Boosh Plant-Based Brands Inc.

Condensed Consolidated Interim Financial Statements

For the Nine Months Ended December 31, 2021 and 2020

(Expressed in Canadian dollars)

(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed consolidated interim financial statements of Boosh Plant-Based Brands Inc. (the "Company") have been prepared by management in accordance with International Financing Reporting Standards ("IFRS"). These condensed consolidated interim financial statements, which are the responsibility of management, are unaudited and have not been reviewed by the Company's auditors. The Company's Audit Committee and Board of Directors have reviewed and approved these condensed consolidated interim financial statements. In accordance with the disclosure requirements of National Instrument 51-102 released by the Canadian Securities Administrators, the Company's independent auditors have not performed a review of these condensed consolidated interim financial statements.

Boosh Plant-Based Brands Inc.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

	Note		**December 31, 2021**		March 31, 2021
ASSETS					
Current assets					
Cash		**$**	**976,450**	$	98,463
Trade and other receivables	9		**165,269**		51,185
Prepaid expenses and deposits	10		**422,642**		37,592
Inventory	11		**223,591**		98,094
			1,787,952		285,334
Equipment	12		**145,853**		23,285
Right-of-use asset	16		**44,073**		100,739
Intangible assets	13		**164,123**		52,281
Goodwill	7, 8		**312,152**		-
Total assets		**$**	**2,454,153**	$	461,639
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)					
Current liabilities					
Accounts payable and accrued liabilities	14	**$**	**319,926**	$	337,036
Due to related parties	18		**13,118**		66,329
Convertible notes	15		**-**		148,439
Other payable	8		**194,716**		-
Current portion of lease liability	16		**33,308**		74,718
			561,068		626,522
Lease liability	16		**-**		13,572
Total liabilities			**561,068**		640,094
Shareholders' equity (deficiency)					
Share capital	17		**6,133,645**		757,349
Obligation to issue shares	17		**-**		10,000
Reserves	15,17		**1,476,725**		349,550
Deficit			**(5,717,285)**		(1,295,354)
Total shareholders' equity (deficiency)			**1,893,085**		(178,455)
Total liabilities and shareholders' equity		**$**	**2,454,153**	$	461,639

Nature of operations and going concern (Note 1, 2)

Subsequent events (Note 22)

These condensed consolidated interim financial statements were approved by the Board of Directors on *March 1, 2022:*

"Connie Marples" Director *"Jim Pakulis"* Director

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

Boosh Plant-Based Brands Inc.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
For the Three and Nine Months Ended December 31, 2021 and 2020
(Expressed in Canadian dollars)
(Unaudited)

	Note	Three months ended December 31, 2021	Three months ended December 31, 2020	Nine months ended December 31, 2021	Nine months ended December 31, 2020
Sales		**$ 84,606**	$ 6,717	**$ 211,887**	$ 60,769
Cost of sales		(61,892)	(28,422)	(152,924)	(69,407)
Gross profit (loss)		**22,714**	(21,705)	**58,963**	**(8,638)**
Operating expenses					
Depreciation	12,13,16	**27,966**	-	**76,758**	-
Foreign exchange loss (gain)		**3,009**	3,885	**4,987**	861
General and administrative		**182,616**	15,437	**399,922**	24,956
Marketing, sales, and distribution		**1,111,584**	45,475	**2,323,795**	70,383
Management fees	18	**52,515**	2,580	**260,892**	2,580
Professional fees		**44,360**	35,171	**159,044**	36,124
Rent		**12,051**	-	**31,812**	-
Research and development		**16,368**	5,503	**31,292**	6,956
Salaries	18	**219,734**	-	**311,825**	-
Share-based payments	17,18	**302,169**	16,632	**801,429**	16,632
Total operating expenses		**1,972,372**	124,683	**4,401,756**	158,492
Net loss before the undernoted items		**(1,949,658)**	(146,388)	**(4,342,793)**	(167,130)
Other income (loss)					
Accretion expense	15	**-**	(1,674)	**(2,540)**	(1,674)
Finance costs	17	**-**	(131)	**-**	(159)
Loss on convertible note	15	**-**	-	**(54,000)**	-
Transaction cost	7,8	**(13,354)**	(175,450)	**(22,598)**	(175,450)
Net loss and comprehensive loss		**$ (1,963,012)**	$ (323,643)	**$ (4,421,931)**	$ (344,254)
Weighted average number of shares, basic and diluted		**18,431,111**	6,293,921	**13,877,576**	6,098,330
Loss per share, basic and diluted		**$ (0.11)**	$ (0.05)	**$ (0.32)**	$ (0.06)

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

Boosh Plant-Based Brands Inc.
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
For the Nine Months Ended December 31, 2021 and 2020
(Expressed in Canadian dollars)
(Unaudited)

	Note	Share Capital Number of common shares*	Share Capital Amount	Obligation to issue shares	Reserves	Deficit	Total shareholders' equity (deficit)
Balance, March 31, 2020		**6,000,000**	**$ 224,069**	**$ -**	**$ 41,327**	**$ (349,324)**	**$ (83,928)**
Shares issued upon RTO	6	2,458,250	427,441	-	118,762	-	546,203
Share-based payments	17	-	-	-	16,632	-	16,632
Subscriptions received	17	-	-	58,000	-	-	58,000
Net loss for the period		-	-	-	-	(344,254)	(344,254)
Balance, December 31, 2020		**8,458,250**	**$ 651,510**	**$ 58,000**	**$ 176,721**	**$ (693,578)**	**$ 192,653**
Balance, March 31, 2021		**9,015,500**	**757,349**	**10,000**	**349,550**	**(1,295,354)**	**(178,455)**
Shares issued pursuant to IPO, net of financing costs	17	6,365,000	2,554,600	-	117,043	-	2,671,643
Shares issued for Saltspring Harvest Acquisition	7,17	28,409	35,511	-	-	-	35,511
Shares issued for Pulse Kitchen Acquisition	8,17	50,000	61,000				61,000
Shares issued for Vegan Canteen Asset Purchase	13,17	5,000	2,500	(2,500)	-	-	-
Shares issued for private placement, net of issuance costs	17	1,375,000	1,070,962		179,038		1,250,000
Conversion of convertible note	15,17	100,000	117,000	-	151,131	-	268,131
Exercise of warrants	17	1,878,882	1,380,084	-	(121,466)	-	1,258,618
Shares issued for services	17	232,205	154,639	(7,500)	-	-	147,139
Share-based payments	17	-	-	-	801,429	-	801,429
Net loss for the period		-	-	-	-	(4,421,931)	(4,421,931)
Balance, December 31, 2021		**19,049,996**	**$ 6,133,645**	**$ -**	**$ 1,476,725**	**$ (5,717,285)**	**$ 1,893,085**

* *The number of shares outstanding before the RTO have been restated to reflect the effect of issuing 0.873288 RTO share for each share outstanding.*

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

Boosh Plant-Based Brands Inc.
Condensed Consolidated Interim Statements of Cash Flows
For the Nine Months Ended December 31, 2021 and 2020
(Expressed in Canadian dollars)
(Unaudited)

		2021		2020
Operating activities				
Net loss for the period	**$**	**(4,421,931)**	$	(344,254)
Items not affecting cash:				
Accretion expense		**2,540**		1,674
Depreciation		**76,757**		-
Finance costs		**-**		111
Interest expense		**7,392**		-
Share-based payments		**801,429**		16,632
Loss on convertible note		**54,000**		-
Transaction cost		**-**		175,450
Non-cash working capital items:				
Accounts receivable		**(90,584)**		(9,276)
Prepaid expenses and deposits		**(384,759)**		582
Inventory		**(99,388)**		(25,339)
Accounts payable and other liabilities		**(55,197)**		66,863
Due to related parties		**(53,211)**		(3,286)
Net cash used in operating activities		**(4,162,952)**		(120,843)
Investing activities				
Saltspring Harvest acquisition		**(125,000)**		-
Pulse Kitchen acquisition		**(100,000)**		-
Purchase of equipment		**(62,239)**		-
Net cash used in investing activities		**(287,239)**		-
Financing activities				
Proceeds from IPO, net of financing costs		**2,818,782**		-
Proceeds from private placement		**1,250,000**		-
Proceeds from warrant exercises		**1,258,618**		-
Issuance of convertible debt		**63,000**		-
Repayments of loans due to related parties		**(62,222)**		(30,792)
Proceeds from loans advanced from related parties		**-**		139,182
Cash acquired from acquisition of Boosh		**-**		423,835
Net cash provided by financing activities		**5,328,178**		532,225
Increase in cash		**877,987**		411,382
Cash, beginning of the period		**98,463**		2,639
Cash, end of the period	**$**	**976,450**	$	414,021

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

1. NATURE OF OPERATIONS

Boosh Plant-Based Brands Inc. (the "Company" or "BPBB") was incorporated under the Business Corporations Act (British Columbia) on August 6, 2020. The Company's head office, principal address and records office is located at #103 - 6554 176 Street, Surrey, BC V3S 4G5. The registered office is located at 2080 - 777 Hornby Street, Vancouver, BC, V6Z 1S4. The Company is in the business of producing and selling plant-based frozen meals.

On December 21, 2020, the Company completed the acquisition of Boosh Food Inc. ("Boosh") through a share exchange agreement (Note 6). As a result, Boosh became a wholly owned subsidiary of the Company. This transaction is accounted for as a reverse asset acquisition of the Company by Boosh ("RTO"). On January 6, 2021, the Company changed its name to Boosh Plant-Based Brands Inc.

2. BASIS OF PREPARATION

Going concern

These condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. To date, the Company has incurred losses and may incur further losses in the development of its business. During the nine months ended December 31, 2021, the Company incurred a net loss of $4,421,931 and had an accumulated deficit of $5,717,285 as at December 31, 2021. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to raise financing and generate profits and positive cash flows from operations in order to cover its operating costs. From time to time, the Company generates working capital to fund its operations by raising additional capital through equity financing. However, there is no assurance it will be able to continue to do so in the future. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These condensed consolidated interim financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying condensed consolidated interim financial statements.

COVID-19

The recent outbreak of the coronavirus, also known as "COVID-19", has spread across the globe and is impacting worldwide economic activity. Conditions surrounding the coronavirus continue to evolve and government authorities have implemented emergency measures to mitigate the spread of the coronavirus. The outbreak and the related mitigation measures may have an adverse impact on global economic conditions as well as on the Company's business activities. The extent to which the coronavirus may impact the Company's business activities will depend on future developments, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. These events are highly uncertain and as such, the Company cannot determine their financial impact at this time.

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on March 1, 2022.

2. BASIS OF PREPARATION (Continued)

Basis of consolidation

The condensed consolidated interim financial statements incorporate the financial statements of the Company and of its wholly owned subsidiaries, Boosh Food Inc. and Pulse Kitchen Specialty Foods Ltd.

A subsidiary is an entity over which the Company has control, directly or indirectly, where control is defined as the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. A subsidiary is consolidated from the date upon which control is acquired by the Company and all intercompany transactions and balances have been eliminated on consolidation.

Basis of measurement

The condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

These condensed consolidated interim financial statements are presented in Canadian dollars, which is the functional and reporting currency of the Company and Boosh.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 3 on the audited annual consolidated financial statements for the years ended March 31, 2021 and 2020 and have been consistently followed in the preparation of these condensed consolidated interim financial statements.

Except as summarized below, the Company used the same accounting policies and methods of computation as in the audited annual consolidated financial statements for the years ended March 31, 2021 and 2020.

Business combination

Business combinations are accounted for applying the acquisition method of accounting, where the fair value of consideration is allocated to the fair value of assets acquired and liabilities assumed at the date of acquisition. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses if it has correctly identified all of the assets acquired and liabilities assumed and reviews the procedures used to measure the amounts recognized at the date of acquisition. Following its reassessment, if the Company concludes that the fair value of net assets acquired exceeds the aggregate consideration transferred, the Company will record a gain to the consolidated statements of operations and comprehensive income or loss. The excess of consideration over the fair value of the identifiable net assets acquired is recorded as goodwill and allocated to the Company's CGUs.

The fair value measurement and recognition of net assets acquired may require adjustment when information is absent and fair value allocations are presented on an estimated or preliminary basis. Adjustments to estimated or preliminary amounts, reflecting new information obtained about facts and circumstances that existed at the date of acquisition and occurring not later than one year from the date of acquisition, are recorded in the period the adjustment is determined. Transaction costs incurred in connection with a business combination, other than costs associated with the issuance of debt or equity securities, are expensed in the consolidated statements of loss and comprehensive loss

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill

Goodwill represents the difference between consideration and the fair value of the net identifiable assets acquired in a business combination. Goodwill is recorded at cost less accumulated impairment losses, if any. Goodwill is not amortized and is allocated to each of the Company's cash-generating units ("CGU" or "CGUs") or group of CGUs that benefit from the acquisition, irrespective of whether other assets or liabilities acquired are assigned to those units. For the purpose of goodwill impairment testing the Company's CGUs represent its operating segments which is consistent with the level goodwill is monitored.

Goodwill is tested annually for impairment, or more frequently when there is an indication that goodwill may be impaired. If the recoverable amount of the CGU, representing the higher of its fair value less cost to sell ("FVLCS") and its value in use, is less than its carrying amount, any resulting impairment loss is first allocated to goodwill and subsequently to other assets of the CGU on a pro rata basis. Any goodwill impairment loss is recorded in the consolidated statements of loss and comprehensive loss in the period of impairment. Previously recognized impairment losses for goodwill are not reversed in subsequent periods.

Upon the disposal of a CGU or group of CGUs, the portion of goodwill attributable to the CGU is included in the determination of profit or loss recorded in the consolidated statements of loss and comprehensive loss

Intangible assets

Identifiable intangible assets acquired in a business combination are recognized separately from goodwill if they meet the definition of an intangible asset and if their fair value can be measured reliably. The cost of these intangible assets equals their acquisition-date fair value. Subsequent to initial recognition, identifiable intangible assets acquired in a business combination are recorded at cost less accumulated amortization and impairment losses, if they are amortizable, otherwise only at cost net of accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are measured on initial recognition at cost, which comprises the purchase price plus any directly attributable costs of preparing the asset for intended use. Following initial recognition, such intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether this status continues to be appropriate.

Class	Useful Life
Recipes & Formulas	10-20 years
Customer Relationships	10 years
Brand	10 years

Accounting standards issued but not yet effective

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any new standards and determined that there are no standards that are relevant to the Company.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

In preparing these condensed consolidated interim financial statements, management has made judgments, estimates and assumptions that affect the applicable of the Company's accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

In preparing these condensed consolidated interim financial statements, the significant estimates and critical judgments were the same as those applied to the consolidated financial statements as at and for the years ended March 31, 2021 and 2020, except as summarized below:

Asset Acquisition Versus Business Combination

Management had to apply judgment with respect to whether the acquisition of Saltspring Harvest (as defined in Note 7), was an asset acquisition or business combination. The assessment required management to assess the inputs, processes, and outputs of the company acquired at the time of acquisition. Acquisitions that do not meet the definition of a business combination are accounted for as asset acquisitions. Pursuant to the assessment, the Saltspring Harvest Acquisition was determined to be a business combination.

Determination of Purchase Price Allocations

Estimates are made in determining the fair value of assets, including the valuation of separately identifiable intangibles acquired as part of an acquisition. Management exercises judgment in estimating the probability and timing of when cash flows are expected to be achieved, which is used as the basis for estimating fair value. Future performance results that differ from management's estimates could result in changes to liabilities recorded, which are recorded as they arise through profit or loss. The fair value of identified intangible assets is determined using appropriate valuation techniques which are generally based on a forecast of the total expected future net cash flows of the acquiree. Valuations are highly dependent on the inputs used and assumptions made by management regarding the future performance of these assets and any changes in the discount rate applied.

5. BASIS OF FAIR VALUE

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company uses judgment to select the methods used to make certain assumptions and in performing the fair value calculations in order to determine (a) the values attributed to each component of a transaction at the time of their issuance; (b) the fair value measurements for certain instruments that require subsequent measurement at fair value on a recurring basis; and (c) for disclosing the fair value of financial instruments subsequently carried at amortized cost. These valuation estimates could be significantly different because of the use of judgment and the inherent uncertainty in estimating the fair value of these instruments that are not quoted in an active market.

(Expressed in Canadian dollars)

5. BASIS OF FAIR VALUE (Continued)

The Company's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, due to related parties and convertible notes. Cash is measured at fair value on a recurring basis using level 1 inputs.

The carrying value of the Company's financial instruments carried at amortized costs approximate their fair values due to their short-term maturities.

6. REVERSE TAKEOVER

On December 21, 2020, an aggregate of 6,000,000 shares of the Company were issued to the shareholders of Boosh in exchange for their 6,870,587 shares in Boosh. Each share of Boosh was exchanged for 0.873288 common shares of the Company.

As a result of the acquisition, Boosh is deemed to be the acquirer for accounting purposes and therefore its assets, liabilities and operations are included in the consolidated financial statements at their historical carrying value. Boosh's operations were a continuance of the business and operations. The Company's results of operations are those of Boosh, with the operations of the Company being included from December 21, 2020, the closing date of the acquisition, and onwards.

At the time of the RTO, the Company did not constitute a business as defined under IFRS 3; therefore, the RTO is accounted for under IFRS 2, where the difference between the consideration given to acquire the Company and the net asset value of the Company is recorded as a transaction cost to profit and loss. As Boosh is deemed to be the accounting acquirer for accounting purposes, these consolidated financial statements present the historical financial information of Boosh up to the date of the RTO. The fair value of the consideration issued for the net assets of the Company is as follows:

Consideration:	
Fair value of shares retained by former BPBB shareholders (2,458,250 shares)	427,441
Value of BPBB warrants assumed (4,550,250 warrants, Note 17)	118,762
Forgiveness of Boosh debt	(92,712)
Total consideration	453,491
Fair value of net assets assumed:	
Cash and cash equivalents	423,835
Prepaid expenses and deposits	54,910
Accounts payable and accrued liabilities	(58,365)
Convertible debt	(102,995)
Conversion component	(13,603)
Subscriptions received	(58,000)
Total net assets	245,782
Transaction cost	**207,709**

7. SALTSPRING HARVEST ACQUSITION

On July 14, 2021, the Company entered into an agreement with Saltspring Harvest Ltd. ("Saltspring Harvest"), a company specializing in the production of végé-pâtés and vegan dips, to acquire all the assets related to Saltspring Harvests' business ("the Asset Purchase Agreement"). The transaction closed on July 23, 2021. The Saltspring Harvest acquisition was accounted for as a business combination.

(Expressed in Canadian dollars)

7. SALTSPRING HARVEST ACQUSITION (Continued)

In consideration for the assets acquired, the Company issued 28,409 common shares (the "Acquisition Shares"), paid $125,000 in cash and $7,339 in cash paid subsequent to December 31, 2021. The Acquisition Shares were valued at $35,511 as determined by the market value of the Company's shares on the acquisition date (Note 17).

Management used an income-based approach to estimate the fair values of the intangible assets acquired.

The purchase price allocation at the acquisition date is as follows:

Acquisition-related costs (included in transaction costs in the consolidated statements of loss and comprehensive loss)	**$**	**22,598**
Consideration:		
Cash paid	$	125,000
Cash payable		7,339
Common shares		35,511
Total consideration		167,850
Fair value of net assets assumed:		
Inventory		7,048
Prepaid expenses		291
Equipment		4,600
Intangible assets (Note 13)		52,000
Total net assets		63,939
Goodwill	**$**	**103,911**

Goodwill arising from the acquisition relates to future income growth, expected synergies with the existing business, and the opportunities to strengthen and complement offerings with greater breadth and depth to both existing and acquired clients. The goodwill arising on this acquisition will not be deductible for tax purposes.

Management continues to gather relevant information that existed at the acquisition date to determine the fair value of the net identifiable assets acquired. As such, the initial purchase price was provisionally allocated based on the Company's estimated fair value of the identifiable assts acquired on the acquisition date. The values assigned are, therefore, preliminary, and subject to change. Management continues to refine and finalize its purchase price allocation for the fair value of identifiable intangible assets and the allocation of goodwill.

Revenues and net income for Saltspring for the period from July 23, 2021 to December 31, 2021 included in the consolidated statements of loss and comprehensive loss are $62,267 and $24,196, respectively.

8. PULSE KITCHEN ACQUSITION

On October 15, 2021, the Company acquired all the issued and outstanding shares of Pulse Kitchen Specialty Foods Ltd. ("Pulse"), in exchange for $300,000 in cash and the issuance of 50,000 common shares, payable as follows.

a) $100,000 payable on the closing date (paid)
b) 50,000 common shares issued on the Closing Date, valued at $61,000 as determined by the market value of the Company's shares on the acquisition date (issued)
c) $100,000 payable six months from the date of closing and
d) $100,000 twelve months from closing date

(Expressed in Canadian dollars)

8. PULSE KITCHEN ACQUSITION (Continued)

The Pulse acquisition was accounted for as a business combination. Management used an income-based approach to estimate the fair values of the intangible assets acquired.

The purchase price allocation at the acquisition date is as follows:

Consideration:		
Cash paid	$	100,000
Cash payable (present value of remaining $200,000 to be paid)		194,716
Common shares		61,000
Total consideration		355,716
Fair value of net assets assumed:		
Trade and other receivables		23,295
Inventory		19,061
Equipment		67,662
Intangible assets (Note 13)		68,000
Trade and other payables		(30,543)
Total net assets		147,270
Goodwill	**$**	**208,241**

Goodwill arising from the acquisition relates to future income growth, expected synergies with the existing business, and the opportunities to strengthen and complement offerings with greater breadth and depth to both existing and acquired clients. The goodwill arising on this acquisition will not be deductible for tax purposes.

Management continues to gather relevant information that existed at the acquisition date to determine the fair value of the net identifiable assets acquired. As such, the initial purchase price was provisionally allocated based on the Company's estimated fair value of the identifiable assts acquired on the acquisition date. The values assigned are, therefore, preliminary, and subject to change. Management continues to refine and finalize its purchase price allocation for the fair value of identifiable intangible assets and the allocation of goodwill.

Revenues and net income for Pulse for the period from October 16, 2021 to December 31, 2021 included in the consolidated statements of loss and comprehensive loss are $22,028 and $14,225, respectively.

9. TRADE AND OTHER RECEIVABLES

		December 31, 2021		**March 31, 2021**
Trade receivables	$	66,641	$	41,915
GST receivable		67,379		9,270
Other receivables		31,249		-
	$	165,269	$	51,185

(Expressed in Canadian dollars)

10. PREPAID EXPENSES AND DEPOSITS

		December 31, 2021		March 31, 2021
Marketing	$	318,046	$	3,746
Office and general		51,159		16,407
Investor relations		10,371		-
Consulting fees		34,929		-
Professional fees – Legal retainer		-		6,312
Deposits		8,137		11,127
	$	422,642		37,592

11. INVENTORY

Inventory consists of finished goods and raw materials. The following is a breakdown of inventory:

		December 31, 2021		March 31, 2021
Finished goods	$	103,699	$	53,944
Raw materials		119,892		44,150
	$	223,591		98,094

12. EQUIPMENT

		Kitchen equipment		Computer equipment		Leasehold improvements		Total
Cost								
Balance, March 31, 2020	$	-	$	-	$	-	**$**	**-**
Additions		8,860		12,076		3,003		**23,939**
Balance, March 31, 2021	$	8,860	$	12,076	$	3,003	**$**	**23,939**
Additions		73,969		34,447		26,085		**134,501**
Balance, December 31, 2021	**$**	**82,829**	**$**	**46,523**	**$**	**29,088**	**$**	**158,440**
Accumulated Depreciation								
Balance, March 31, 2020	$	-	$	-	$	-	**$**	**-**
Depreciation		222		357		75		**654**
Balance, March 31, 2021	$	222	$	357	$	75	**$**	**654**
Depreciation		1,500		7,340		3,093		**11,933**
Balance, December 31, 2021	**$**	**1,722**	**$**	**7,697**	**$**	**3,168**	**$**	**12,587**
Net Book Value								
At March 31, 2021	$	8,638	$	11,719	$	2,928	$	23,285
At December 31, 2021	**$**	**81,107**	**$**	**38,826**	**$**	**25,920**	**$**	**145,853**

(Expressed in Canadian dollars)

13. INTANGIBLE ASSETS

		Customer Relationships		Brand		Recipes & Trade Secrets		Total
Cost								
Balance, March 31, 2020	$	-	$	-	$	-	$	-
Additions		-		-		52,500		52.500
Balance, March 31, 2021	$	-	$	-	$	52,500	$	52,500
Additions		33,000		21,000		66,000		120,000
Balance, December 31, 2021	**$**	**33,000**	**$**	**21,000**	**$**	**118,500**	**$**	**172,500**
Amortization and Impairment								
Balance, March 31, 2020	$	-	$	-	$	-	$	-
Amortization		-		-		219		219
Balance, March 31, 2021		-		-		219		219
Amortization		1,650		1,050		5,458		8,158
Balance, December 31, 2021	**$**	**1,650**	**$**	**1,050**	**$**	**5,677**	**$**	**8,377**
Net Book Value								
At March 31, 2021	**$**	**-**	**$**	**-**	**$**	52,281	$	52,281
At December 31, 2021	**$**	**31,350**	**$**	**19,950**	**$**	**112,823**	**$**	**164,123**

<u>Vegan Canteen Recipes & Formulas</u>
On February 28, 2021, the Company entered into an asset purchase agreement with Vegan Canteen Limited Partnership ("Vegan") to purchase certain recipes and formulas and the associated intangible rights and property for total consideration of $50,000 payable in cash and the issuance of 5,000 common shares of the Company with a fair value of $2,500 (Note 17).

<u>Saltspring Harvest Intangible Assets</u>
On July 23, 2021, the Company completed the acquisition of Saltspring Harvest. The intangible assets acquired consists of customer relationships with an estimated fair value of $17,000, brand with an estimated fair value of $7,000 and recipes and formulas with an estimated fair value of $28,000 (Note 7)

<u>Pulse Kitchen Intangible Assets</u>
On October 15, 2021, the Company completed the acquisition of Pulse Kitchen Specialty Foods Ltd. The intangible assets acquired consists of customer relationships with an estimated fair value of $16,000, brand with an estimated fair value of $14,000 and recipes and formulas with an estimated fair value of $38,000 (Note 8)

14. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2021	March 31, 2021
Trade payables	239,036	156,770
Accrued liabilities	40,840	179,433
Payroll liabilities	40,050	833
	319,926	337,036

(Expressed in Canadian dollars)

15. CONVERTIBLE NOTES

As part of the RTO (Note 6), Boosh acquired the outstanding convertible promissory notes issued and outstanding by BPBB with total fair value of $116,598 of which $13,603 has been classified as equity. The convertible promissory note with a face value of $40,000 bears interest at a rate of 6% per annum, while the convertible promissory note with a face value of $70,000 bears no interest. Both convertible notes mature 10 days after the Company completed its Initial Public Offering on May 26, 2021 ("IPO") and can be converted into warrants of the Company at a price of $0.05 per warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of $1.00 for 24 months following the completion of the IPO. On May 31, 2021, the convertible notes were converted into 2,200,000 warrants with a value of $111,131 recorded in reserves (Note 17).

On January 14, 2021, the Company issued a convertible promissory note with a face value of $40,000 that bears no interest. The convertible note matures 10 days after the Company completes its IPO and can be converted into warrants of the Company at a price of $0.05 per warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of $1.00 for 24 months following the completion of the IPO

To estimate the fair value, the debt component was estimated first at $37,318 using an effective rate of 27% corresponding to a rate that the Corporation would have obtained for a similar financing without the conversion option. Secondly, as the equity component of the convertible debt is comprised of a conversion feature and bonus shares, the allocation between the two features is determined using the relative fair value approach. A fair value of $1,114 was determined for the conversion component while a fair value of $1,568 was determined for the bonus share feature. On May 31, 2021, the convertible note was converted into 800,000 warrants with a value of $40,000 recorded in reserves (Note 17).

On April 12, 2021, the Company issued a convertible promissory note with a face value of $63,000 that bears no interest. The convertible note matures 10 days after the Company completes its IPO and can be converted into 100,000 units of the Company at a price of $0.50 per unit. Each unit comprised of one common share and one warrant of the Company. Each warrant entitles the holder to purchase one common share of the Company at a price of $1.00 for 24 months following the completion of the IPO.

The fair value of the convertible promissory note approximates its carrying value due to its short term maturity. On June 1, 2021, the loan was converted into 100,000 common shares with a fair value of $117,000 (Note 17). A loss of $54,000 was recorded upon conversion.

A continuity of convertible notes for the nine months ended December 31, 2021 and the year ended March 31, 2021 is as follows:

		Face value		Carrying value
Balance, March 31, 2020	$	-	$	-
Acquired on RTO		110,000		102,995
Issued during the year		40,000		37,318
Interest expense		-		658
Accretion		-		7,424
Balance, March 31, 2021		150,000		148,394
Issued during the period		63,000		63,000
Conversion		(214,131)		(214,131)
Interest expense		-		197
Accretion		-		2,540
Balance, December 31, 2021	**$**	**-**	**$**	**-**

(Expressed in Canadian dollars)

16. LEASES

Building

On December 10, 2020, the Company entered into a lease agreement for a building. The lease term commenced on January 1, 2021 to July 31, 2022. The Company is committed to a monthly rental fee of $6,914 per month plus operating expenses.

Upon commencement of the lease, the Company paid a deposit of $54,910 which consisted of a prepayment of the first three months and last two months of rent and related operating expenses for those periods. As at December 31, 2021, the Company has expensed $31,812 (March 31, 2021 - $12,205) of the prepaid operating expenses.

Right-of-Use Assets		**Building**
Cost		
Balance, March 31, 2020	$	-
Additions		119,628
Depreciation expense		(18,889)
Balance, March 31, 2021		100,739
Depreciation expense		(56,666)
Balance, December 31, 2021	**$**	**44,073**
Net carrying value:		
At March 31, 2021	$	100,739
At December 31, 2021	$	**44,073**

At December 31, 2021, the Company's lease obligation related to its office lease is as follows:

Lease Obligations		**Building**
Cost		
Balance, March 31, 2020	$	-
Additions		85,060
Interest expense		3,230
Balance, March 31, 2021		88,290
Principal payments		(62,222)
Interest expense		7,240
Balance, December 31, 2021	**$**	**33,308**
Which consists of:		
Current portion	$	33,308
Long-term portion		-
	$	**33,308**

At December 31, 2021, the Company is committed to minimum lease payments as follows:

Maturity Analysis		**Building**
Less than one year	$	33,308
One to five years		-
Total undiscounted lease liabilities	**$**	**33,308**

(Expressed in Canadian dollars)

16. LEASES (Continued)

Amounts recognized in profit or loss		
Interest on lease liabilities	$	7,240
Expenses related to variable lease payments not included in lease liabilities		31,812
Total amounts recognized in profit or loss	**$**	**39,052**

Amounts recognized in the statement of cash flows		
Total cash outflow for leases	$	62,222

17. SHARE CAPITAL

a. Common shares

Authorized

The Company is authorized to issue an unlimited number of shares of common shares without par value.

Issued and outstanding

As at December 31, 2021, there were 19,049,996 (March 31, 2021 – 9,015,500) common shares issued and outstanding. Detail of the common shares issued are as follows:

As per the RTO (Note 6), the Company issued 0.873288 share for every share of Boosh Food Inc. outstanding. The number of shares outstanding historically have been adjusted to reflect this exchange ratio.

On December 21, 2020, pursuant to the RTO (Note 6), the accounting acquirer Boosh obtained $58,000 in subscriptions received. The subscriptions were received for certain units of BPBB which had not been issued as at December 21, 2020. These units were subsequently issued by the Company on January 8, 2021 upon closing of the private placement.

For the nine months ended December 31, 2021:

a) On May 26, 2021, the Company completed its initial public offering and issued 5,750,000 units at price of $0.50 per unit for gross proceeds of $2,875,000. Each unit consists of one common share and one warrant with each warrant exercisable into one common share at an exercise price of $1.00 until expiry on May 26, 2022. Using the residual method, the warrants have been determined to have a value of $Nil. The Company incurred $203,357 in share issuance costs in connection with the IPO and issued 615,000 finder's units at a price of $0.50 per unit.

b) On May 26, 2021, the Company issued 175,000 common shares with a fair value of $87,500 to directors and consultants for services rendered.

c) On May 26, 2021, the Company issued an aggregate of 15,000 common shares with a fair value of $7,500 to certain directors and consultants for services rendered, which had been recorded as an obligation to issue shares during the year ended March 31, 2021.

d) On May 26, 2021, the Company issued 5,000 common shares with a fair value of $2,500 to Vegan Canteen in connection to the asset purchase agreement dated February 28, 2021 (Note 13).

e) On June 1, 2021, the Company issued 17,094 common shares with a fair value of $22,223 for marketing services incurred. The common shares in connection with this issuance are subject to a four month and one day statutory hold period from the date of issue.

17. SHARE CAPITAL (Continued)

f) On June 1, 2021, the Company issued 100,000 units with a fair value of $117,000 upon the conversion of $63,000 convertible debt (Note 15). Each unit consists of one common share and one warrant. Each warrant is exercisable into one common share at an exercise price of $1.00 until May 26, 2022.

g) On August 4, 2021, the Company issued 28,409 pursuant to the Saltspring Harvest Acquisition (Note 7). The shares were valued at $35,511 as determined by the market value of the Company's shares on the acquisition date.

h) On September 30, 2021, the Company issued 25,111 common shares with a fair value of $37,416 for marketing services incurred. The common shares in connection with this issuance are subject to a four month and one day statutory hold period from the date of issue.

i) On October 15, 2021, the Company issued 50,000 pursuant to the Pulse Kitchen Acquisition (Note 8). The shares were valued at $61,000 as determined by the market value of the Company's shares on the acquisition date.

j) On November 8, 2021, the Company closed a non-brokered private placement and issued 1,250,000 units at a price of $1.00 per unit for gross proceeds of $1,250,000. Each unit consists of one common share and one warrant exercisable at $1.35 per share until expiry on November 8, 2024. In connection with the private placement, the Company issued 125,000 finder's units on the same terms as the placement units. In addition, the Company issued 125,000 broker's warrants exercisable to acquire shares at a price of $1.00 per share until November 8, 2024, were issued. All securities issued in the private placement are subject to a four month hold period expiring on March 9, 2022. The fair value of the warrants issued to finders totals $179,038.

k) During the nine months ended December 31, 2021, the Company issued 1,878,882 common shares pursuant to the exercise of warrants with a weighted average exercise price of $0.60 for total proceeds of $1,380,084.

For the year ended March 31, 2021:

a) On January 8, 2021, the Company closed a private placement and issued 474,750 units at price of $0.20 per unit for gross proceeds of $94,950. Each unit consists of one common share and one warrant. Each warrant is exercisable into one common share at an exercise price of $1.00 until January 8, 2023. The warrants have a value of $Nil using the residual method. The Company incurred $333 in cash and 2,500 common shares at a price of $0.20 per common share in share issuance costs.

b) On January 14, 2021, the Company issued 40,000 common shares as bonus shares in relation to the convertible promissory note issued on the same date (Note 14).

c) On January 15, 2021, the Company issued 40,000 common shares at a price of $0.25 per common share for proceeds of $10,000.

d) On March 22, 2021, the Company approved the issuance of 10,000 common shares to the CFO of the Company with a fair value of $5,000.

e) On March 22, 2021, the Company approved the issuance of 5,000 common shares to a consultant of the Company with a fair value of $2,500.

17. SHARE CAPITAL (Continued)

b. Stock options

The Company has an incentive stock option plan whereby share purchase options may be granted to directors, officers, employees and consultants of the Company. The total number of unissued shares available for eligible persons to acquire pursuant to options granted under the plan shall not exceed 750,000 shares as at the grant date. Options are granted with exercise prices at the market price or higher at the date of the grant, less any discounts permitted by regulatory authorities. Unless otherwise determined by the board, options will vest over four years, with 25% vesting on the first anniversary of the grant date and 6.25% vesting every three months thereafter, until the vesting of the last 6.25% occurs on the fourth anniversary of the grant date.

For the nine months ended December 31, 2021:

a) On May 26, 2021, the Company granted 100,000 stock options with an exercise price of $0.50, vesting immediately on grant, expiring on May 26, 2023. The fair value of the stock options was $33,636 using the Black-Scholes Options Pricing model with the following assumptions: estimated volatility of 113%, risk-free interest rate of 0.44%, expected life of 2 years, exercise price of $0.50, a divided yield of 0%, and a share price of $0.50.

b) On June 28, 2021, the Company granted 22,000 stock options with an exercise price of $1.07, vesting immediately on grant, expiring on June 28, 2023. The fair value of the stock options was $13,596 using the Black-Scholes Options Pricing model with the following assumptions: estimated volatility of 113%, risk-free interest rate of 0.44%, expected life of 2 years, exercise price of $1.07, a divided yield of 0%, and a share price of $1.07.

c) On July 6, 2021, the Company granted 20,000 stock options with an exercise price of $1.10, vesting immediately on grant, expiring on July 6, 2023. The fair value of the stock options was $13,046 using the Black-Scholes Options Pricing model with the following assumptions: estimated volatility of 122%, risk-free interest rate of 0.46%, expected life of 2 years, exercise price of $1.10, a divided yield of 0%, and a share price of $1.07.

d) On September 9, 2021, the Company granted 147,500 stock options with an exercise price of $1.120, vesting immediately on grant, expiring on September 9, 2023. The fair value of the stock options was $102,192 using the Black-Scholes Options Pricing model with the following assumptions: estimated volatility of 123%, risk-free interest rate of 0.40%, expected life of 2 years, exercise price of $1.12, a divided yield of 0%, and a share price of $1.12.

e) On September 13, 2021, the Company granted 2,500 stock options with an exercise price of $1.15, vesting immediately on grant, expiring on September 13, 2023. The fair value of the stock options was $1,880 using the Black-Scholes Options Pricing model with the following assumptions: estimated volatility of 123%, risk-free interest rate of 0.40%, expected life of 2 years, exercise price of $1.15, a divided yield of 0%, and a share price of $1.12.

f) On September 14, 2021, the Company granted 25,000 stock options with an exercise price of $1.15, vesting immediately on grant, expiring on September 13, 2023. The fair value of the stock options was $18,799 using the Black-Scholes Options Pricing model with the following assumptions: estimated volatility of 123%, risk-free interest rate of 0.40%, expected life of 2 years, exercise price of $1.15, a divided yield of 0%, and a share price of $1.12.

(Expressed in Canadian dollars)

17. SHARE CAPITAL (Continued)

For the year ended March 31, 2021:

a) On December 20, 2020, the Company granted 50,000 stock options to consultants with a fair value of $2,817. The options vest immediately and expire on May 26, 2023. The options had a grant date fair value of $0.0563 per option determined using the Black-Scholes Options Pricing model with the following assumptions: no expected dividends; volatility of 100%; risk-free interest rate of 0.23% and expected life of 2.4 years.

b) On December 20, 2020, the Company granted 50,000 stock options to a consultant with a fair value of $4,498. The options vests over six months and expire on May 26, 2023. The options had a grant date fair value of $0.0900 per option determined using the Black-Scholes Options Pricing model with the following assumptions: no expected dividends; volatility of 100%; risk-free interest rate of 0.27% and expected life of 4.2 years.

c) On July 6, 2019, the Company granted 235,294 stock options to a consultant a fair value of $41,327. The options vest immediately and expire one year after the grant date. The options had a grant date fair value of $0.1756 per option determined using the Black-Scholes Options Pricing model with the following assumptions: no expected dividends; volatility of 100%; risk-free interest rate of 1.69% and expected life of one year. All options granted expired on July 6, 2020.

A summary of stock option activity for the nine months ended December 31, 2021 and the year ended March 31, 2021 is as follows:

	Number of options	**Weighted average exercise price**
Outstanding, March 31, 2020	235,294	$ 0.09
Expired	(235,294)	0.09
Outstanding, March 31, 2021	-	-
Granted	317,000	0.93
Outstanding, December 31, 2021	317,000	0.93
Exercisable, December 31, 2021	**301,699**	**$ 0.93**

Details of the options outstanding and exercisable as at December 31, 2021 are as follows:

Expiry date	**Number of Options Outstanding**	**Number of Options Vested**	**Exercise price**
May 26, 2023	100,000	84,699	$ 0.50
June 28, 2023	22,000	22,000	$ 1.07
July 6, 2023	20,000	20,000	$ 1.10
September 9, 2023	147,500	147,500	$ 1.12
September 13, 2023	2,500	2,500	$ 1.18
September 14, 2023	25,000	25,000	$ 1.20
Balance, December 31, 2021	**317,000**	**301,699**	

(Expressed in Canadian dollars)

17. SHARE CAPITAL (Continued)

c. Warrants

A summary of warrant activity for the nine months ended December 31, 2021 and the year ended March 31, 2021 is as follows:

	Number of warrants	Weighted average exercise price
Outstanding, March 31, 2020	-	$ -
Issued	8,030,000	0.59
Outstanding, March 31, 2021	8,030,000	0.59
Issued	11,565,000	1.03
Exercised	(1,878,882)	0.60
Outstanding and exercisable, December 31, 2021	**17,716,118**	**$ 0.87**

For the nine months ended December 31, 2021:

On May 26, 2021, the Company granted 5,750,000 warrants as part of the units issued pursuant to the initial public offering. An additional 615,000 warrants were issued as a finder's fee. Each warrant is exercisable into one common share at an exercise price of $1.00 until May 26, 2022. The finder's warrants had a grant date fair value of $0.6184 per warrant determined using the Black-Scholes Options Pricing model with the following assumptions: no expected dividends; volatility of 113%; risk-free interest rate of 0.30% and expected life of one year. During the period ended December 31, 2021, the Company recorded $117,043 as share issuance costs relating to these warrants.

On May 26, 2021, the Company granted 150,000 warrants to a consultant with a fair value of $10,471. The warrants vest immediately on grant and expire three years after the grant date. The warrants had a grant date fair value of $0.0698 per warrant determined using the Black-Scholes Options Pricing model with the following assumptions: no expected dividends; volatility of 100%; risk-free interest rate of 0.23% and expected life of three years. During the period ended December 31, 2021, the Company recorded $2,393 relating to the vesting of these warrants.

On May 31, 2021, the Company granted 3,000,000 warrants pursuant to the conversion of convertible debt (Note 14); each warrant is exercisable into one common share at an exercise price of $1.00 until May 26, 2022.

On June 3, 2021, the Company granted 100,000 warrants as part of the units issued pursuant to the conversion of convertible debt (Note 14); each warrant is exercisable into one common share at an exercise price of $1.00 until May 26, 2023.

On August 5, 2021, the Company granted 50,000 warrants in exchange for marketing services. Each warrant is exercisable into one common share at an exercise price of $1.00 until May 26, 2023. The warrants had a grant date fair value of $0.688 per warrant determined using the Black-Scholes Options Pricing model with the following assumptions: no expected dividends; volatility of 170%; risk-free interest rate of 0.41% and expected life of one year. During the period ended December 31, 2021, the Company recorded $34,430 as share-based compensation relating to these warrants.

On September 1, 2021, the Company granted 200,000 warrants in exchange for consulting services. Each warrant is exercisable into one common share at an exercise price of $1.00 until September 9, 2026. The warrants had a grant date fair value of $0.771 per warrant determined using the Black-Scholes Options Pricing model with the following assumptions: no expected dividends; volatility of 291%; risk-free interest rate of 0.79% and expected life of five year. During the period ended December 31, 2021, the Company recorded $154,201 as share-based compensation relating to these warrants.

17. SHARE CAPITAL (Continued)

On November 8, 2021, the Company granted 1,375,000 warrants as part of the units issued pursuant to the initial public offering. 125,000 of these warrants were issued as a finder's fee. Each warrant is exercisable into one common share at an exercise price of $1.35 until November 8, 2024. The finder's warrants had a grant date fair value of $0.6876 per warrant determined using the Black-Scholes Options Pricing model with the following assumptions: no expected dividends; volatility of 109%; risk-free interest rate of 1.17% and expected life of three years. Another 125,000 warrants were issued as a finder's fee in relation with this private placement. Each of these additional warrants is exercisable into one common share at an exercise price of $1.00 until November 8, 2024. The finder's warrants had a grant date fair value of $0.7447 per warrant determined using the Black-Scholes Options Pricing model with the following assumptions: no expected dividends; volatility of 109%; risk-free interest rate of 1.17% and expected life of three years. During the period ended December 31, 2021, the Company recorded $179,038 as share issuance costs relating to these warrants.

On November 13, 2021, the Company renewed its contract with James Pakulis, Chief Executive Officer for a period of one year in exchange for a one-time payment of $50,000 and the issuance of 250,000 warrants exercisable at a price of $2.00 per warrant until November 13, 2025. The warrants had a grant date fair value of $0.6552 per warrant determined using the Black-Scholes Options Pricing model with the following assumptions: no expected dividends; volatility of 114%; risk-free interest rate of 1.21% and expected life of four years. During the period ended December 31, 2021, the Company recorded $163,788 as share-based compensation relating to these warrants.

The weighted-average remaining contractual life of warrants outstanding at December 31, 2021 was 1.97 years.

For the year ended March 31, 2021:

On December 21, 2020, as a result the RTO (Note 6), the Company issued 3,000,000 warrants to the Chief Executive Officer for services provided to the Company recorded as share-based payment. The warrants vest in two tranches, with the first tranche of 1,500,000 vesting at the date of completion of the IPO, and the second tranche vesting six months after completion of the IPO. The warrants are exercisable into one common share per warrant at an exercise price of $0.50 until December 21, 2025. The warrants have a total fair value of $304,675 determined using the Black-Scholes option pricing model with the following weighted average assumptions: no expected dividends to be paid; volatility of 100%; risk-free interest rate of 0.44%; and expected life of 5 years. Share-based payments expense of $125,083 was recorded for the nine months ended December 31, 2021 (2020 – $Nil).

On January 8, 2021, the Company granted 474,750 warrants as part of the units issued pursuant to the private placement that took place on that day. An additional 2,500 warrants were granted as part of the units issued as a finder's fee pursuant to the same private placement. Each warrant is exercisable into one common share at an exercise price of $1.00 until January 8, 2023.

Pursuant to the private place closed on January 8, 2021, 2,500 warrants were issued as a finder's fee; each warrant is exercisable into one common share at an exercise price of $0.20 until January 8, 2023.

(Expressed in Canadian dollars)

17. SHARE CAPITAL (Continued)

As at December 31, 2021, the Company had outstanding share purchase warrants as follows:

Number of warrants	Exercise price		Expiry date
1,230,000*	$	0.20	May 26, 2023
196,670*		0.20	December 21, 2022
2,181,120*		1.00	December 21, 2022
3,000,000		0.50	December 21, 2025
2,500		0.20	January 8, 2023
429,750		1.00	January 8, 2023
7,961,078		1.00	May 26, 2022
615,000		0.50	May 26, 2023
150,000		0.50	May 26, 2024
200,000		0.90	October 7, 2026
1,375,000		1.35	November 8, 2024
125,000		1.00	November 8, 2024
250,000		2.00	December 22, 2025
17,716,118			

*Assumed by the Company on December 21, 2020, as a result of the RTO (Note 6). The value of the warrants was determined using the Black-Scholes option pricing model with the following weighted average assumptions: no expected dividends to be paid; volatility of 100%; risk-free interest rate of 0.24%; and expected life of 2 to 2.37 years. As a result, the fair value of $118,762 for these warrants has been recorded in reserves.

18. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties and related party transactions impacting the condensed consolidated interim financial statements are summarized below.

Key management compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. Key management personnel comprise officers and directors of the Company.

Remuneration attributed to key management personnel for the nine months ended December 31, 2021 and 2020:

		December 31, 2021		December 31, 2020
Management fees	$	354,187	$	-
Professional fees		59,610		-
Share-based payments		306,190		-
	$	719,987	$	-

Other compensation

During the nine months ended December 31, 2021, the Company incurred salaries and wages of $16,515 (2020 - $nil) from an individual related to the President of the Company.

Due to related parties

As at December 31, 2021, due to related parties of $13,118 (March 31, 2021 - $66,329) consisted of cash loans made to the Company by related parties. As at December 31, 2021, accounts payable and other liabilities included $37,928 (March 31, 2021 - $19,671) in consulting fees and expense reimbursements owing to related parties. These amounts are due on demand, unsecured and non-interest-bearing.

18. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

Restricted Share Units

Upon completion of the RTO (Note 6) on December 21, 2020, the Company entered into a consulting agreement with the President and a company controlled by the President. Pursuant to the agreement, the Company granted 3,000,000 restricted share units ("RSUs") to the President to receive common shares in the capital of the Company upon achievement of certain milestones as follows:

a) If in any rolling 12 months following the date of issuance of the RSUs until December 21, 2024, the annual net gross sale revenues of Boosh are or exceed $2,000,000, 1,000,000 of the underlying Shares shall vest;

b) If in any rolling 12 months following the date of issuance of the RSUs until the expiry date, the annual revenues of Boosh are or exceed $4,000,000, a further 1,000,000 of the underlying Shares shall vest; and

c) If in any rolling 12 months following the date of issuance of the RSUs until the expiry date, the annual revenues of Boosh are or exceed $8,000,000, the final 1,000,000 underlying Shares shall vest.

The performance conditions are not related to the market price of the equity instruments of the Company and, as a result, they are non-market performance conditions.

As at the effective date of the contract, management estimates that based on the milestones none of the RSUs are currently expected to vest and as such no share-based payments have been recorded. As at December 31, 2021, none of the milestones have been met and no RSUs have vested. Management re-evaluates its assessment every reporting period and changes, if any, will be reflected in future periods.

19. ECONOMIC DEPENDENCE

For the nine months ended December 31, 2021, $111,034 (2020 - $49,092) of the Company's revenue was earned from one key customer (Note 20(b)). This customer has contributed 10% or more to the revenue for the period.

20. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern to support its business plan, as well as to ensure that the Company is able to meet its financial obligations as they become due. The capital structure consists of components of shareholders' equity and loans due to related parties.

The basis for the Company's capital structure is dependent on the Company's expected business growth and changes in business environment. To maintain or adjust the capital structure, the Company may issue new shares, incur debt or return capital to shareholders.

The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable.

The Company is not subject to externally imposed capital requirements. There were no changes to the Company's approach to capital management during the nine months ended December 31, 2021.

21. RISK MANAGEMENT AND LIQUIDITY

The Company is exposed, through its operations, to the following financial risks:

a) Market risk
b) Credit risk
c) Liquidity risk

The Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies, and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these consolidated interim financial statements.

General objectives, policies, and processes:

Management has the overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. Management reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, polices and processes for managing those risks or the methods used to measure them from previous reported periods unless otherwise stated in the note. The overall objective of management is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

a) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as foreign currency exchange, interest rates and equity price risk.

(i) *Foreign currency risk:*

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to the foreign currency risk is minimal.

(ii) *Interest rate risk:*

Interest rate risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The interest earned on cash is insignificant and the Company does not rely on interest income to fund its operations. As a result, the Company is not significantly exposed to interest rate risk.

(iii) *Other price risk:*

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company does not hold equity investments in other entities and therefore is not exposed to a significant risk

b) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company is subject to credit risk on its cash and accounts receivable.

(Expressed in Canadian dollars)

21. RISK MANAGEMENT AND LIQUIDITY

The Company limits its exposure to credit loss on cash by placing its cash with a high-quality financial institution. The Company has concentrations of credit risk with respect to accounts receivable as large amounts of its accounts receivable are concentrated amongst a small number of customers. As at December 31, 2021, 41% of the Company's accounts receivable was outstanding from its key customer as noted in Note 18.

The Company performs credit evaluations of its customers but generally does not require collateral to support accounts receivable.

The Company has certain amounts of aged trade receivables that are not deemed impaired as follows:

		December 31, 2021		March 31, 2021
1 - 60 days	$	66,641	$	39,965
61 - 90 days (past due)		-		581
Over 90 days (past due)		-		1,369
Total	$	66,641	$	41,915

c) Liquidity risk

Liquidity risk arises from the Company's general and capital financing needs. The Company continuously monitors and reviews both actual and forecasted cash flows and matches the maturity profile of financial assets and liabilities, when feasible.

22. SUBSEQUENT EVENTS

On February 16, 2022, the Company closed an asset purchase agreement to acquire substantially all the assets of Beanfields Inc. As consideration for the Assets, the Company issued an aggregate of 8,000,000 common shares (the "Payment Shares") to the vendors of the Assets. All of the Payment Shares will be subject to a contractual hold period expiring on August 16, 2022, as well as a four month hold period required under Canadian securities laws expiring on June 17, 2022, and applicable restriction under U.S. securities laws. Boosh also paid US$400,000 through the issuance of promissory notes to the vendors bearing interest at a rate of 6% per annum (the "Notes"), with interest only payments until the 18-month maturity of the Notes, which Notes may also be prepaid at any time without penalty. Additionally, the Company has committed to providing Beanfields aggregate working capital funding of US$1,000,000, to be expended at the discretion of Boosh, of which US$250,000 was funded upon the execution of the asset purchase agreement on February 11, 2022, and the remainder is to be funded on or before March 10, 2022.

In connection with the acquisition of Beanfields, the Company has agreed to pay a referral fee to a consultant (the "Consultant") in the amount of US$92,000 payable in cash and 564,000 common shares, each with a deemed price of $0.93 per share. The referral fee shares will be subject to four month hold period required under Canadian securities laws expiring on June 23, 2022 and applicable restriction under U.S. securities laws.

On February 25, 2022, the Company engaged the Consultant to provide strategic, acquisition and operational expertise as Boosh continues to expand. The Consultant will be engaged for a two year term and receive compensation if US$5,000 in cash, and 25,000 shares per month, provided that the share compensation will cease at the end of the first year of the term. All shares issuable as compensation will be issued quarterly in arrears and will be subject to a four month and one day hold period in accordance with the policies of the Canadian Securities Exchange.