Boosh Plant-Based Brands Inc.

Condensed Consolidated Interim Financial Statements

For the Three and Nine Months Ended December 31, 2023 and 2022

(Expressed in Canadian dollars)

(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

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

	Note		**December 31, 2023**		March 31, 2023
ASSETS					
Current assets					
Cash	5	**$**	**22,466**	$	48,524
Trade and other receivables	6		**153,207**		223,517
Prepaid expenses			**25,573**		63,709
Inventory	7		**125,795**		207,449
			327,041		543,199
Equipment	8		**12,834**		28,463
Right-of-use asset	14		**58,676**		83,192
Total assets		**$**	**398,551**	$	654,854
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)					
Current liabilities					
Accounts payable and accrued liabilities	9	**$**	**4,114,499**	$	3,474,289
Due to related parties	16		**29,729**		27,253
Future receipt advances	12		**276,811**		285,564
Promissory note	11		**529,040**		538,604
Current portion of lease liability	14		**34,769**		30,444
			4,984,848		4,356,154
Convertible debentures	13		**224,548**		203,753
Lease liability	14		**30,363**		56,039
Total liabilities			**5,239,759**		4,615,946
Shareholders' equity (deficiency)					
Share capital	15		**19,405,074**		18,217,374
Reserves	15		**1,783,222**		1,783,222
Deficit			**(25,790,019)**		(24,171,881)
Accumulated other comprehensive income			**(239,485)**		210,193
Total shareholders' equity (deficiency)			**(4,841,207)**		(3,961,093)
Total liabilities and shareholders' equity		**$**	**398,551**	$	654,854

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

Subsequent event (Note 20)

These condensed consolidated interim financial statements were approved by the Board of Directors on February 29, 2024

"Connie Marples" Director *"Rob Hall"* Director

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

Boosh Plant-Based Brands Inc.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
For the Three Months Ended December 31, 2023 and 2022
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended December 31,		Nine months ended December 31,	
	2023	**2022**	**2023**	**2022**
Sales	$ 61,563	$ 523,247	$ (32,463)	2,673,484
Cost of sales	58,917	559,292	136,433	2,640,397
Gross profit	2,646	(36,045)	(168,896)	33,087
Operating expenses				
Depreciation and amortization	12,676	163,708	37,681	501,062
General and administrative	10,193	103,591	215,734	430,064
Marketing, sales, and distribution	3,511	96,865	84,201	608,613
Management fees	104,000	24,000	152,000	197,000
Professional fees	(39,116)	84,459	109,009	286,115
Rent	3,036	6,352	9,108	44,692
Research and development	-	936	-	4,336
Salaries	50,200	147,593	160,124	765,675
Share-based payments	-	135,000	-	654,773
Total operating expenses	144,500	762,504	767,857	3,492,330
Net loss before the undernoted items	(141,854)	(798,549)	(936,753)	(3,459,243)
Other income (loss)				
Foreign exchange loss (gain)	(204,878)	(117,967)	471,520	707,113
Loss on disposal of equipment	-	771	(516)	(13,965)
Accretion expense	(12,131)	(2,491)	(28,237)	(4,587)
Finance expense	-	-	(2,081,000)	-
Interest expense	(60,221)	(81,954)	(173,202)	(108,768)
Gain on debt settlement	-	-	1,130,050	-
Net loss	$ (419,084)	$ (1,000,190)	$ (1,618,138)	$ (2,879,450)
Cumulative translation adjustment	252,371	73,588	(239,485)	(425,027)
Net loss and comprehensive loss	(166,713)	(926,602)	(1,857,623)	(3,304,477)
Weighted average number of shares, basic and diluted	114,247,205	35,220,962	101,167,187	32,370,296
Loss per share, basic and diluted	$ (0.001)	$ (0.03)	$ (0.018)	$ (0.10)

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

Boosh Plant-Based Brands Inc.
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
For the Three Months Ended December 31, 2023 and 2022
(Expressed in Canadian dollars)
(Unaudited)

	Share Capital										
	Number of common shares		Amount		Reserves		Deficit		Accumulated other comprehensive income		Total shareholders' deficit
Balance, March 31, 2022	**29,937,817**	**$**	**15,720,324**	**$**	**1,534,406**	**$**	**(9,358,942)**	**$**	**87,008**	**$**	**7,982,796**
Exercise of warrants	600		120		-		-		-		120
Shares issued for services	2,561,299		274,055		-		-		-		274,055
Shares issued pursuant to release agreement	500,000		125,000		-		-		-		125,000
Shares issued from private placement	784,783		170,000		-		-		-		170,000
Conversion option of convertible shares	-		-		21,744		-		-		21,744
Share-based payments	-		-		519,773		-		-		519,773
Net loss for the year	-		-		-		(1,879,260)		-		(1,879,260)
Currency translation adjustment	-								(585,623)		(585,623)
Balance, December 31, 2022	**33,784,499**	**$**	**16,289,499**	**$**	**2,075,923**	**$**	**(11,238,202)**	**$**	**(498,615)**	**$**	**6,628,605**
Balance, March 31, 2023	**67,892,205**		**18,217,374**		**1,783,222**		**(24,171,881)**		**210,193**		**(3,961,092)**
Shares issued for debt	5,515,000		231,900		-		-		-		231,900
Shares issued for financing costs	40,840,000		955,800		-		-		-		955,800
Net loss for the year							(1,618,138)		-		(1,618,138)
Currency translation adjustment									(449,678)		(449,678)
Balance, December 31, 2023	**114,247,205**	**$**	**19,405,074**	**$**	**1,783,222**	**$**	**(25,790,019)**		**(239,485)**	**$**	**(4,841,208)**

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

Boosh Plant-Based Brands Inc.
Condensed Consolidated Interim Statements of Cash Flows
For the Nine Months Ended December 31, 2023 and 2022
(Expressed in Canadian dollars)
(Unaudited)

		2023	2022
Operating activities			
Net loss for the period	**$**	**(1,618,138)**	(2,879,450)
Items not affecting cash:			
Accretion expense		**20,795**	4,857
Depreciation and amortization		**40,145**	501,062
Accrued interest		**15,810**	6,237
Gain on debt settlement		**(70,100)**	-
Share-based payments		**-**	654,773
Shares issued for services		**-**	516,321
Loss on disposal of equipment		**-**	13,965
Non-cash working capital items:			
Accounts receivable		**70,310**	624,262
Prepaid expenses and deposits		**38,136**	379,995
Inventory		**81,654**	(494,240)
Accounts payable and other liabilities		**1,664,200**	644,650
Due to related parties		**2,476**	4,424
Net cash used in operating activities		**245,288**	(23,414)
Investing activity			
Purchase of equipment		**-**	(2,104)
Sale of equipment		**-**	4,402
Net cash used in investing activity		**-**	2,298
Financing activities			
Net proceeds from private placement		**-**	170,000
Obligation to issue shares		**-**	215,000
Proceeds from loan		**218,000**	-
Proceeds from exercise of warrants		**-**	120
Issuance of convertible debt		**-**	250,000
Advance (repayment) of future receipts		**(21,351)**	-
Repayment of lease principal		**(8,753)**	(37,374)
Accrued interest		**-**	5,144
Net cash provided by financing activities		**187,896**	718,560
Impact of currency translation on cash		**(459,242)**	(730,098)
Change in cash		**(26,058)**	(32,654)
Cash, beginning of the period		**48,524**	217,117
Cash, end of the period	**$**	**22,466**	184,463

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

1. NATURE OF OPERATIONS

Boosh Plant-Based Brands Inc. (the "Company" or "BPBB") was 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. As a result, Boosh became a wholly owned subsidiary of the Company. This transaction is accounted for as a reverse asset acquisition of the Company by Boosh ("RTO"). On January 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 at #205-18428 53rd Ave, Surrey, BC V3S 7A4. 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 condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. To date, the Company has incurred losses and may incur further losses in the development of its business.

During the nine months ended December 31, 2023, the Company incurred a net loss of $1,618,138 and had an accumulated deficit of $25,790,019 as at December 31, 2023. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to raise financing and generate profits and positive cash flows from operations in order to cover its operating costs. From time to time, the Company generates working capital to fund its operations by raising additional capital through equity financing. However, there is no assurance it will be able to continue to do so in the future. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These 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. Such adjustments could be material.

2. BASIS OF PREPARATION

Statement of compliance

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

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on February 29, 20.

Basis of consolidation

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

Functional and presentation currency

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

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 3 on the audited annual consolidated financial statements for the years ended March 31, 2023 and 2022 and have been consistently followed in the preparation of these condensed consolidated interim financial statements.

Except as summarized below, the Company used the same accounting policies and methods of computation as in the audited annual consolidated financial statements for the years ended March 31, 2023 and 2022.

Accounting standards issued but not yet effective

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

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

In preparing these condensed consolidated interim financial statements, the significant estimates and critical judgments were the same as those applied to the audited consolidated financial statements as at and for the years ended March 31, 2023 and 2022.

(Expressed in Canadian dollars)

5. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents consists of the following at the dates below:

	December 31, 2023 ($)	March 31, 2023 ($)
Deposit at bank	2,466	28,524
Cashable Guaranteed Investment Certificate ("GIC")	20,000	20,000
	22,466	48,524

6. TRADE AND OTHER RECEIVABLES

	December 31, 2023 ($)	March 31, 2023 ($)
Trade receivables	91,906	168,088
GST receivable	61,189	55,429
Other receivables	112	-
	153,207	223,517

7. INVENTORY

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

	December 31, 2023 ($)	March 31, 2023 ($)
Finished goods	-	64,038
Raw materials	125,795	143,411
	125,795	207,449

During the three months ended December 31, 2023, the Company expensed 58,917 $ (2022 - $767,832) of inventory in the cost of sales.

8. EQUIPMENT

	Kitchen Equipment ($)	Computer Equipment ($)	Leasehold Improvements ($)	Machinery, Equipment, Furniture, and Fixtures ($)	Total ($)
Cost					
Balance, March 31, 2022	23,386	43,800	32,731	17,895	117,812
Additions	-	2,100	-	-	2,100
Disposals	(10,781)	(4,174)	(32,371)	(12,681)	(60,457)
Balance, March 31, 2023	12,515	41,726	-	5,214	59,455
Disposals	(5,345)	-	-	-	(5,345)
Balance Dec. 31, 2023	**7,170**	**41,726**	**-**	**5,214**	**54,110**

(Expressed in Canadian dollars)

Accumulated Depreciation					
Balance, March 31, 2022	2,529	11,377	12,019	3,430	29,335
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
Depreciation	1,536	9,978	-	1,650	13,164
Disposals	(2,880)	-	-	-	(2,880)
Balance Dec 30, 2023	**3,889**	**34,365**	**-**	**3,022**	**41,276**
Net Book Value					
At March 31, 2023	7,282	17,339	-	3,842	28,463
At Dec 30, 2023	**3,281**	**7,361**	**-**	**2,192**	**12,834**

9. ACCOUNTS PAYABLE AND OTHER LIABILITIES

	December 31, 2023 ($)	March 31, 2023 ($)
Trade payables	**3,003,662**	2,406,810
Accrued liabilities	**829,539**	761,156
Payroll liabilities	**281,298**	306,323
	4,114,499	3,474,289

10. 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 nine months ended December 31, 2023, the Company was advanced $218,000 which was repaid through the issuance of 3,205,000 shares. In addition, 1,155,000 shares were issued during the period to repay $100,000 in debt which was advanced during the previous year. The funding was repaid through the issuance of shares in the Company within two months of issuance 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 nine months ended December 31, 2023, the Company recognized a gain of $88,850 related to the settlement of funds advanced pursuant to the Agreement.

In addition, the Company issued an aggregate of 40,840,000 bonus and consulting shares related to the funding. The fair market value of the bonus and consulting shares issued in conjunction with the shares issued during the quarter was recorded as a financing cost in the statement of loss and comprehensive loss for the nine months ended December 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. For the nine months ended December 31, 2023, the Company recognized a gain of $1,003,950 related to the settlement of financing fees incurred pursuant to the Agreement.

(Expressed in Canadian dollars)

As at December 31, 2023 there were no amounts outstanding relating to funding received pursuant to terms of the Agreement.

11. PROMISSORY NOTE

As part of the purchase consideration for the Beanfield's acquisition, which closed on February 16, 2022, 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, 2022	$	490,967
Accrued interest		32,101
Interest paid		(32,101)
Accretion		6,755
Impact of currency translation		40,882
Balance, March 31, 2023	$	538,604
Accrued interest		22,153
Interest paid		(22,153)
Accretion		2,694
Impact of currency translation		(12,258)
Balance, December 31, 2023	**$**	**529,040**

12. FUTURE RECEIPT ADVANCES

During the year ended March 31, 2023 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$396,000. Net proceeds from this transaction were US$193,300 and were net of an initial financing fee of US$21,624. Under the terms of the agreement, borrowings were payable in equal weekly instalments of US$15,230 over a term of 26 weeks.

At December 31, 2023 the unpaid balance remaining under the loan agreement was $276,811 (US$209,293). During the three and nine months ended December 31, 2023 the Company paid interest and financing fees of $4,046 (US$3,000), and $90,177 (US$66,862) related to the financing agreements.

13. 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.

(Expressed in Canadian dollars)

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.

A continuity of the convertible note is as follows:

		Face value		Carrying value
Balance, March 31, 2023	$	**250,000**	$	203,753
Accretion		-		20,795
Balance, December 31, 2023	**$**	**250,000**	**$**	224,548

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 three months ended December 31, 2023, the Company recognized $6,301 (2022 - $Nil) of interest expense in the statement of loss and comprehensive loss. As at December 31, 2023, $32,260 (March 31, 2023 - $13,425) of accrued interest is included within accounts payable.

14. RIGHT OF USE ASSETS 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 to July 31, 2022. The Company is committed to a monthly rental fee of $6,914 per month plus operating expenses.

Upon commencement of the lease, the Company paid a deposit of $54,910 which consisted of a prepayment of the first three months and last two months of rent and related operating expenses for those periods.

Right-of-Use Assets	**($)**
Cost	
Balance, March 31, 2022	42,239
Additions	99,831
Depreciation expense	(55,878)
Balance, March 31, 2023	83,192
Depreciation expense	(24,516)
Balance, December 31, 2023	**58,676**
Net carrying value:	
At March 31, 2023	83,192
At December 31, 2023	**58,676**

(Expressed in Canadian dollars)

At December 31, 2023, the Company's lease obligation related to its right of use assets is as follows:

Lease Obligations	**($)**
Cost	
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
Lease payments	(30,912)
Interest expense	8,746
Balance, December 31, 2023	**64,317**
Which consists of:	
Current portion	34,769
Long-term portion	30,363
	65,132

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

Maturity Analysis	**Building**
Less than one year	42,228
One to five years	32,292
Total undiscounted lease liabilities	**74,520**

Amounts recognized in profit or loss	
Interest on lease liabilities	8,746
Expenses related to variable lease payments not included in lease	-
Total amounts recognized in profit or loss	**8,746**

Amounts recognized in the statement of cash flows	
Total cash outflow for leases	**10,488**

15. SHARE CAPITAL

a. Common shares

Authorized

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

Issued and outstanding

As at December 31, 2023, there were 114,147,205 (March 31, 2023 – 67,892,295) common shares issued and outstanding. Details of the common shares issued are as follows:

For the nine months ended December 31, 2023:

On May 1, 2023, the Company issued 2,100,000 common shares with a fair market value of $0.04 per share for the settlement of $100,000 in debt related to Tranche 3 of the Loan Agreement and 1,155,000 common shares at a fair market value price of $0.04 per share for consulting fees related to Tranche 3 of the Loan Agreement.

On May 5, 2023, the Company issued 1,750,000 common shares with a fair market value of $0.045 per share for the settlement of $87,500 in debt related to Tranche 4 of the Loan Agreement and 4,250,000 common shares with a fair market value of $0.05 per share for consulting fees related to Tranche 4 of the Loan Agreement.

On May 31, 2023, the Company issued 8,100,000 common shares with a fair market value of $0.025 per share for financing fees related to Tranche 4 of the Loan Agreement.

On June 13, 2023, the Company issued 2,000,000 common shares with a fair market value of $0.03 per share for the settlement of $100,000 in debt related to Tranche 5 of the Loan Agreement and 8,000,000 common shares with a fair market value of $0.03 per share for consulting fees related to Tranche 4 of the Loan Agreement.

On July 17, 2023, the Company issued 610,000 common shares with a fair market value of $0.015 per share for the settlement of $30,500 in debt related to the Loan Agreement and 18,390,000 common shares with a fair market value of $0.015 per share for consulting fees related to the Loan Agreement.

For 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 12) whereby the Company was obligated to issue 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.

b. Stock options

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

(Expressed in Canadian dollars)

For the nine months ended December 31, 2023:

None

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.

A summary of stock option activity for the nine months ended December 31, 2023 and the year ended March 31, 2023 is as follows:

	Number of Options (#)	**Weighted average exercise price ($)**
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
Expired	(249,500)	0.88
Outstanding and exercisable, Dec.31, 2023	**750,000**	**0.05**

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

Expiry date	**Number of Options Outstanding (#)**	**Number of Options Vested (#)**	**Exercise price ($)**
February 24, 2024	750,000	750,000	$0.05
Balance, Dec 31, 2023	**750,000**	**750,000**	**$0.05**

The weighted-average remaining contractual life of options outstanding at December 31, 2023 was 0.15 years.

(Expressed in Canadian dollars)

c. Warrants

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

	Number of warrants (#)	Weighted average exercise price ($)
Outstanding, 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, March 31, 2023	19,321,044	0.55
Expired	(5,980,000)	0.10
Outstanding and exercisable, Dec. 31, 2023	**13,341,044**	**0.51**

For the Nine months ended December 31, 2023:

During the nine months ended December 31, 2023, 4,690,000 warrants expired with an exercise price of $0.07, 1,240,000 000 warrants expired with an exercise price of $0.20, and 50,000 warrants expired with an exercise price of $1.00.

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 December 31 2023 was 2.1 years.

(Expressed in Canadian dollars)

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

Number of warrants	Exercise price	Expiry date
535,000	$0.07	February 27, 2024
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	$2.00	December 22, 2025
3,000,000	$0.50	December 21, 2025
200,000	$0.90	October 7, 2026
13,341,044	**$0.51**	

16. RELATED PARTY TRANSACTIONS AND BALANCES

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

Key management compensation

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

Remuneration attributed to key management personnel for the nine months ended December 31, 2023 and 2022:

	December 31, 2023 ($)	December 31, 2022 ($)
Management fees	113,000	72,000
Professional fees	-	31,721
Share-based payments	-	510,000
	113,000	445,721

Other compensation

During the three and nine months ended December 31, 2023, the Company incurred salaries and wages of $16,154 and $46,154, respectively (2022 $16,153 and $26,900, respectively) from an individual related to the CEO of the Company.

Due to related parties

As at December 31, 2023, due to related parties of $29,729 (December 31, 2022 - $17,362) consisted of expense reimbursements. These amounts are due on demand, unsecured and non-interest-bearing.

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:

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

17. 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 nine months ended December 31, 2023.

18. 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.

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

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

		December 31, 2023		March 31, 2023
1 - 60 days	$	**47,603**	$	107,871
61 - 90 days (past due)		**11,049**		38,647
Over 90 days (past due)		**30,769**		21,570
Total	$	**89,422**	$	168,088

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.

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:

		December 31, 2023		March 31, 2023
Accounts receivable and other receivables	$	**89,422**	$	160,029
Accounts payable and accrued liabilities		**(1,510,888)**		(1,528,202)
Future receipts advances		**(276,811)**		(285,564)
Promissory note		**(529,040)**		(538,604)
Total	$	**(2,227,317)**	$	(2,192,341)

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 advance, promissory notes, convertible debentures, and due to related parties. Cash is measured at fair value on a recurring basis using level 1 inputs.

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

19. 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 December 31, 2023, accounts payable and accrued liabilities include a provision of $273,500 (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 already reflected in the financial statements as at December 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 December 31, 2023, the agreed settlement amount of $102,023 (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 December 31, 2023, accounts payable and accrued liabilities include $157,745 (USD$115,963 (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 December 31, 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.

20. SUBSEQUENT EVENT

On February 12, 2024, the Company announced that it settled $516,000 in amounts payable to various vendors and creditors via the issuance of 25,800,000 common shares at a price of $0.02 per share.