Boosh Plant-Based Brands Inc.

Consolidated Financial Statements

For the years ended March 31, 2023 and 2022

(Expressed in Canadian dollars)

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INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF BOOSH PLANT-BASED BRANDS INC.

Opinion

We have audited the consolidated financial statements of Boosh Plant-Based Brands Inc. and its subsidiaries (the "Company"), which comprise:

- the consolidated statements of financial position as at March 31, 2023 and 2022;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of changes in shareholders' equity (deficiency) for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the 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 consolidated financial position of the Company as at March 31, 2023 and 2022, and its consolidated financial performance and consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss of $14,812,939 during the year ended March 31, 2023 and, as of that date, had an accumulated deficit of $24,171,881. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no other key audit matters to communicate in our auditors' report.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

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

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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.

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

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

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

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

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

Auditors' 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 auditors' 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 auditors’ 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors’ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Sukhjit Gill.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia

December 20, 2023

Boosh Plant-Based Brands Inc.
Consolidated Statements of Financial Position
As at March 31, 2023 and 2022
(Expressed in Canadian dollars)

	Notes		**2023**		2022
ASSETS					
Current assets					
Cash and cash equivalents	6	**$**	**48,524**	$	217,117
Trade and other receivables	7		**223,517**		1,236,298
Prepaid expenses			**63,709**		443,699
Inventory	8		**207,449**		515,944
			543,199		2,413,058
Intangible assets	5,10		**-**		3,069,745
Equipment	9		**28,463**		88,457
Goodwill	5,11		**-**		5,535,018
Right-of-use assets	18		**83,192**		42,239
Total assets		**$**	**654,854**	$	11,148,517
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)					
Current liabilities					
Accounts payable and accrued liabilities	12, 27	**$**	**3,474,289**	$	2,628,593
Due to related parties	20		**27,253**		13,208
Future receipt advances	15		**285,564**		-
Promissory note	14		**538,604**		490,967
Current portion of lease liability	18		**30,444**		31,351
			4,356,154		3,164,119
Convertible debentures	17		**203,753**		-
Lease liability	18		**56,039**		1,602
Total liabilities			**4,615,946**		3,165,721
Shareholders' equity (deficiency)					
Share capital	19		**18,217,374**		15,720,324
Reserves	19		**1,783,222**		1,534,406
Deficit			**(24,171,881)**		(9,358,942)
Accumulated other comprehensive income			**210,193**		87,008
Total shareholders' equity (deficiency)			**(3,961,092)**		7,982,796
Total liabilities and shareholders' equity (deficiency)		**$**	**654,854**	$	11,148,517

Nature of operations and going concern (Note 1, 2)
Subsequent events (Note 28)

These financial statements were approved by the Board of Directors

"Connie Marples" Director *"Lance Marples"* Director

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

Boosh Plant-Based Brands Inc.
Consolidated Statements of Loss and Comprehensive Loss
For the Years Ended March 31, 2023 and 2022
(Expressed in Canadian dollars)

	Notes		2023		2022
Sales	21	$	**2,662,134**	$	684,044
Cost of sales	8		**(3,739,375)**		(830,568)
Gross profit			**(1,077,241)**		(146,524)
Operating expenses					
Depreciation and amortization	9,10,18		**667,393**		197,739
General and administrative expenses			**598,920**		509,472
Marketing and sales			**1,044,737**		3,635,723
Management fees	20		**424,000**		139,112
Professional fees			**449,767**		531,376
Rent			**49,028**		47,767
Research and development			**7,908**		62,642
Salaries and benefits	20		**875,639**		673,016
Share-based payments	19,20		**387,798**		755,373
Total operating expenses			**4,505,190**		6,552,220
Net loss before the undernoted items			**(5,582,431)**		(6,698,744)
Other income (loss)					
Accretion expense	17		**(21,336)**		(5,728)
Interest expense	14,15,17		**(246,831)**		-
Financing fees (cost)	13		**(476,458)**		-
Foreign exchange loss			**(18,913)**		(157,759)
Loss on disposal of equipment	9,18		**(12,002)**		-
Loss on debt settlement	14,19		**(245,894)**		-
Transaction costs	5		**-**		(42,231)
Beanfields acquisition cost	5		**-**		(691,663)
Impairment of goodwill and intangibles	10,11		**(8,209,074)**		(455,041)
Other			**-**		(12,422)
			(9,230,508)		(1,364,844)
Net loss			**(14,812,939)**		(8,063,588)
Cumulative translation adjustment			**123,185**		87,008
Net loss and comprehensive loss		**$**	**(14,689,754)**	$	(7,976,580)
Weighted average number of shares, basic and diluted			**67,892,205**		17,277,381
Loss per share, basic and diluted		**$**	**(0.22)**	$	(0.47)

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

Boosh Plant-Based Brands Inc.
Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
For the Years Ended March 31, 2023 and 2022
(Expressed in Canadian dollars)

	Share Capital						
	Number of common shares	Amount	Obligation to issue shares	Reserves	Deficit	AOCI	Total shareholders' equity (deficiency)
Balance, March 31, 2021	**9,015,500**	**$ 757,349**	**$ 10,000**	**$ 349,550**	**$ (1,295,354)**	**$ -**	**$ (178,455)**
Shares issued upon initial public offerings	6,365,000	2,670,005	-	-	-	-	2,670,005
Finders' warrants issued upon	-	(117,043)	-	117,043	-	-	-
Shares issued for Vegan Canteen acquisition	5,000	2,500	(2,500)	-	-	-	-
Shares issued for Saltspring Harvest acquisition	28,409	35,510	-	-	-	-	35,510
Shares issued for Pulse Kitchen acquisition	50,000	61,000	-	-	-	-	61,000
Shares issued for Beanfields acquisition	8,000,000	7,760,000	-	-	-	-	7,760,000
Shares issued for Beanfields finders fee	564,000	394,800	-	-	-	-	394,800
Shares issued for private placements	3,433,522	2,424,065	-	196,829	-	-	2,620,894
Finders warrants issued for private placements	-	(85,946)	-	85,946	-	-	-
Conversion of convertible notes	100,000	63,000	-	151,131	-	-	214,131
Exercise of warrants	2,078,882	1,580,084	-	(121,466)	-	-	1,458,618
Shares issued for services	297,504	175,000	(7,500)	-	-	-	167,500
Share-based payments	-	-	-	755,373	-	-	755,373
Net loss for the year	-	-	-	-	(8,063,588)	-	(8,063,588)
Currency translation adjustment	-	-	-	-	-	87,008	87,008
Balance, March 31, 2022	**29,937,817**	**$ 15,720,324**	**$ -**	**$ 1,534,406**	**$ (9,358,942)**	**$ 87,008**	**$ 7,982,796**
Exercise of warrants	600	120	-	-	-	-	120
Shares issued for services	7,349,245	422,600	-	-	-	-	422,600
Shares issued for debt	11,890,594	787,453	-	-	-	-	787,453
Shares issued for financing costs	11,779,166	576,458	-	-	-	-	576,458
Shares issued pursuant to release agreement	500,000	125,000	-	-	-	-	125,000
Shares issued from private placement	5,434,783	387,500	-	-	-	-	387,500
Finders warrants issued for private placement	-	(2,081)	-	2,081	-	-	-
Shares issued under RSU plan	1,000,000	200,000	-	(200,000)	-	-	-
Conversion option of convertible debt	-	-	-	58,937	-	-	58,937
Share-based payments	-	-	-	387,798	-	-	387,798
Net loss for the year	-	-	-	-	(14,812,939)		(14,812,939)
Currency translation adjustment	-	-	-	-	-	123,185	123,185
Balance, March 31, 2023	**67,892,205**	**$ 18,217,374**	**$ -**	**$ 1,783,222**	**$ (24,171,881)**	**$ 210,193**	**$ (3,961,092)**

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

Boosh Plant-Based Brands Inc.
Consolidated Statements of Cash Flows
For the years ended March 31, 2023 and 2022
(Expressed in Canadian dollars)

		2023		2022
Operating activities				
Net loss for the year	**$**	**(14,812,939)**	$	(8,063,588)
Items not affecting cash:				
Accretion expense		**14,582**		5,728
Accrued interest		**7,103**		10,822
Financing fees		**476,458**		-
Share-based payments		**387,798**		755,373
Shares issued for services		**422,600**		167,500
Depreciation and amortization		**667,393**		197,739
Acquisition costs		**-**		394,800
Loss on disposal of equipment		**12,002**		-
Loss on debt settlement		**245,894**		-
Impairment		**8,209,074**		455,041
Write-down of inventory		**128,010**		-
Non-cash working capital items:				
Accounts receivable		**1,012,781**		(1,174,352)
Prepaid expenses		**379,990**		(382,141)
Inventory		**180,485**		153,544
Accounts payable and other liabilities		**1,260,363**		1,094,311
Due to related parties		**14,045**		(53,121)
Net cash used in operating activities		**(1,394,361)**		(6,438,344)
Investing activities				
Cash paid on acquisition of Saltspring Harvest		**-**		(131,733)
Cash acquired from acquisition of Pulse Kitchen		**-**		205
Cash paid on acquisition of Pulse Kitchen		**-**		(100,000)
Sale of equipment		**10,958**		-
Purchase of equipment		**(2,100)**		(67,313)
Net cash provided by (used in) investing activities		**8,858**		(298,841)
Financing activities				
Proceeds from exercise of warrants		**120**		1,458,618
Proceeds received from IPO		**-**		2,670,005
Proceeds from private placements		**387,500**		2,620,894
Proceeds from loan		**350,000**		-
Net proceeds from future receipts		**285,564**		-
Issuance of convertible debt		**250,000**		63,000
Repayment of lease principal		**(40,628)**		(90,371)
Net cash provided by financing activities		**1,232,556**		6,722,146
Impact of currency translation on cash		**(15,646)**		133,693
Change in cash		**(168,593)**		118,654
Cash and cash equivalents, beginning of the year		**217,117**		98,463
Cash and cash equivalents, end of the year	**$**	**48,524**	$	217,117

**Supplemental disclosures with respect to cash flows (Note 26)*

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Boosh Plant-Based Brands Inc. (the "Company" or "BPBB") was initially incorporated under the BCBCA on August 6, 2020 as "Terra Sol Essential Inc." On October 21, 2020, the Company's name was changed to 1260389 B.C. Ltd. On December 21, 2020, the Company completed the acquisition of Boosh Food Inc. ("Boosh") through a share exchange agreement (note 5). As a result, Boosh became a wholly owned subsidiary of the Company, and the outstanding shares of Boosh were cancelled. This transaction is accounted for as a reverse asset acquisition of the Company by Boosh ("RTO"). On January 18, 2021, the Company's name was changed to "Boosh Plant-Based Brands Inc. Prior to the RTO, the Company had no operations.

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 and gluten-free snacks.

On May 26, 2021 the Company completed its initial public offering ("IPO") and commenced trading on the Canadian Stock Exchange ("CSE") under the symbol "VEGI". The Company also trades on the OTCQB under the stock symbol "VGGIF" and on the Frankfurt Stock Exchange under the stock symbol "77I".

These consolidated 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 significant losses and may incur further losses in the development of its business. During the year ended March 31, 2023, the Company incurred a net loss of $14,812,939 (2022 - $8,063,588) and had an accumulated deficit of $24,171,881 as at March 31, 2023 (2022 - $9,358,942). 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 and convertible debt. 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 consolidated 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 consolidated financial statements.

2. BASIS OF PREPARATION

Statement of compliance

These consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Issues Committee ("IFRIC"). The consolidated financial statements were authorized for issue by the Board of Directors on December 20, 2023.

Basis of consolidation

The consolidated financial statements incorporate the accounts of the Company and of its wholly owned subsidiaries: Boosh Food Inc., Pulse Kitchen Specialty Foods Ltd., and Beautiful Beanfields, Inc.

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 consolidated 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 consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Significant accounting policies used in the preparation of these consolidated financial statements are described in Note 3. The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements as if the policies have always been in effect.

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

Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company, Boosh Food Inc., and Pulse Kitchen Specialty Foods Ltd. The functional currency of Beautiful Beanfields, Inc. is United States dollars.

3. SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Revenue is recognized at the point in which the performance obligation under the terms of a contract with the customer have been satisfied and control has transferred. The Company's performance obligation is typically defined as the accepted purchase order with the customer which requires the Company to deliver the requested products at agreed upon prices at the time and location of the customer's choice. The Company satisfies its performance obligation and transfers control to the customer upon shipment. Billings rendered in advance of performance under contracts are recorded as deferred revenue.

Revenue is measured at the fair value of the consideration received or receivable, net of estimated returns and discounts. The time between invoicing and when payment is due is not significant. None of the Company's customer contracts, as at March 31, 2023, contain a significant financing component. The Company does not offer warranties or a right to return on the products it sells except in the instance of a product recall.

The Company routinely offers sales discounts and promotions through various programs to its customers and consumers. These programs include discounts, free samples to open new customer accounts or expand products sold to existing accounts, products as contest prizes on social media, and other trade activities. These costs are netted against revenue as incurred.

Cash and cash equivalents

Cash is comprised of cash at bank. Cash equivalents are comprised of one-year cashable Guaranteed Investment Certificates ("GICs"), as disclosed in Note 6.

Inventories and cost of sales

Inventories are recorded at the lower of cost or net realizable value. The Company accounts for inventory using the FIFO (first-in-first-out) method. In addition to product cost, inventory costs include expenditures such as direct labor, supply and expenses, and any third-party costs. Inventories are comprised primarily of raw materials, purchase costs, and direct labor. The Company reviews the quantities and condition of the inventory on hand on a regular basis and records a provision for spoiled inventory when it has incurred. Any write-down recorded of inventory is included in cost of sales for the period.

Equipment

Equipment is recorded at cost less accumulated depreciation and impairment losses. The Company provides for depreciation using the methods at rates designed to depreciate the cost of the equipment over their period of expected useful life. The estimated useful lives of assets are reviewed regularly by management and adjusted if necessary.

Costs include expenditures that are directly attributable to the acquisition of the asset or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of a replaced asset is derecognized when replaced. Repairs and maintenance costs are charged to profit or loss in the period when they are incurred.

The Company commences recording depreciation when the assets are in a working condition and ready for use using the straight-line method at the following rates:

Class	Useful Life
Kitchen equipment	5 years
Computer equipment	3 years
Leasehold improvements	2 years

Financial instruments

Recognition, classification, and measurement

Financial assets are classified and measured based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. IFRS 9 contains three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income ("FVTOCI"), and fair value through profit and loss ("FVTPL"). A financial asset is measured at amortized cost if it meets the conditions that: i) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets are recognized in the statements of financial position if the Company has a contractual right to receive cash or other financial assets from another entity. Financial assets are derecognized when the rights to receive cash flows from the asset have expired or were transferred and the Company has transferred substantially all risks and rewards of ownership.

All financial liabilities are recognized initially on the transaction date at which the Company becomes a party to the contractual provisions of the instruments. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expired.

Financial instruments are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Company has classified its cash and cash equivalents as a financial asset measured at FVTPL, and classified its trade and other receivables, accounts payable and accrued liabilities, due to related parties, lease liability, future receipts advances, convertible debentures, and promissory note as financial assets and financial liabilities measured at amortized cost. Such assets and liabilities are recognized initially at fair value inclusive of any directly attributable transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment losses.

Financial assets and financial liabilities are offset and the net amount presented in the statements of consolidated financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost. Loss allowances for accounts receivable are always measured at an amount equal to lifetime expected credit losses if the amount is not considered fully recoverable. A financial asset carried at amortized cost is considered credit-impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Individually significant financial assets are tested for credit-impairment on an individual basis. The remaining financial assets are assessed collectively.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. In assessing collective impairment, the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

Losses are recognized in the statements of loss and comprehensive loss and reflected in an allowance account against accounts receivable. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statements of loss and comprehensive loss.

Loss per share

Loss per share is computed by dividing net loss available to shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is computed similar to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding options and warrants were exercised and that the proceeds from such exercises were used to acquire shares at the average market price during the reporting periods. Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

Impairment of assets

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

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

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. Any reversal of impairment cannot increase the carrying value of the asset to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in the previous years.

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

Share-based payments

The Company grants stock options to purchase common shares of the Company to directors, officers, employees, and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee. The fair value of stock options is measured on the grant date using the Black-Scholes option pricing model and is recognized over the vesting period. Share-based payments are initially recorded to reserves. Subsequently, the amount together with the consideration received for the shares on the exercise of share-based payments are credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

The Company has a restricted stock unit ("RSU") plan for directors, executive officers, and employees of the Company. The vesting conditions of the RSUs may be based on a required service period or the achievement of performance targets. RSUs that have been vested are payable in common shares of the Company. The share-based remuneration expense of the RSUs is based on the fair value at grant date and the expected vesting period. A corresponding compensation liability is recorded in equity.

Share capital

The Company records proceeds from the issuance of its common shares as equity. The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units.

The residual value method first allocates value to the most easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in the private placement was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted price on the issuance date. The remaining proceeds, if any, are allocated to the attached warrants. Any fair value attributed to the warrants is recorded as warrant reserve. Management does not expect to record a value to the warrant in most equity issuances as unit private placements are commonly priced at market or at a permitted discount to market.

Incremental costs directly attributable to the issue of new common shares are shown in equity as a deduction, net of tax, from the proceeds. Common shares issued for consideration other than cash are valued based on their market value at the date that shares are issued.

Leases

At inception of a new contract, the Company assesses whether a contract is, or contains a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

i. The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
ii. The Company has the right to obtain substantially all the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.

iii. The Company has the right to direct the use of the identified asset throughout the period of use. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Company recognizes a right-of-use ("ROU") asset and a lease liability on the consolidated statement of financial position. The ROU asset is initially recorded at cost, which comprises the initial amount of the lease liability and any initial direct costs incurred less any lease payments made at or before the initial adoption date. The ROU asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term. The ROU asset is periodically reduced by impairment losses, if any, and adjusted for remeasurements of the lease liability. The lease liability is measured at the present value of the expected lease payments over the lease term, discounted at the interest rate implicit in the lease; if the rate cannot be determined, the incremental borrowing rate is used. The liability is increased for the passage of time and payments on the lease are offset against the lease liability.

Convertible debenture

The convertible debentures are separated into their liability and equity components on the consolidated statements of financial position. The liability component is initially recognized at fair value, calculated at the net present value of the liability based on non-convertible debt issued by comparable issuers, and accounted for at amortized cost using the effective interest rate method. The effective interest rate used is the estimated rate for non-convertible debt with similar terms at the time of issue. The residual value is then allocated to the equity component.

Foreign currency translation

Transactions in foreign currencies are initially recorded by the Company's subsidiaries at their respective functional currency spot rates at the date the transaction is recognized. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at reporting period ends. Differences arising on settlement or translation of monetary items are recognized in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income ("OCI") or profit or loss are also recognized in OCI or profit or loss, respectively).

On consolidation, the assets and liabilities of foreign operations are translated into Canadian dollars at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at the average exchange rate prevailing during each reporting period. Equity balances are translated at historical exchange rates prevailing at the date of the transactions. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Income taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, current income taxes are recognized for the estimated income taxes payable for the current period. Deferred income tax assets, including the benefit of losses available to be carried forward to future years, and liabilities are recognized for temporary differences between the tax and accounting basis of assets and liabilities.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred income tax assets and liabilities are offset if, and only if, a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Goodwill and intangible assets

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is subject to impairment testing on an annual basis.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination. Where goodwill has been allocated to a cash-generating unit ("CGU") and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

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	5 years
Customer Relationships	4-6.5 years
Brand	indefinite

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS

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.

The effect of a change in an accounting estimate is recognized prospectively by including it in loss/income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Information about critical judgments and estimates in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year are discussed below:

Asset Acquisitions Versus Business Combinations

Management had to apply judgment with respect to whether the acquisitions of Beanfields, Saltspring Harvest, Vegan and Pulse (as defined in Note 5), were asset acquisitions or business combinations. The assessments required management to assess the inputs, processes, and outputs of the companies 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 these assessments, the Beanfields, Pulse and Saltspring Harvest acquisitions were considered to be business combinations and the Vegan transaction was considered to be an asset acquisition.

Determination of Purchase Price Allocations

Estimates are made in determining the fair value of assets and liabilities, 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. Consideration paid for an asset acquisition is allocated to the individual identifiable assets acquired and liabilities assumed based on their relative fair values. Asset acquisitions do not give rise to goodwill.

Going Concern

The assumption that the Company will be able to continue as a going concern is subject to critical judgments of management with respect to assumptions surrounding the short- and long-term operating budget, expected profitability, investing and financing activities, and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumptions may be inappropriate.

Income Taxes

Deferred tax assets, including those arising from tax loss carry-forwards, require management to assess the likelihood that the Company will generate sufficient taxable earnings in future periods in order to utilise recognised deferred tax assets.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realise the net deferred tax assets recorded at the reporting date could be impacted.

Convertible Debentures

The identification of convertible debenture components is based on interpretations of the substance of the contractual arrangement and therefore requires judgment from management. The separation of the components affects the initial recognition of the convertible debenture at issuance and the subsequent recognition of interest on the liability component. The determination of the fair value of the liability is also based on a number of assumptions, including contractual future cash flows, discount factors, and the presence of any derivative financial instruments.

Interest Rates

The Company estimates a market interest rate in determining the fair value of the liability component of its convertible debentures and the fair value of the right-of-use assets and lease liabilities, fair value of assets acquired, and recoverable value of cash-generating units. The determination of the market interest rate is subjective and could materially affect these fair value estimates.

Valuation of Share-Based Payments

The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's net loss and equity reserves.

Impairment of Property and Equipment, Intangible Assets and Goodwill

For assets with finite lives, judgment is required in assessing whether certain factors would be considered an indicator of impairment. The Company considers both external and internal sources of information in assessing whether there are any indications that CGUs are impaired, or reversal of impairment is needed. Factors considered include current and forecast economic conditions, internal projections, and the Company's market capitalization relative to its net asset carrying amount. For assets with indefinite lives, the Company determines the recoverable value of the CGU by assessing the higher of value in use and fair value less cost of disposal. The Company performed its impairment test for the fiscal period ending March 31, 2023. For each CGU, the Company determined the recoverable amount by calculating its value in use using a five-year discounted cash flow ("DCF") model. The cash flows derived from the Company's current year results as the base line for the next five years. The Company did not rely on expectations of market growth, industry reports, and trends as the Company needs a significant cash injection. The DCF model included projections surrounding revenue, cost of sales, expenses, discount rate, and growth rates.

Estimated Useful Lives and Depreciation/Amortization of Property and Equipment and Intangible Assets

Depreciation/amortization of property and equipment and intangible assets 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.

Fair Value Measurements

Certain of the Company's assets such as share purchase options and share purchase warrants are measured at fair value. The estimated fair value of financial assets, by their very nature, are subject to measurement uncertainty. The Company estimates fair value using valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs, and minimizing the use of unobservable inputs. Such valuation techniques include the market approach and the cost approach.

Recoverability of Trade and Accounts Receivable

Estimates and judgments are inherent in the on-going assessment of the recoverability of trade and accounts receivable. The Company is not able to predict changes in financial conditions of its customers and note holders and the Company's judgment related to the recoverability of trade and accounts receivable may be material.

Application of IFRS 16

The Company applies judgment in determining whether a contract contains an identified asset, whether the Company has the right to control the asset, and the lease term. Lease term reflects the period over which the lease payments are reasonably certain including renewal options that the Company is reasonably certain to exercise. The determination of lease terms involves significant judgment with respect to assumptions of whether lease extensions will be utilized. Management makes assumptions about long-term industry outlook and store operating performances and growth which relate to future events and circumstances. Actual results could vary from these assumptions, and the differences could be material to the carrying value of the lease liabilities and right-of-use assets, for which the lease term is the basis for determining useful life.

Provisions

Provisions are recognized when the Company has a present obligation, legal or constructive as a result of a previous event, if it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the obligation. The amount recognized is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligations. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate of the expected future cash flows.

Inventory

The Company estimates the net realizable value of inventories, taking into account the most reliable evidence available at each reporting date including obsolescence, future selling prices, and customer behaviour. The future realization of these inventories may be affected by market-driven changes that may reduce future selling prices. A change to these assumptions could impact the Company's inventory valuation and impact gross margins.

Achievement of RSU performance conditions

The Company's equity settled RSUs vest according to specific performance conditions based on specific revenue targets for the Company. At each reporting date, the Company must use judgement to estimate whether it is probable that these revenue targets will be met.

5. ACQUISITIONS

During the year ended March 31, 2023, the Company incurred $Nil (2022 - $42,231) on transaction costs related to failed acquisitions.

Saltspring Harvest Acquisition

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

In accordance with IFRS 3, the substance of a transaction constitutes a business combination as the business of Saltspring Harvest meets the definition of a business under the standard. Accordingly, the assets acquired have been recorded at their respective estimated fair values as of the acquisition date.

In consideration for the assets acquired, the Company issued 28,409 common shares (the "Saltspring Acquisition Shares") and paid $131,733 in cash. The Saltspring Acquisition Shares were valued at $35,510 as determined by the market value of the Company's shares on the acquisition date.

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

(Expressed in Canadian dollars)

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

Consideration:		
Cash paid	$	131,733
Common shares		35,510
Total consideration		167,243
Fair value of net assets assumed:		
Inventory		6,441
Prepaid expenses		291
Equipment		4,600
Intangible assets (Note 10)		
Customer relationships		17,000
Brand		7,000
Recipes and trade secrets		28,000
Total net assets		63,332
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.

Revenues and net income for Saltspring Harvest for the period from July 23, 2021 to March 31, 2022 included in the consolidated statements of loss and comprehensive loss are $42,798 and $29,499, respectively.

Pulse Kitchen Acquisition

On October 15, 2021, the Company acquired all the issued and outstanding shares of Pulse Kitchen Specialty Foods Ltd. (“Pulse”), a producer of specialty hand-crafted, plant-based, vegan gluten-free cheese, in exchange for $300,000 in cash, $205 cash in Pulse Kitchen’s books on closing date, and the issuance of 50,000 common shares with a fair value of $61,000. Of the $300,000 cash payment, $100,000 was paid on closing; $100,000 was payable six months from closing; and the final $100,000 was payable one year from closing. As at March 31, 2022, $198,904 represents the present value of the total cash payable of $200,000, discounted at a rate of 3.6%. As at March 31, 2023, $175,000 of the cash payable remains payable and is included within accounts payable. The cash payable is subject to litigation, discussed further in Note 27.

During the year ended March 31, 2023, the Company recognized accretion expense of $1,892 (2022 - $3,188) with respect to the cash payable.

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

(Expressed in Canadian dollars)

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

Consideration:		
Cash paid	$	100,000
Cash payable (present value of remaining $200,000 to be paid)		194,716
Common shares		61,000
Cash in Pulse Kitchen at closing		205
Total consideration		355,921
Fair value of net assets assumed:		
Trade and other receivables		21,718
Inventory		19,061
Equipment		16,541
Right-of-use asset		24,364
Intangible assets (Note 10)		
Customer relationships		15,000
Brand		16,000
Recipes and trade secrets		42,000
Trade and other payables		(13,518)
Lease liabilities		(24,364)
Redundant assets		1,782
Total net assets		118,584
Goodwill	**$**	**237,337**

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.

Revenues and net income (loss) for Pulse for the period from October 16, 2021 to March 31, 2022 included in the consolidated statements of loss and comprehensive loss are $54,596 and $(107,600), respectively.

Beanfields Acquisition

On February 11, 2022, the Company entered into a foreclosure sale agreement with Venture Lending & Leasing VIII, Inc. (“VLL8”) and Venture Lending & Leasing IX, Inc. (“VLL9”) to acquire certain assets of Beanfields, Inc. (“Beanfields”) (the “Transaction”), a company specializing in gluten free and non-genetically modified snacks. The transaction closed on February 16, 2022.

In consideration for the assets acquired, the Company paid the following:

a. 8,000,000 common shares of the Company with a fair value of $7,760,000 as determined by the market value of the Company’s shares on the acquisition date;
b. A US$200,000 promissory note, bearing interest at 6% per annum and maturing September 1, 2023 issued to VLL8; and
c. A US$200,000 promissory note, bearing interest at 6% per annum and maturing September 1, 2023 issued to VLL9.

At issuance, the fair value of the promissory notes was $498,432 (US$392,899), discounted using the effective interest rate of 7.22%.

(Expressed in Canadian dollars)

In accordance with IFRS 3, the substance of a transaction constitutes a business combination as the business of Beanfields meets the definition of a business under the standard. The value of the assets and liabilities acquired was based on management's assessment of the fair value at the date of acquisition and applying the initial measurement requirements of each applicable standard to the identifiable assets and liabilities assumed. 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:		**USD**		**CAD**
Promissory notes	$	392,899	$	498,432
Common shares		6,116,979		7,760,000
Total consideration		6,509,878		8,258,432
Fair value of net assets assumed:				
Inventory		434,312		550,968
Prepaid expenses		21,562		27,354
Equipment		5,500		6,977
Intangible assets (Note 10)				
Customer relationships		423,000		536,618
Brand		451,000		572,139
Recipes and trade secrets		1,600,000		2,029,760
Trade and other payables		(788,587)		(1,000,402)
Total net assets		2,146,787		2,723,414
Goodwill	**$**	**4,363,091**	**$**	**5,535,018**

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.

Revenues and net income (loss) for Beanfields for the period from February 16, 2022 to March 31, 2022 included in the consolidated statements of loss and comprehensive loss are $382,816 and ($287,928), respectively.

6. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents consists of the following at March 31, 2023 and 2022:

		2023		**2022**
Deposit at bank	$	28,524	$	187,117
Cashable Guaranteed Investment Certificate ("GIC")		20,000		30,000
	$	48,524	$	217,117

(Expressed in Canadian dollars)

7. TRADE AND OTHER RECEIVABLES

The Company's accounts receivable consists of the following at March 31, 2023 and 2022:

		2023		2022
Trade and other receivables	$	168,088	$	244,365
GST receivable		55,429		67,866
Subscriptions receivable		-		214,894
Other receivables		-		709,173
	$	223,517	$	1,236,298

The other receivables represent amounts owed from shareholders that hold approximately 25.59% of the Company.

8. INVENTORY

Inventory consists of finished goods and raw materials. The following is an inventory breakdown at March 31, 2023 and 2022:

		2023		2022
Finished goods	$	64,038	$	221,899
Raw materials		143,411		294,045
	$	207,449	$	515,944

During the year ended March 31, 2023, the Company expensed $3,189,382 (2022 - $830,568) of inventory into cost of goods sold. During the year ended March 31, 2023 the Company recorded an inventory write off $128,010 (2022 - $Nil).

(Expressed in Canadian dollars)

9. EQUIPMENT

	Kitchen equipment	Computer equipment	Leasehold improvements	Machinery, equipment, furniture, and fixtures	Total
Cost					
Balance, March 31, 2021	$ 8,860	$ 12,076	$ 3,003	$ -	$ 23,939
Acquisitions	4,600	422	3,643	19,453	28,118
Additions	9,926	31,302	26,085	-	67,313
Impact of currency translation	-	-	-	(1,558)	(1,558)
Balance, March 31, 2022	$ 23,386	$ 43,800	$ 32,731	$ 17,895	$ 117,812
Additions	-	2,100	-	-	2,100
Disposals	(10,871)	(4,174)	(32,731)	(12,681)	**(60,457)**
Balance, March 31, 2023	**$ 12,515**	**$ 41,726**	**$ -**	**$ 5,214**	**$ 59,455**
Accumulated Depreciation					
Balance, March 31, 2021	$ 222	$ 357	$ 75	$ -	$ 654
Depreciation	2,307	11,020	11,944	3,430	28,701
Balance, March 31, 2022	$ 2,529	$ 11,377	$ 12,019	$ 3,430	$ 29,355
Depreciation	4,243	14,749	3,846	11,910	34,748
Disposals	(1,539)	(1,739)	(15,865)	(12,681)	(31,824)
Impact of currency translation				(1,287)	(1,287)
Balance, March 31, 2023	**$ 5,233**	**$ 24,387**	**$ -**	**$ 1,372**	**$ 30,992**
Net Book Value					
At March 31, 2022	$ 20,857	$ 32,423	$ 20,712	$ 14,465	$ 88,457
At March 31, 2023	**$ 7,282**	**$ 17,339**	**$ -**	**$ 3,842**	**$ 28,463**

During the year ended March 31, 2023, the Company disposed of equipment with a carrying value of $28,633 for proceeds of $10,958 and recorded a loss of $17,675 in the statement of loss and comprehensive loss.

(Expressed in Canadian dollars)

10. INTANGIBLE ASSETS

Intangible assets include the customer relationships, brand name ,and recipes and formulas acquired when the Company purchased 100% of the outstanding shares of Pulse and Beanfields as well as the operating assets of Saltspring.

		Customer Relationships		Brands*		Recipes & Formulas		Total
Cost								
Balance, March 31, 2021		-		-		52,500		52,500
Additions		568,618		595,139		2,099,760		3,263,517
Impact of currency translation		(8,036)		(8,569)		(30,400)		(47,005)
Balance, March 31, 2022	$	560,582	$	586,570	$	2,121,860	$	3,269,012
Impact of currency translation		43,865		46,768		165,920		256,553
Balance, March 31, 2023	**$**	**604,447**		**633,338**		**2,287,780**		**3,525,565**
Amortization								
Balance, March 31, 2021		-		-		219		219
Amortization		19,525		-		66,649		86,174
Impact of currency translation		(228)		-		(691)		(919)
Impairment		28,487		23,000		62,306		113,793
Balance, March 31, 2022	$	47,784	$	23,000	$	128,483	$	199,267
Depreciation		**139,907**		**-**		**433,860**		**573,767**
Impairment		**403,011**		**596,673**		**1,674,372**		**2,674,056**
Impact of currency translation		**13,745**		**13,665**		**51,065**		**78,475**
Balance, March 31, 2023	**$**	**604,447**		**633,338**		**2,287,780**		**3,525,565**
Net Book Value								
At March 31, 2022	$	512,797	$	563,570	$	1,993,378	$	3,069,745
At March 31, 2023	**$**	**-**	**$**	**-**	**$**	**-**	**$**	**-**

* No depreciation was taken during the years ended March 31, 2023 and 2022 as the brands are considered to have an indefinite life.

As at March 31, 2022, management determined that the carrying value of the Saltspring and Pulse CGUs exceeded its recoverable amount and recognized impairment of $113,793 against the intangible assets booked at acquisition in accordance with level 3 fair value hierarchy.

As at March 31 2023, management determined that the carrying value of the Beanfields CGU exceeded its recoverable amount and recognized impairment of $2,674,056 against the intangible assets booked at acquisition in accordance with level 3 fair value hierarchy.

(Expressed in Canadian dollars)

11. GOODWILL

		Total
Balance, March 31, 2021	$	-
Additions		5,876,266
Impairment		(341,248)
Balance, March 31, 2022	$	5,535,018
Impairment		(5,535,018)
Balance, March 31, 2023	**$**	**-**

During the year ended March 31, 2022, the Company recognized goodwill of $103,911 in connection with the acquisition of Saltspring Harvest, $237,337 in connection with the acquisition of Pulse, and $5,535,018 in connection to the acquisition of Beanfields (Note 5). Goodwill is allocated to CGUs or a group of CGUs, which generally corresponds to the Company's product lines and manufacturing operations.

As at March 31, 2022, management determined that the carrying value of the Saltspring and Pulse Kitchen CGU's exceeded their recoverable amounts and recognized impairment of $341,248 against the goodwill booked at acquisition in accordance with level 3 fair value hierarchy.

As at March 31, 2023, management determined that the carrying value of the Beanfields CGU exceeded its recoverable amount and recognized impairment of $5,535,018 against the goodwill booked at acquisition in accordance with level 3 fair value hierarchy.

12. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		2023		2022
Trade payables	$	2,406,810	$	1,527,439
Accrued liabilities		761,156		951,756
Payroll liabilities		306,323		149,398
	$	3,474,289	$	2,628,593

13. LOAN AGREEMENT

On December 20, 2022, the Company entered into a loan agreement (the "Agreement") with two arm's length parties (the "Lenders") whereby the Lenders agreed to advance the Company up to $500,000, funded in tranches. Funds advanced pursuant to the Agreement have a maximum term of three years, bear interest at a rate of 15% per annum, and may be repaid at the Company's option in shares of the Company based on the market rate of the Company's shares.

During the year ended March 31, 2023 the Company was advanced three tranches of funding under the Agreement totaling $350,000. Tranche 1 and 2 were repaid prior to the end of the year, while Tranche 3 was repaid shortly after March 31, 2023. Each tranche of funding was repaid through the issuance of shares in the Company within two months and therefore these loans were deemed to be short-term advances. As such, the fair value of the debt at the time of issue was determined to be equal to the proceeds received from the Lenders.

The fair value of the shares issued to settle the debt was determined based on the trading price of the Company's shares on the date of issuance, with a gain or loss between the fair value of the shares issued and the value of the debt extinguished recognized in the statement of loss and comprehensive loss. For the year ended March 31, 2023, the Company recognized a loss of $203,125 related to the settlement of funds advanced pursuant to the Agreement.

(Expressed in Canadian dollars)

In addition, the Company agreed to issue bonus shares upon receipt of funds for each tranche funded as follows:

Tranche 1	5,000,000 bonus shares
Tranche 2	4,166,666 bonus shares
Tranche 3	2,612,500 bonus shares

The fair market value of the bonus shares issued in conjunction with Tranche 1 and 2 was $445,833 which was recorded as a financing cost in the statement of loss and comprehensive loss during the year ended March 31, 2023. The fair market value of the shares issued was determined based on the trading price of the Company's shares on the date of issuance.

The fair market value of the bonus shares issued in conjunction with Tranche 3 was $130,625. Tranche 3 is still outstanding at March 31, 2023 and therefore the financing costs related to this advance will be amortized over the expected life of the amount outstanding. $30,625 was recorded as a financing cost in the statement of loss and comprehensive loss during the year ended March 31, 2023 resulting in a deferred financing cost of $100,000 as at March 31, 2023. Tranche 3 was repaid with shares in May 2023.

At March 31, 2023 the carrying amount of the liability component of the debt is as follows:

	Tranche 1	**Tranche 2**	**Tranche 3**	**Total**
FV of Liability component at date of issue	125,000	125,000	100,000	350,000
Interest charged (15%)	2,363	976	288	3,627
Interest accrued (15%)	(2,363)	(976)	(288)	(3,627)
Issuance of shares for repayment	(270,833)	(182,292)	-	(453,125)
Loss on issuance of shares	145,833	57,292	-	203,125
Carrying amount of liability component	**-**	**-**	**100,000**	**100,000**
Financing Costs	175,000	270,833	130,625	576,458
Amortization of Financing Costs	(175,000)	(270,833)	(30,625)	(476,458)
Deferred financing costs	-	-	(100,000)	(100,000)
Net carrying value	**-**	**-**	**-**	**-**

14. PROMISSORY NOTE

As part of the purchase consideration for the Beanfield's acquisition (note 5), the Company issued US$400,000 in promissory notes as follows:

a. A US$200,000 promissory note, bearing interest at 6% per annum and maturing September 1, 2023 issued to VLL8; and
b. A US$200,000 promissory note, bearing interest at 6% per annum and maturing September 1, 2023 issued to VLL9.

At issuance, the fair value of the promissory notes was $498,432 (US$392,899), discounted using an effective interest rate of 7.22%.

Continuity of the promissory notes is as follows:

		Total
Balance, March 31, 2021	$	-
Additions		498,432
Impact of currency translation		(7,465)
Balance, March 31, 2022	$	490,967
Accrued interest		32,101
Interest paid		(32,101)
Accretion		6,753
Impact of currency translation		40,884
Balance, March 31, 2023	**$**	**538,604**

At March 31, 2023 the notes have a fair value of $538,604 (US$397,997) (2022 - $490,967 (US$392,899)). For the year ended March 31, 2023, the Company has paid interest expense of $31,752 (US$24,000) (2022 - $Nil).

15. FUTURE RECEIPT ADVANCES

On September 28, 2022, the Company entered into a financing agreement pursuant to which the Company agreed to sell certain future trade receipts in the aggregate amount of US$230,400. Net proceeds from this transaction were US$150,000 and were net of an initial financing fee of US$10,000. Under the terms of the agreement, borrowings were payable in equal weekly instalments of US$9,600 over a term of 24 weeks.

During the year, the Company repaid US$163,200 of the original amount payable and then refinanced the balance with a new financing agreement pursuant to which the Company agreed to sell certain future trade receipts in the aggregate amount of US$396,000. Net proceeds from the new financing were US$193,900 and were net of an initial financing fee of US$21,624 and repayment of the previous financing agreement of US$59,476. Under the terms of the new agreement, borrowings are payable in equal weekly instalments of US$15,230 over a term of 26 weeks.

As at March 31, 2023, the unpaid balance remaining under the financing agreement was $285,564 (US$211,013). During the year ended March 31, 2023, the Company paid interest and financing fees of $201,305 (US$152,158) (2022 - $Nil) related to the financing agreements.

16. CONVERTIBLE DEBT

As part of the RTO, Boosh acquired the outstanding convertible promissory notes issued and outstanding by the Company 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 completes its Initial Public Offering ("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 12 months following the completion of the IPO. On May 31, 2021, the convertible notes were converted into 2,200,000 warrants with a fair value of $111,131 recorded in reserves (Note 16).

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 12 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 Company 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.

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 debt component approximates its face value due to its short-term maturity and no amount was ascribed to the conversion feature.

(Expressed in Canadian dollars)

On June 1, 2021, the loan was converted into 100,000 common shares and 100,000 purchase warrants with a value of $63,000 recorded in share capital.

A continuity of the convertible note for the years ended March 31, 2023 and 2022 is as follows:

		Face value		Carrying value
Balance, March 31, 2021		150,000		148,439
Issued during the year		63,000		63,000
Conversion		(213,000)		(214,131)
Interest expense		-		152
Accretion		-		2,540
Balance, March 31, 2022 & 2023	**$**	**-**	**$**	**-**

17. SECURED CONVERTIBLE DEBENTURE

On September 16, 2022 (the "Issue Date"), the Company completed a convertible debenture financing for proceeds of $250,000. The convertible debenture has a term of two years, bears interest at a rate of 10% per annum, and is convertible to common shares of the Company at the option of the holder at a conversion price of $0.075 per share. Interest is payable quarterly in arrears during the first year and monthly in arrears during the second year after the Issue Date.

The fair value of the liability component of the convertible debt at the time of issue of $191,062 was calculated as the discounted cash flows assuming a 25% discount rate, which was the estimated rate for a similar instrument without a conversion feature. The fair value of the equity component (the conversion feature) was determined at the time of issue as the difference between the face value and the fair value of the liability component. The liability component will be accreted over the life of the instrument.

	March 31, 2023 ($)	March 31, 2022 ($)
Proceeds from issue of convertible debentures	250,000	-
Liability component at date of issue	191,063	-
Amount classified as equity	58,937	-

A continuity of the convertible note for the years ended March 31, 2023 and 2022 is as follows:

		Face value		Carrying value
Balance, March 31, 2022 and 2021	$	-	$	-
Issued during the year		250,000		191,063
Accretion		-		12,690
Balance, March 31, 2023	**$**	**250,000**	**$**	203,753

Accretion expense for the period is calculated by applying an effective interest rate of 25% to the liability component for the period since the convertible debenture was issued. The liability component is measured at amortized cost.

During the year ended March 31, 2023, the Company recognized $13,425 (2022 - $Nil) interest expense in the statement of loss and comprehensive loss. As at March 31, 2023, $13,425 (2022 - $Nil) of accrued interest is included within accounts payable.

(Expressed in Canadian dollars)

18. RIGHT-OF-USE ASSET AND LEASE LIABILITY

Building

On December 10, 2020, the Company entered into a lease agreement for a building. The lease term commenced on January 1, 2021 and expired on July 31, 2022.

Pursuant to the acquisition of Pulse, the Company acquired a lease agreement for an industrial food mixer. From the date of acquisition, there is a 20-month term remaining on the lease. The Company is committed to a monthly lease payment of $1,482. During the year ended March 31, 2023, the lease was terminated and the Company recognized a gain on lease termination of $5,673 which has been netted against loss on disposal of equipment.

During the year ended March 31, 2023, the Company signed a new lease agreement for a building which commenced on October 1, 2022 with a term of 36 months and a monthly rental fee of $3,404. Upon entering the lease, the lease liability and right-of-use asset were measured as the present value of the remaining lease payments, discounted using an incremental borrowing rate of 15% per annum.

Pursuant to the terms of the new lease agreement, the Company paid a security deposit of $9,726 which is included within prepaids as at March 31, 2023.

A continuity for the Company's right-of-use assets for the years ended March 31, 2023 and 2022 is as follows:

Right-of-Use Assets		
Cost		
Balance, March 31, 2021	$	100,739
Additions		24,364
Depreciation expense		(82,864)
Balance, March 31, 2022		42,239
Additions		99,831
Depreciation expense		(58,878)
Balance, March 31, 2023	**$**	**83,192**
Net carrying value:		
At March 31, 2022	$	42,239
At March 31, 2023	$	**83,192**

(Expressed in Canadian dollars)

A continuity for the Company's lease liabilities for the years ended March 31, 2023 and 2022 is as follows:

Lease Obligations		
Cost		
Balance, March 31, 2021	$	88,290
Additions		24,364
Principal payments		(90,371)
Interest expense		10,670
Balance, March 31, 2022		32,953
Additions		99,830
Principal payments		(50,549)
Interest expense		9,922
Derecognition		(5,673)
Balance, March 31, 2023	**$**	**86,483**
Which consists of:		
Current portion	$	30,444
Long-term portion		56,039
	$	**86,483**

At March 31, 2023, the Company is committed to minimum lease payments as follows:

Maturity Analysis		
Less than one year	$	41,400
One to five years		64,032
Total undiscounted lease liabilities	**$**	**105,432**

19. SHARE CAPITAL

a. Common shares

Authorized

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

Issued

As at March 31, 2023, there were 67,892,205 (2022 - 29,937,817) common shares issued and outstanding. Details of the common shares issued are as follows:

During the year ended March 31, 2023:

On April 13, 2022, the Company issued 600 common shares pursuant to the exercise of warrants with a weighted average exercise price of $0.20 for total proceeds of $120.

On June 8, 2022, the Company entered into a mutual full and final release agreement with its contract CEO and agreed on a settlement payment of $125,000 through the issuance of 500,000 common shares at a fair value of $0.25 per share.

On June 24, 2022, the Company issued 114,871 common shares for services with an estimated fair market value of $22,600 or $0.197 per share in exchange for marketing services received.

On July 5, 2022, the Company completed a non-brokered private placement for gross proceeds of $150,000 through the issuance of 434,783 common shares at $0.23 per share and 250,000 common shares at a price of $0.20 per share. Concurrent with the private placement, the Company settled debt of $20,000 for services previously provided through the issuance of 100,000 common shares with an estimated fair value of $21,000 or $0.21 per share. As a result of the settlement, a loss of $1,000 was recognized in the statement of loss and comprehensive loss during the year ended March 31, 2023.

On August 5, 2022, the Company entered into a settlement agreement with an arm's length third party for the settlement of $191,429 in debt for services previously provided through the issuance of 1,519,274 common shares with an estimated fair value of $197,506 or $0.13 per share. As a result of the settlement, a loss of $6,077 was recognized in the statement of loss and comprehensive loss during the year ended March 31, 2023.

On August 31, 2022, the Company entered into a settlement agreement with an arm’s length third party for the settlement of $55,630 in debt for services previously provided through the issuance of 927,154 common shares with an estimated fair value of $74,172 or $0.08 per share. As a result of the settlement, a loss of $18,542 was recognized in the statement of loss and comprehensive loss during the year ended March 31, 2023.

On December 28, 2022, the Company issued 5,000,000 common shares with a fair market value of $0.035 per share pursuant to the Loan Agreement (Note 14) whereby the Company was obligated to issued bonus shares upon receipt of funds related to Tranche 1.

On February 8, 2023, the Company issued 3,125,000 common shares at a fair market value price of $0.03 per share for the settlement of $62,500 in debt related to Tranche 1 of the Loan Agreement.

On February 22, 2023 the Company issued 2,083,333 common shares at a fair market value price of $0.07 per share pursuant to the Loan Agreement (Note 14) whereby the Company was obligated to issue bonus shares upon receipt of funds related to Tranche 2.

On February 23, 2023 the Company issued 2,083,333 common shares at a fair market value price of $0.085 per share for the settlement of $62,500 in debt related to Tranche 1 of the Loan Agreement.

On February 23, 2023 the Company issued 2,187,500 common shares fair valued at $65,625 for consulting fees related to Tranche 1 of the Loan Agreement.

On February 23, 2023 the Company issued 2,500,000 common shares at a fair market value of $0.085 per share as compensation for certain employees, consultants, directors, and officers.

Through multiple closings on February 24, 2023, February 27, 2023, March 7, 2023, and March 22, 2023 the Company completed a private placement financing of 4,750,000 units for gross proceeds of $237,500. Each unit consists of one common share and one warrant exercisable at $0.07 per share with a term of 12 months. In connection with the private placement, the Company issued 35,000 finder’s warrants on the same terms as the investor warrants. The fair value of the warrants attached to the finder’s warrants was determined to be $2,081 based on an exercise price of $0.07 per share, volatility of 191%, term of one year, risk free rate of 4.3%, and expected dividend yield of 0%.

Concurrent with the private placement financings, the Company issued 2,000,000 units to the Company’s President and CEO for management services performed fair valued at $100,000 and settled $24,500 in debt for services previously provided through the issuance of 490,000 units with an estimated fair value of $41,650 or $0.085 per unit. As a result of the settlement, a loss of $17,150 was recognized in the statement of loss and comprehensive loss during the year ended March 31, 2023.

On March 6, 2023, the Company issued 2,083,333 common shares at a fair market value price of $0.06 per share pursuant to the Loan Agreement (Note 14) whereby the Company was obligated to issue bonus shares upon receipt of funds related to Tranche 2.

On March 22, 2023, the Company issued 1,000,000 common shares to the President of the Company following the achievement of the first performance condition pursuant to the RSU agreement (see Note 20).

On March 22, 2023, the Company issued 1,562,500 common shares at a fair market value price of $0.05 per share for the settlement of $62,500 in debt related to Tranche 2 of the Loan Agreement and 546,874 common shares fair valued at $21,875 in consulting fees.

On March 22, 2023, the Company issued 2,500,000 common shares at a fair market value price of $0.05 per share pursuant to the Loan Agreement (Note 14) whereby the Company was obligated to issued bonus shares upon receipt of funds related to Tranche 3.

On March 23, 2023, the Company issued 2,083,333 common shares at a fair market value price of $0.05 per share for the settlement of $62,500 in debt related to Tranche 2 of the Loan Agreement and 112,500 at a fair market value price of $0.05 per share pursuant to the Loan Agreement (Note 14) whereby the Company was obligated to issued bonus shares upon receipt of funds related to Tranche 3.

During the year ended March 31, 2022:

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. In conjunction with the IPO, the Company issued a total of 615,000 units to finders under the same terms of the IPO. In addition, the Company also paid $20,000 in cash commissions, $166,995 in legal fees, $18,000 in accounting fees, and 615,000 units at a price of $0.50 per unit in share issuance costs.

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.

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 of the Company for services rendered, which had been recorded as an obligation to issue shares during the year ended March 31, 2021.

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

On May 31, 2021, the Company issued 3,000,000 warrants upon the conversion of $150,000 convertible debt. Each warrant entitles the holder to purchase one common share of the Company at a price of $1.00 for 12 months following the completion of the IPO.

On June 3, 2021, the Company issued 100,000 units upon the conversion of $63,000 convertible debt. 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.

On August 4, 2021, the Company issued 28,409 pursuant to the Saltspring Harvest Acquisition. The shares were valued at $35,510 as determined by the market value of the Company’s shares on the acquisition date.

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

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. Using the residual method, the warrants have been determined to have a value of $Nil. In connection with the private placement, the Company issued 125,000 finder's units on the same terms as the placement units. The fair value of the warrants attached to the finder's units was determined to be $85,946. 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, with a fair value of $93,092.

On February 26, 2022, the Company issued 8,000,000 common shares with a fair value of $7,760,000 for the acquisition of Beanfields. In connection with the acquisition, the Company also issued 564,000 common shares with a fair value of $394,800 as finder's fees.

On March 9, 2022, the Company completed a private placement of 1,439,143 units at a price of $0.70 per unit for gross proceeds of $1,007,400. Using the residual method, the warrants have been determined to have a value of $Nil. Each unit consists of one common share and one warrant exercisable at $1.00 per share until expiry on March 9, 2025. In conjunction with the private placement, the Company issued 57,760 broker warrants exercisable to acquire shares at a price of $0.70 per share until March 9, 2025, with a fair value of $27,534. In addition, the Company also paid $40,431 in finder's fees.

On March 31, 2022, the Company completed a private placement of 619,379 units at a price of $0.70 per unit for gross proceeds of $433,565. Using the residual method, the warrants have been determined to have a value of $61,938. Each unit consists of one common share and one warrant exercisable at $1.00 per share until expiry on March 31, 2025. common share and one warrant exercisable at $1.00 per share until expiry on March 9, 2025. In conjunction with the private placement, the Company issued 39,762 broker warrants exercisable to acquire shares at a price of $0.70 per share until March 9, 2025, with a fair value of $14,265. In addition, the Company also paid $29,640 in finder's fees.

During the year ended March 31, 2022, the Company issued 107,504 common shares for marketing services in the value of $80,000.

During the year ended March 31, 2022, the Company issued 2,078,882 common shares pursuant to the exercise of warrants with a weighted average exercise price of $0.70 for total proceeds of $1,458,618.

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 number of Common Shares reserved for issuance pursuant to the exercise of stock options under the stock option plan is equal to 10% of the number of issued and outstanding Common Shares of the Company at any given time on a "rolling" basis.

For the year ended March 31, 2023:

On April 13, 2022, the Company granted 200,000 stock options with an exercise price of $0.59, vesting immediately on grant, expiring on April 13, 2024. The fair value of the stock options was $61,197 using the Black-Scholes options pricing model with the following assumptions: volatility of 100%, risk-free interest rate of 2.34%, expected life of 2 years, exercise price of $0.59, a dividend yield of 0%, and a share price of $0.58.

On February 23, 2023, the Company granted 750,000 stock options with an exercise price of $0.05, vesting immediately on grant, expiring on February 23, 2024. The fair value of the stock options was $47,857 using the Black-Scholes options pricing model with the following assumptions: volatility of 191%, risk-free interest rate of 4.25%, expected life of 1 year, exercise price of $0.05, a dividend yield of 0%, and a share price of $0.085.

During the year ended March 31, 2023, share based compensation related to the grant of options was $109,054.

For the year ended March 31, 2022:

On May 26, 2021, the Company granted 50,000 stock options with an exercise price of $0.50, vesting immediately on grant, expiring on April 30, 2023. The fair value of the stock options was $2,826 using the Black-Scholes options pricing model with the following assumptions: estimated volatility of 100%, 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 $0.17.

On May 26, 2021, the Company granted 50,000 stock options with an exercise price of $0.50, vesting over six months, expiring on May 26, 2023. The fair value of the stock options was $44,356 using the Black-Scholes options pricing model with the following assumptions: estimated volatility of 124%, 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 $1.26.

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 dividend yield of 0%, and a share price of $1.07.

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.

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.

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.

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.

During the year ended March 31, 2022, share based compensation related to the grant of options was $196,695.

(Expressed in Canadian dollars)

A summary of stock option activity for the years ended March 31, 2023 and 2022 is as follows:

	Number of options	Weighted average exercise price
Outstanding, March 31, 2021	-	-
Granted	317,000	0.93
Outstanding, March 31, 2022	317,000	$ 0.93
Granted	950,000	0.16
Canceled/Expired	(267,500)	0.72
Outstanding, March 31, 2023	**999,500**	**0.26**
Exercisable, March 31, 2023	**999,500**	**0.26**

Details of the options outstanding and exercisable as at March 31, 2023 are as follows:

Expiry date	Number of Options Outstanding	Number of Options Vested	Exercise price
May 26, 2023	100,000	100,000	$0.50
June 28, 2023	22,000	22,000	$1.07
September 9, 2023	102,500	102,500	$1.12
September 14, 2023	25,000	25,000	$1.20
February 24, 2024	750,000	750,000	$0.05
Balance, March 31, 2022	**999,500**	**999,500**	**0.26**

The weighted-average remaining contractual life of options outstanding at March 31, 2023 was 0.75 years.

Details of the options outstanding and exercisable as at March 31, 2022 are as follows:

Expiry	Number of Options Outstanding	Number of Options Vested	Exercise price
May 26, 2023	100,000	100,000	$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, March 31, 2022	**317,000**	**317,000**	

The weighted-average remaining contractual life of options outstanding at March 31, 2022 was 1.33 years.

c. Warrants

A summary of warrant activity for the year ended March 31, 2023 and 2022 is as follows:

	Number of warrants	Weighted average exercise price
Outstanding, March 31, 2021	8,180,000	$0.59
Issued	13,621,044	$0.69
Exercised	(2,078,882)	$0.28
Outstanding and exercisable, March 31, 2022	19,722,162	$0.65
Issued	10,775,000	$0.22
Expired	(11,175,518)	$1.00
Exercised	(600)	$0.20
Outstanding and exercisable, March 31, 2023	**19,321,044**	**$0.36**

For the year ended March 31, 2023:

On May 26, 2022, 8,582,778 warrants related to the IPO expired.

On April 12, 2022, the Company issued 600 common shares pursuant to the exercise of warrants with a weighted average exercise price of $0.20 for total proceeds of $120.

On September 23, 2022, the Company announced the signing of a consulting agreement with Countryman Investments Limited, represented by Dave Richardson as a strategic advisor, pursuant to which the Company issued 3,500,000 share purchase warrants as compensation. Each warrant is exercisable to acquire one common share at a price of $0.07 per common share for a period of three years from issuance. The fair value of the warrants was determined to be $144,464 using the Black-Scholes options pricing model with the following assumptions: volatility of 122%, risk-free interest rate of 3.76%, expected life of 3 years, exercise price of $0.07, a dividend yield of 0%, and a share price of $0.07.

On December 17, 2022, 2,367,790 warrants related to the IPO expired.

On January 8, 2022, 432,250 warrants related to the 2021 private placement expired.

On March 14, 2023, 7,240,000 warrants were issued related to the private placement financing which raised gross proceeds of $362,000. In addition, 35,000 broker warrants were issued in conjunction with financing. The warrants have a strike price of $0.07 and expiry dates between November 2023 and March 2024.

The weighted-average remaining contractual life of warrants outstanding at March 31, 2022 was 1.43 years.

For the year ended March 31, 2022:

On May 26, 2021, the Company granted 5,750,000 warrants as part of the units issued pursuant to the IPO. 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: dividend yield of 0%, volatility of 113%, risk-free interest rate of 0.30%, and expected life of one year. During the year ended March 31, 2022, the Company recorded $74,654 as share issuance costs relating to these warrants.

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

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: dividend yield of 0%, volatility of 126%, risk-free interest rate of 0.41%, and expected life of one year. During the year ended March 31, 2022, the Company recorded $34,430 as share-based compensation relating to these warrants.

On September 1, 2021, the Company granted 200,000 warrants 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: dividend yield of 0%, volatility of 129%, risk-free interest rate of 0.79%, and expected life of five years. During the year ended March 31, 2022, the Company recorded $154,201 as share-based compensation relating to these warrants.

On November 8, 2021, the Company granted 1,375,000 warrants as part of the units issued pursuant to a private placement. 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: dividend yield of 0%, 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 year ended March 31, 2022, the Company recorded $179,038 as share issuance costs relating to these warrants.

On November 13, 2021, the Company issued 250,000 warrants to James Pakulis, Chief Executive Officer, 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: dividend yield of 0%, volatility of 114%, risk-free interest rate of 1.21%, and expected life of four years. During the year ended March 31, 2022, the Company recorded $163,788 as share-based compensation relating to these warrants.

On March 9, 2022, the Company granted 1,439,143 warrants pursuant to a private placement. The warrants are exercisable at $1.00 per share until expiry on March 9, 2025. Another 57,760 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 $0.70 until March 9, 2025. The finder's warrants had a grant date fair value of $0.4767 per warrant determined using the Black-Scholes options pricing model with the following assumptions: dividend yield of 0%, volatility of 113%, risk-free interest rate of 1.45%, and expected life of three years. During the year ended March 31, 2022, the Company recorded $27,534 as share issuance costs relating to these warrants.

On March 9, 2022, the Company granted 619,379 warrants pursuant to a private placement. The warrants are exercisable at $1.00 per share until expiry on March 31, 2025. Another 39,762 warrants were issued as a finder's fee in relation with this private placement. Each of these finder's warrants is exercisable into one common share at an exercise price of $0.70 until March 31, 2025. The finder's warrants had a grant date fair value of $0.3587 per warrant determined using the Black-Scholes options pricing model with the following assumptions: dividend yield of 0%, volatility of 113%, risk-free interest rate of 2.17%, and expected life of three years. During the year ended March 31, 2022, the Company recorded $14,265 as share issuance costs relating to these warrants.

During the year ended March 31, 2022, the Company recorded share-based compensation of $140,259 related to the vesting of warrants previously granted during the year ended March 31, 2021.

The weighted-average remaining contractual life of warrants outstanding at March 31, 2023 was $0.86 years (2022 -1.54 years).

(Expressed in Canadian dollars)

As at March 31, 2023, the Company had outstanding share purchase warrants as follows:

Number of warrants	Exercise price	Expiry date
50,000	$1.00	May 26, 2023
1,240,000	$0.20	May 26, 2023
200,000	$0.07	November 4, 2023
490,000	$0.07	November 13, 2023
4,000,000	$0.07	December 13, 2023
535,000	$0.07	February 27, 2023
2,050,000	$0.07	March 14, 2024
150,000	$0.50	May 26, 2024
1,375,000	$1.35	November 8, 2024
125,000	$1.00	November 8, 2024
1,439,143	$1.00	March 9, 2025
57,760	$0.70	March 9, 2025
659,141	$1.00	March 31, 2025
3,500,000	$0.07	September 26, 2025
250,000	$0.50	November 13, 2025
3,000,000	$2.00	December 21, 2025
200,000	$0.90	September 1, 2026
19,321,044	**$0.56**	

As at March 31, 2022, the Company had outstanding share purchase warrants as follows:

Number of warrants	Exercise price	Expiry date
8,582,778	$1.00	May 26, 2022
2,181,120	$1.00	December 17, 2022
186,670	$0.20	December 17, 2022
223,050	$1.00	January 8, 2023
2,500	$0.20	January 8, 2023
1,240,000	$0.20	May 26, 2023
50,000	$1.00	May 26, 2023
150,000	$0.50	May 26, 2024
1,375,000	$1.35	November 8, 2024
125,000	$1.00	November 8, 2024
1,439,143	$1.00	March 9, 2025
57,760	$0.70	March 9, 2025
659,141	$1.00	March 31, 2025
250,000	$2.00	November 13, 2022
3,000,000	$0.50	December 21, 2025
200,000	$0.90	September 1, 2026
19,722,162		

d. Restricted Share Units

Upon completion of the RTO on December 21, 2020, the Company granted 3,000,000 restricted share units ("RSUs") to the President of the Company. The RSUs had a fair value of $0.20 at time of grant and expire on December 21, 2024 (the "Expiry Date"). The RSUs vest on revenue related performance conditions as follows:

(Expressed in Canadian dollars)

a) 1,000,000 RSUs if in any rolling 12 months following the grant date of the RSUs until December 21, 2024, the annual gross sale revenues of the Company exceed $2,000,000;

b) 1,000,000 RSUs if in any rolling 12 months following the grant date of the RSUs until December 21, 2024, the annual gross sale revenues of the Company exceed $4,000,000; and

c) 1,000,000 RSUs if in any rolling 12 months following the grant date of the RSUs until December 21, 2024, the annual gross sale revenues of the Company exceed $8,000,000.

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. The first condition was met during the year ended March 31, 2023 and therefore the Company issued 1,000,000 common shares to the President on March 22, 2023.

During the year ended March 31, 2022, following the completion of the Beanfields acquisition (note 5), management had determined that it is probable that gross sales will exceed $8,000,000 before the Expiry Date and therefore the Company has recognized a share-based payment expense of $66,000 in the period with a corresponding increase to reserves.

During the year ended March 31, 2023, management determined that the remaining performance conditions are not probable of achievement and therefore revised its estimate to recognize a share-based payment expense of $134,000 in the period, related to the first performance milestone only, with a corresponding increase to reserves.

20. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties and related party transactions not disclosed elsewhere in these 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 years ended March 31, 2023 and 2022 were as follows:

		March 31, 2023		March 31, 2022
Management fees	$	398,500	$	395,250
Consulting fees		109,338		-
Salaries and benefits		110,942		47,524
Share-based payments		278,464		187,401
	$	897,244	$	630,175

Other compensation

During the year ended March 31, 2023, the Company incurred salaries and wages of $60,000 (2022 - $52,685); management fees of $25,500 (2022 - $Nil); consulting fees of $17,000 (2022 - $Nil); and share-based payments of $12,762 (2022 - $3,090) with a individuals related to the President of the Company.

(Expressed in Canadian dollars)

During the year ended March 31, 2023, 3,800,000 (2022 - Nil) common shares with a fair value of $253,000 (2022 - $Nil) were issued to related parties as consideration for management fees and 700,000 (2022 - Nil) common shares with a fair value of $59,500 (2022 - $Nil) were issued to related parties as consideration for consulting fees included within marketing and sales expense.

Due to related parties

As at March 31, 2023, due to related parties of $27,253 (2022 - $13,208) consisted of reimbursable expenses. These amounts are due on demand, unsecured and non-interest-bearing.

As at March 31, 2023, accounts payable and accrued liabilities included $88,006 (2022 - $31,565) owing to related parties for services provided. These amounts are due on demand, unsecured and non-interest-bearing.

21. ECONOMIC DEPENDENCE

For the year ended March 31, 2023, $1,846,573 or 67% (2022 - $548,370 or 81%) of the Company's revenue was earned from two key customers.

		2023		2022
Customer A	$	**1,330,048**	$	517,335
Customer B		**516,525**		189,819
	$	**1,846,573**	$	707,154

22. INCOME TAXES

The differences between tax recovery for the 2023 and 2022 years ended, and the expected income tax recovery based on statutory rates, arise as follows:

		2023		2022
Loss before income tax	$	(14,812,939)	$	(8,063,588)
Statutory tax rate		27%		27%
Expected tax recovery		(3,999,000)		(2,177,000)
Effect of foreign exchange and tax rates		624,000		17,000
Permanent and other differences		2,031,000		518,000
Share issuance costs		(69,000)		(69,000)
Change in unrecognized temporary differences		4,035,000		1,975,000)
Other		(2,622,000)		(264,000)
Income tax recovery	$	-	$	-

The nature and tax effect on the temporary differences giving rise to potential deferred tax assets at March 31, 2023 and 2022 are as follows:

		2023		2022
Non-capital carryforwards	$	3,619,000	$	1,839,000
Property and equipment		71,000		16,000
Intangible assets		1,069,000		64,000
Share issue costs		42,000		56,000
		4,801,000		1,975,000
Less: unrecognized deferred tax assets		(4,801,000)		(1,975,000)
	$	-	$	-

(Expressed in Canadian dollars)

At March 31, 2023, the Company has accumulated Canadian non-capital losses of $11,707,000 (2022 - $6,642,000) and accumulated US non-capital losses of $2,234,000 (2022 - $218,000) which may be deducted in the calculation of taxable income in future years.

These losses expire as follows:

Expiry Year		Amount
2037	$	33,000
2038		126,000
2039		83,000
2040		160,000
2041		1,048,000
2042		7,335,000
2043		5,156,000
	$	13,941,000

The potential benefit of these non-capital loss carry-forwards has not been recognized in these financial statements as at March 31, 2023, since it is not considered probable that sufficient future taxable profit will allow the deferred assets to be recovered.

23. 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, convertible debt, 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 years ended March 31, 2023 and 2022.

24. FINANCIAL INSTRUMENT RISK MANAGEMENT AND LIQUIDITY

The Company is exposed in varying degrees to a variety of financial instrument related risks. The main types of risk are credit risk, liquidity risk, and market risk, which is the risk of loss that may arise from changes in market factors such as foreign currency exchange, interest rates, and equity price risk. These risks arise throughout the normal course of operations and all transactions are undertaken as a going concern. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Management has 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.

(Expressed in Canadian dollars)

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies, 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.

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. 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 March 31, 2023, The Company has 88% (2022 - 81%) of its accounts receivable outstanding from two key customers (Note 21).

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:

	March 31, 2023	March 31, 2022
1 - 60 days	$ 107,871	$ 234,559
61 - 90 days (past due)	38,647	345
Over 90 days (past due)	21,570	9,461
Total	$ 168,088	$ 244,365

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 also matches the maturity profile of financial assets and liabilities, when feasible. Accounts payable are due within 90 days of year end.

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. The Company has an outstanding convertible debenture at a fixed interest rate. As a result, the Company is not significantly exposed to interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of a change in foreign exchange rates. The Company is primarily exposed to foreign currency risk related to the operations of its US subsidiary. The Company does not use derivative instruments to hedge its exposure to this risk.

The statements of financial position include the following amounts expressed in Canadian dollars with respect to financial assets and liabilities which are denominated in US dollars:

		March 31, 2023		March 31, 2022
Accounts receivable and other receivables	$	160,029	$	865,284
Accounts payable and accrued liabilities		(1,528,202)		(698,646)
Future receipts advances		(285,564)		-
Promissory note		(538,604)		(490,967)
Total	$	(2,192,341)	$	(324,329)

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.

The Company's financial instruments consist of cash and cash equivalents, trade and other receivables, accounts payable, future receipt advances, promissory notes, convertible debentures, and due to related parties. Cash is measured at fair value on a recurring basis using level 1 inputs and other financial instruments are measured at amortized cost.

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

(Expressed in Canadian dollars)

25. SEGMENTED INFORMATION

The Company's reportable operating segments are distinct business units that offer different products within the food industry. The Company has four reportable operating segments: corporate, snacks, entrees, and appetizers.

2023	Corporate ($)	Snacks ($)	Entrees ($)	Appetizers ($)	Total ($)
Revenues	-	2,432,829	160,156	69,149	2,662,134
Net loss	2,651,338	10,636,638	1,347,220	177,743	14,812,939
Total assets	173,440	440,330	68,294	12,790	654,854

2022	Corporate ($)	Snacks ($)	Entrees ($)	Appetizers ($)	Total ($)
Revenues	-	382,815	203,835	97,394	684,044
Net loss	5,295,857	287,928	2,094,413	383,390	8,063,588
Total assets	720,449	9,924,611	407,246	96,211	11,148,517

Geographically, the company has operated in Canada and the United States ("U.S.") since the acquisition of Beanfields on February 11, 2022. The following is selected information for the years ended March 31, 2023 and 2022 based on the geographic segments (no U.S. operations during comparable period).

2023	Canada ($)	U.S. ($)	Total ($)
Revenues	229,305	2,432,829	2,662,134
Net loss	4,176,301	10,636,638	14,812,939
Total assets	254,524	400,330	654,854

2022	Canada ($)	U.S. ($)	Total ($)
Revenues	301,229	382,815	684,044
Net loss	7,775,660	287,928	8,063,588
Total assets	1,223,906	9,924,611	11,148,517

(Expressed in Canadian dollars)

26. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

	2022	2022
Interest paid on debt	$ 233,057	$ 6,177
Fair value of shares issued on conversion of debt	-	63,000
Fair value of broker warrants	2,081	202,989
Fair value of shares issued upon acquisition	-	7,859,010
Fair value of shares issued for services	-	175,000
Fair value of shares issued for acquisition transaction costs	-	394,800
Fair value of share issued to settle debt	787,453	-
Fair value of shares issued pursuant to release agreement	125,000	-
Equity component of convertible debt	58,937	-
Shares issued upon vesting of RSU's	200,000	-
Lease addition	99,831	-

27. COMMITMENTS AND CONTINGENGIES

During the year ended March 31, 2023, the Company received a statement of claim related to unpaid fees related to a marketing agreement. As at March 31, 2023, accounts payable and accrued liabilities include a provision of $263,383 (2022 - $125,000) related to this claim. The Company anticipates settling this claim out of court for an amount equal to, or less than, the amount currently recognized in the financial statements.

During the year ended March 31, 2023, the Company received a statement of claim related to the loan issued to the vendors of Pulse Kitchen as part of the consideration for the acquisition. The full $175,000 (2022 - $200,000) outstanding balance of the loan is reflected in the financial statements as at March 31, 2023. The Company anticipates settling this claim out of court for an amount equal to, or less than, the amount currently recognized in the financial statements.

In addition, the Company also received a statement of claim for an outstanding amount related to a finder's fee associated with the Beanfields acquisition. The Company and the claimant have agreed to settle the claim out of court. As at March 31, 2023, the agreed settlement amount of $101,498 (US$75,000) (2022 - $114,963 (US$92,000)) is included within accounts payable and accrued liabilities.

During the year ended March 31, 2023, the Company received a demand letter related to a Master Receivables Purchase Agreement demanding payment for breach of contract. As at March 31, 2023, accounts payable and accrued liabilities include $94,835 (2022 - $Nil) related to this claim. The Company anticipates settling this claim out of court for an amount equal to, or less than, the amount currently recognized in the financial statements.

During the year ended March 31, 2023, the Company received a statement of claim from a former supplier related to unpaid fees. As at March 31, 2023, accounts payable and accrued liabilities include $263,176 (US$194,470) (2022 - $43,007 (US$34,417)) related to this claim. The Company anticipates settling this claim out of court for an amount equal to, or less than, the amount currently recognized in the financial statements.

28. SUBSEQUENT EVENTS

a) On May 1, 2023, the Company issued 2,100,000 common shares to settle $105,000 of debt and accrued interest pursuant to Tranche 3 of the loan agreement (Note 13). Additionally, the Company issued 1,155,000 common shares in exchange for consulting services of $57,750.

b) On May 3, 2023, the Company issued 1,750,000 as bonus shares in connection with loan proceeds of $87,500 received. Additionally, the Company issued 4,250,000 common shares in exchange for consulting services of $212,500.

c) On May 31, 2023, the Company issued 1,740,000 common shares to settle loans of $87,500 and 504,000 common shares to settle cash advances of $25,200. Additionally, the Company issued 6,950,000 common shares in exchange for consulting services of $347,500.

d) On June 13, 2023, the Company issued 2,000,000 common shares as bonus shares in connection with loan proceeds of $100,000 received. Additionally, the Company issued 8,000,000 common shares in exchange for consulting services of $400,000.

e) On July 4, 2023, the Company issued 19,000,000 common shares in exchange for consulting services of $950,000.

f) On August 30, 2023 the Company entered into an exclusive US licensing agreement with an arm's length party for the sale and distribution of Beautiful Beanfields products. The licensee will pay the Company a license fee equal to 7% of the cost of goods sold. In addition, the agreement also includes a line of credit agreement for up to US$950,000 to cover Beanfields production costs. Until repayment is made in full, interest will accrue on the unpaid principal of advance at a fixed rate of 15% per annum. Beginning on October 1, 2023, the Company will make monthly interest payments for all accrued interest.