or Shares under this Plan the amount of taxes required to be withheld or otherwise deducted and paid in respect of such payment. At its discretion, the Company may require an Option Holder receiving Shares to reimburse the Company for any such taxes required to be withheld by the Company and withhold any distribution to the Option Holder in whole or in part until the Company is so reimbursed. In lieu thereof, the Company will have the right to withhold from any cash amount due or to become due from the Company to the Option Holder an amount equal to such taxes. The Company may also retain and withhold or the Option Holder may elect, subject to approval by the Company at its sole discretion, to have the Company retain and withhold a number of Shares having a market value not less than the amount of such taxes required to be withheld by the Company to reimburse the Company for any such taxes and cancel (in whole or in part) any such Shares so withheld.

PART 5

RESERVE OF SHARES FOR OPTIONS

5.01 Sufficient Authorized Shares to be Reserved. Whenever the constating documents of the Company limit the number of authorized Shares, a sufficient number of Shares shall be reserved by the Board to satisfy the exercise of Options granted under this Plan. Shares that were the subject of Options that have lapsed or terminated shall thereupon no longer be in reserve and may once again be subject to an Option granted under this Plan.

5.02 Maximum Number of Shares to be Reserved Under Plan. The aggregate number of Shares which may be subject to issuance pursuant to Options granted under this Plan, inclusive of all other stock options outstanding shall not be greater than 10% of the Shares issued and outstanding at the date of the grant of Options. Cancelled and expired Options are returned to the Plan.

PART 6

CHANGES IN OPTIONS

6.01 Share Consolidation or Subdivision. If the Shares are at any time subdivided or consolidated, the number of Shares reserved for Option and the price payable for any Shares that are then subject to Option shall be adjusted accordingly.

6.02 Stock Dividend. If the Shares are at any time changed as a result of the declaration of a stock dividend thereon, the number of Shares reserved for Option and the price payable for any Shares that are then subject to Option may be adjusted by the Board to such extent as they deem proper in their absolute discretion.

6.03 Reorganization. Subject to any required action by its shareholders, if the Company is a party to a reorganization, merger, amalgamation, arrangement, sale of assets or undertaking, winding up or dissolution or its Shares are exchanged or reclassified in any way (collectively, the "Event"), whether or not the Company is the surviving entity, an Option will be adjusted by the Board in accordance with the Event and in a manner the Board deems appropriate.

6.04 Effect of a Take-Over Bid. If a bona fide offer (an "Offer") for Shares is made to the Option Holder or to shareholders of the Company generally or to a class of shareholders which includes the Option Holder, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the Securities Act, the Company shall, upon receipt of notice of the Offer, notify each Option Holder of full particulars of the Offer, whereupon all Shares subject to such Option ("Option Shares") will become vested and the Option may be exercised in whole or in part by the Option Holder so as to permit the Option Holder to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

(a) the Offer is not completed within the time specified therein including any extensions thereof; or

(b) all of the Option Shares tendered by the Option Holder pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of clause (b) above, the Option Shares that are not taken up and paid for, may be returned by the Option Holder to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become vested pursuant to section 4.03 shall be reinstated. If any Option Shares are returned to the Company under this section 6.04, the Company shall immediately refund the Exercise Price to the Option Holder for such Option Shares.

6.05 Acceleration of Expiry Date. If at any time when an Option granted under the Plan remains unexercised with respect to any unissued Option Shares, an Offer is made by an offeror, the Directors may, upon notifying each Option Holder of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, vested, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer.

6.06 Effect of a Change of Control. If a Change of Control (as defined below) occurs, all Shares subject to each outstanding Option will become vested, whereupon such Option may be exercised in whole or in part by the Option Holder. "Change of Control" means the acquisition by any person or by any person and a Joint Actor, whether directly or indirectly, of voting securities as defined in the *Securities Act*) of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board of Directors of the Company.

PART 7

SECURITIES LAWS AND EXCHANGE POLICY

7.01 Exchange's Rules and Policies Apply. This Plan and the granting and exercise of any Options hereunder are also subject to such other terms and conditions as are set out from time to time in the Securities Laws and Exchange Policy and such rules and policies shall be deemed to be incorporated into and become a part of this Plan. In the event of an inconsistency between the provisions of such rules and policies and of this Plan, the provisions of such rules and policies shall govern. If the Company's Shares are listed on a new stock exchange, the granting of Options shall be governed by the rules and policies of new stock exchange and unless inconsistent with the terms of this Plan, the Company shall be able to grant Options pursuant to the rules and policies of such new stock exchange without requiring shareholder approval.

PART 8

AMENDMENT OF PLAN

8.01 Board May Amend. The Board may, by resolution, amend or terminate this Plan, but no such amendment or termination shall, except with the written consent of the Option Holders concerned, affect the terms and conditions of Options previously granted under this Plan which have not then been exercised or terminated.

8.02 Exchange Approval. Any amendment to this Plan shall not become effective until any such Exchange and shareholder approval as is required by Exchange Policy and Securities Laws has been received. Unless approved by the Exchange, Options may not be amended once issued, and if an Option is cancelled before its Expiry Date, the Board may not grant new Options to the same Option Holder until 30 days have elapsed from the date of cancellation.

PART 9

EFFECTIVE DATE OF PLAN

9.01 Effective Date. This Plan shall become effective upon the approval of this Plan by the directors of the Company. The Plan is subject to annual approval by the Company's shareholders at a shareholder meeting; however, Options may be granted under this Plan prior to the receipt of approval of the Plan by shareholders.

DATE OF PLAN: ●, 2020

Schedule A

MARY AGROTECHNOLOGIES INC.
(the "Company")

STOCK OPTION PLAN

<u>OPTION CERTIFICATE</u>

This certificate is issued pursuant to the provisions of the Company's Stock Option Plan (the "**Plan**") and evidences that **[Insert name of Option Holder]** is the holder of an option (the "**Option**") to purchase up to ● common shares (the "**Shares**") in the capital stock of the Company at a purchase price of $● per Share. Subject to the provisions of the Plan:

the Award Date of this Option is ●, 2020;

the Expiry Date of this Option is ●, 2020; and

the termination of this Option under sections 4.05 and 4.06 of the Plan is ● days after the Option Holder ceases to be involved with the Company, subject to the terms of such sections.

Additional Vesting or Other Restrictions: (insert as applicable)

This Option may be exercised in accordance with its terms at any time and from time to time from and including the Award Date through to and including up to 5:00 p.m. (Toronto time) on the Expiry Date, by delivering to the Company an Exercise Notice, in the form provided in the Plan, together with this certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised.

This certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail.

This Option is also subject to the terms and conditions contained in the schedules, if any, attached hereto.

Signed this day of ●, 20●.

MARY AGROTECHNOLOGIES INC.
by its authorized signatory:

____
NAME:
TITLE:

OPTION CERTIFICATE - SCHEDULE

The additional terms and conditions attached to the Option represented by this Option Certificate are as follows:

1. include Vesting Provisions, if any

EXERCISE NOTICE

TO: Mary Agrotechnologies Inc. (the "**Company**")

AND TO: THE BOARD OF DIRECTORS

The undersigned hereby irrevocably gives notice, pursuant to the Company's Stock Option Plan (the "**Plan**"), of the exercise of the Option to acquire and hereby subscribes for (cross out inapplicable item):

(a) all of the Shares; or

(b) of the Shares, which are the subject of the Option Certificate attached hereto.

Calculation of total Exercise Price:

(i)	number of Shares to be acquired on exercise:	●Shares
(ii)	multiplied by the Exercise Price per Share:	$●
(iii)	TOTAL EXERCISE PRICE, enclosed herewith:	$●

The undersigned tenders herewith a certified cheque or bank draft in an amount equal to the total Exercise Price of the aforesaid Shares, as calculated above, and directs the Company to issue the share certificate evidencing said Shares in the name of the undersigned to be mailed to the undersigned at the following address:

DATED the day of ●, 20●.

____

Signature of Option Holder