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Lifeist Wellness Inc.
Consolidated Financial Statements

For the years ended November 30, 2022 and 2021

(In Canadian dollars)

LIFEIST WELLNESS INC.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Lifeist Wellness Inc.:

Opinion

We have audited the consolidated financial statements of Lifeist Wellness Inc. and its subsidiaries (together the "entity"), which comprise the consolidated statements of financial position as at November 30, 2022 and 2021, and the consolidated statements of operations, consolidated statements of comprehensive loss, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the entity as at November 30, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the entity in accordance with the ethical requirements that are relevant to our audits 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 describes the events and conditions indicating that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis filed with the relevant Canadian securities commissions.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. 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 International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the entity'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 entity or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity 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 entity 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.

The engagement partner on the audit resulting in this independent auditor's report is Mary Louise Hall.

Baker Tilly WM LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
March 30, 2023

LIFEIST WELLNESS INC.

Consolidated Statements of Financial Position
As at November 30, 2022 and November 30, 2021
(Expressed in Canadian dollars)

	Notes	November 30, 2022	November 30, 2021
ASSETS			
Current assets			
Cash and cash equivalents		$ 3,801,688	$ 12,739,457
Trade and other receivables	6 (a)	5,805,832	4,369,977
Convertible loan receivable	6 (b)	-	2,044,077
Inventories	7	4,536,721	5,369,516
Prepaid expenses and other assets	13	914,426	3,073,041
Total current assets		15,058,667	27,596,068
Non-current assets			
Deferred tax assets	22 (c)	18,156	-
Portfolio investments	9	76,250	362,603
Property and equipment	10	3,096,158	3,716,635
Intangible assets	11	1,417,905	5,169,804
Goodwill	12	667,091	667,091
Other assets	13	335,173	444,765
Total non-current assets		5,610,733	10,360,898
Total assets		$ 20,669,400	$ 37,956,966
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	14	$ 6,194,045	$ 8,480,082
Other short-term liabilities	26	539,000	1,347,500
Short-term portion of lease liabilities	17	144,782	190,445
Deferred revenue	15	243,514	874,512
Provisions	16	-	326,594
Total current liabilities		7,121,341	11,219,133
Non-current liabilities			
Deferred tax liabilities	22 (c)	-	40,817
Long-term portion of lease liabilities	17	183,546	364,140
Other long-term liabilities	26	-	269,500
Total non-current liabilities		183,546	674,457
Shareholders' equity			
Share capital	18	156,347,824	153,889,816
Contributed reserve		23,928,800	19,262,133
Options reserve		5,835,017	10,072,227
Warrants reserve		24,398,720	24,320,901
Other reserve	26	(3,769,219)	(3,769,219)
Accumulated deficit		(192,066,533)	(176,631,034)
Accumulated other comprehensive (loss)		(1,310,096)	(1,081,448)
Total shareholders' equity		13,364,513	26,063,376
Total liabilities and shareholders' equity		$ 20,669,400	$ 37,956,966

The accompanying notes are an integral part of the consolidated financial statements.
Going Concern - Note 1.
Subsequent Event - Note 27.

Approved on behalf of the Board on March 30, 2023 by:

"Branden Spikes" — Director

"Meni Morim" — Director

LIFEIST WELLNESS INC.

Consolidated Statements of Operations
For the years ended November 30, 2022 and 2021
(Expressed in Canadian dollars)

	Notes		2022		2021
Gross revenue		$	28,517,472	$	25,682,426
Excise taxes			(6,448,790)		(4,536,623)
Net revenue	5,19		22,068,682		21,145,803
Cost of goods sold	7		17,351,423		19,174,062
Gross profit before inventory adjustment			4,717,259		1,971,741
Inventory write-down	7		(922,599)		(1,851,450)
Gross profit			3,794,660		120,291
Salaries and other compensation costs			7,540,457		10,246,141
Office and general expenses			4,645,900		6,592,098
Technological development			130,053		631,399
Professional fees			1,332,582		1,622,986
Selling and marketing expense			3,037,099		1,806,998
Depreciation and amortization	10,11		1,474,007		1,719,602
Share-based compensation	18 (d)(e)		755,959		1,263,877
Restructuring and other costs (recoveries)	16,20		78,333		(113,676)
Loss before following:			(15,199,730)		(23,649,134)
Other expense	21		198,791		126,299
Change in fair value of convertible loan receivable	6 (b), 8 (ii)		-		(1,842,862)
Earn-out shares issued	18 (b)		1,036,397		-
Impairment loss on intangible assets	11		2,500,000		-
Foreign exchange loss (gain)			(14,670)		134,994
Loss from continuing operations before income tax			(18,920,248)		(22,067,565)
Income tax recovery (expense)	22 (a)		224,253		(163,123)
Net loss from continuing operations, net of tax			(18,695,995)		(22,230,688)
Gain on sale of discontinued operations	4		4,096,558		-
(Loss) from discontinued operations	4		(836,062)		(1,570,061)
Net income (loss) from discontinued operations			3,260,496		(1,570,061)
Net loss		$	(15,435,499)	$	(23,800,749)
Net (loss) per share (basic and diluted) from continuing operations		$	(0.04)	$	(0.06)
Net income (loss) per share (basic and diluted) from discontinued operations		$	0.01	$	(0.004)
Weighted average number of outstanding common shares (basic and diluted)			416,362,028		390,076,063

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

LIFEIST WELLNESS INC.

Consolidated Statements of Comprehensive Loss
For the years ended November 30, 2022 and 2021
(Expressed in Canadian dollars)

		2022		2021
Net loss	$	(15,435,499)	$	(23,800,749)
Other comprehensive loss:				
Items that are or may be reclassified to profit or loss				
Cumulative translation adjustment, net of tax of $13,342 (2021: $2,862)		(14,277)		(127,580)
Items that will not be reclassified to profit or loss				
Changes in the fair value of equity investments designated at FVOCI, net of tax of ($28,404) (2021: $21,862)		(214,371)		(526,242)
		(228,648)		(653,822)
Total comprehensive loss	$	(15,664,147)	$	(24,454,571)

LIFEIST WELLNESS INC.

Consolidated Statements of Changes in Shareholders' Equity
For the years ended November 30, 2022 and 2021
(Expressed in Canadian dollars)

	Attributable to Shareholders of the Company										
	Share Capital		Warrants Reserve		Options Reserve		Contributed Reserve	Other Reserve	Accumulated OCI	Accumulated Deficit	Total Shareholders' Equity
	#	$	#	$	#	$	$	$	$	$	$
Balance at November 30, 2021	404,650,916	153,889,816	85,863,587	24,320,901	17,217,811	10,072,227	19,262,133	(3,769,219)	(1,081,448)	(176,631,034)	26,063,376
Net loss	-	-	-	-	-	-	-	-	-	(15,435,499)	(15,435,499)
Other comprehensive loss	-	-	-	-	-	-	-	-	(228,648)	-	(228,648)
	404,650,916	153,889,816	85,863,587	24,320,901	17,217,811	10,072,227	19,262,133	(3,769,219)	(1,310,096)	(192,066,533)	10,399,229
Transactions directly recorded in equity:											
Cannmart Labs purchase (Note 26)	24,878,244	2,114,399	-	-	-	-	-	-	-	-	2,114,399
Shares issued	3,164,121	112,181	2,500,000	77,819	-	-	-	-	-	-	190,000
Share issuance costs	-	(95,074)	-	-	-	-	-	-	-	-	(95,074)
Forfeiture of options and warrants	-	(74,381)	-	-	(5,887,091)	(4,592,286)	4,666,667	-	-	-	-
Share-based compensation	4,348,237	400,883	-	-	6,721,735	355,076	-	-	-	-	755,959
Balance at November 30, 2022	437,041,518	156,347,824	88,363,587	24,398,720	18,052,455	5,835,017	23,928,800	(3,769,219)	(1,310,096)	(192,066,533)	13,364,513

	Attributable to Shareholders of the Company												
	Share Capital		Warrants Reserve		Options Reserve		Contributed Surplus	Other Reserves	Accumulated OCI	Accumulated Deficit	Total Shareholders' Equity Attributed to Controlling Interest	Non-controlling interests	Total Shareholders' Equity
	#	$	#	$	#	$	$	$	$	$	$	$	$
Balance at November 30, 2020	323,954,483	133,992,359	13,922,500	20,114,526	16,435,205	9,319,817	19,085,412	-	(427,626)	(152,830,285)	29,254,203	(264,781)	28,989,422
Net loss	-	-	-	-	-	-	-	-	-	(23,800,749)	(23,800,749)	-	(23,800,749)
Other comprehensive loss	-	-	-	-	-	-	-	-	(653,822)	-	(653,822)	-	(653,822)
Acquisition of non-controlling interest	-	-	-	-	-	-	-	(3,769,219)	-	-	(3,769,219)	264,781	(3,504,438)
	323,954,483	133,992,359	13,922,500	20,114,526	16,435,205	9,319,817	19,085,412	(3,769,219)	(1,081,448)	(176,631,034)	1,030,413	-	1,030,413
Transactions directly recorded in equity:													
Cannmart Labs purchase	10,990,736	2,417,000	-	-	-	-	-	-	-	-	2,417,000	-	2,417,000
Issue of shares and warrants for public offering, net of issuance costs	65,780,000	18,859,615	69,726,800	4,483,621	-	-	-	-	-	-	23,343,236	-	23,343,236
Private placement	2,214,287	99,404	2,214,287	55,596	-	-	-	-	-	-	155,000	-	155,000
Share issuance costs	-	(1,813,308)		(332,842)	-	-	-	-	-	-	(2,146,150)	-	(2,146,150)
Forfeiture of options and warrants	-	-	-	-	(1,514,833)	(176,721)	176,721	-	-	-	-	-	-
Share-based compensation	1,711,410	334,746	-	-	2,297,439	929,131	-	-	-	-	1,263,877	-	1,263,877
Balance at November 30, 2021	404,650,916	153,889,816	85,863,587	24,320,901	17,217,811	10,072,227	19,262,133	(3,769,219)	(1,081,448)	(176,631,034)	26,063,376	-	26,063,376

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

LIFEIST WELLNESS INC.

Consolidated Statements of Cash Flows
For the years ended November 30, 2022 and 2021
(Expressed in Canadian dollars)

	Notes	2022	2021
Cash flows from operating activities:			
Net loss		$ (15,435,499)	$ (23,800,749)
Adjustments for:			
Gain on sale of discontinued operations	4	(4,096,558)	-
Depreciation	10	1,315,779	1,116,724
Amortization	11	158,228	602,878
Earn-out payment	18 (b)	1,036,397	-
Change in fair value of convertible loan receivable	6 (b), 8 (ii)	-	(1,842,862)
Realized (gain) loss on equity instruments	9 (b)	203,936	-
Share-based compensation	18 (d,e)	755,959	1,263,877
Unrealized (gain) loss on equity instruments	9 (b)	71,982	597,675
Unrealized (gain) loss on derivatives	9 (b)	-	639
Change in provisions	16	(326,594)	(113,676)
Other non-cash (income) expense		(135,277)	223,295
Impairment loss on intangible assets	11	2,500,000	-
Equity shares received	9 (b)	(518,995)	-
Deferred tax (recovery) expense	22 (a)	(30,569)	(38,149)
Foreign exchange loss (gain)		(14,670)	73,548
Cash used in operations before changes in non-cash working capital		(14,515,881)	(21,916,800)
Cash used in discontinued operations	4	(673,974)	(1,408,526)
Changes in non-cash working capital	24 (a)	(156,951)	5,048,335
Net cash used in operating activities		(15,346,806)	(18,276,991)
Cash flows from investing activities:			
Purchase of property and equipment	10	(693,406)	(366,292)
Proceeds from settlement of convertible loan receivable	6 (b), 8 (ii)	2,044,077	-
Proceeds from disposal of discontinued operations	4	5,023,606	-
Proceeds from disposal of equity investments	9 (b)	315,059	5,277
Proceeds from disposal of property and equipment		-	131,440
Net cash provided by (used in) investing activities		6,689,336	(229,575)
Cash flows from financing activities:			
Proceeds from issuance of share capital	18 (b)	72,181	18,959,019
Proceeds from issuance of warrants	18 (b,c)	77,819	4,150,779
Share issuance costs	18 (b)	(95,074)	(1,813,308)
Lease liability principal and interest payment	17	(307,215)	(280,610)
Net cash provided by (used in) financing activities		(252,289)	21,015,880
Net increase (decrease) in cash and cash equivalents		(8,909,759)	2,509,314
Effect of movement in exchange rates on cash held in foreign currencies		(28,010)	(47,883)
Cash and cash equivalents, beginning of the year		12,739,457	10,278,026
Cash and cash equivalents, end of the year		$ 3,801,688	$ 12,739,457

See Note 24 for additional cash flow information.
The accompanying notes are an integral part of the consolidated financial statements.

1. General information

Lifeist Wellness Inc. (formerly Namaste Technologies Inc.) ("Lifeist" or the "Company") is a publicly traded company incorporated under the British Columbia Business Corporations Act and is a reporting issuer in British Columbia, Saskatchewan, Manitoba, Ontario, Alberta, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador. Lifeist's common shares are listed on the TSXV under the symbol "LFST", on the OTCQB® Venture Market under the symbol "NXTTF" and traded as open stock on the Frankfurt Stock Exchange under the symbol "M5BQ". The Company's registered office is 2300 - 550 Burrard Street, Vancouver, British Columbia, Canada.

Lifeist is a portfolio of wellness companies leveraging advancements in science and technology to enable consumers to find their individual path to wellness.

Lifeist's portfolio of brands includes:

- CannMart Inc. ("CannMart"), a distributor of licensed and in-house branded adult-use cannabis and cannabis derived products in Canada;
- CannMart Labs Inc., ("Labs"), licensed facility for BHO (butane hash oil) extraction within Canada;
- CannMart Marketplace Inc. through a U.S. subsidiary operates an online marketplace for hemp-derived CBD and accessories in the U.S.;
- Australian Vapes (AustralianVaporizers.com.au), online supplier of hardware, including vaporizers, and related accessories in Australia; and
- Mikra, Cellular Sciences Inc., a biosciences and consumer wellness subsidiary.

Going Concern

The consolidated financial statements were prepared on a going concern basis, 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 and commitments in the normal course of business.

The Company has incurred significant net losses and negative cash flows from operating activities in recent years and has an accumulated deficit. Whether and when the Company can attain profitability and positive cash flows is uncertain. In addition, the Company will need to raise capital in order to fund its operations.

To address its financing requirements, as disclosed in Note 27, the Company obtained financing for total proceeds of $260,335. In addition, the Company has obtained financing based on products to be launched. Due to delays in the timing of the product launch, the cash flows related to the financing have not yet been received as at the date of approval of the consolidated financial statements. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

2. Summary of significant accounting policies

(a) Basis of presentation and measurement

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 IFRS Interpretations Committee ("IFRIC"), effective for the Company's reporting for the year ended November 30, 2022. The accounting policies are consistent with those of the previous financial year. The consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency. All amounts have been rounded to the nearest dollar, unless otherwise indicated. The consolidated financial statements are prepared on a historical cost basis except for certain financial instruments which are measured either at fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVOCI").

The consolidated financial statements were approved and authorized by the Board of Directors of the Company on March 30, 2023.

(b) Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company, including its subsidiaries. The accounts of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. All intracompany balances and transactions, and any unrealized income and expenses arising from intracompany transactions, are eliminated in full on consolidation. The table below lists the Company's subsidiaries, associates, and the ownership interests in each:

Entity	% Ownership	Jurisdiction	Functional currency	Accounting method
Australian Vaporizers Pty Ltd.	100%	Australia	Australian dollar	Consolidation
CannMart Inc.	100%	Canada	Canadian dollar	Consolidation
CannMart Labs Inc.	100%	Canada	Canadian dollar	Consolidation
CannMart Marketplace Inc.	100%	Canada	Canadian dollar	Consolidation
CannMartMD Inc. (formerly NamastedMD Inc.)	100%	Canada	Canadian dollar	Consolidation
Mikra Cellular Sciences Inc.	100%	Canada	U.S. dollar	Consolidation
Lifeist Bahamas Inc. (formerly Namaste Bahamas Inc.)	100%	Bahamas	U.S. dollar	Consolidation
Lifeist Worldwide Inc. (formerly Namaste Technologies Holdings Inc	100%	Canada	U.S. dollar	Consolidation

(i) Business combinations

The Company accounts for business combinations using the acquisition method when control is transferred to the Company. The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in the consolidated statement of operations immediately. Transaction costs are expensed as incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are recognized in the consolidated statement of operations.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in the consolidated statement of operations.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those adopted by the Company.

Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iii) Non-controlling interests

Non-controlling interests (NCI) in subsidiaries are identified separately from the Company's equity. The carrying amount of NCI is the amount of these interests at initial recognition plus the NCI's share of subsequent changes in equity. Total comprehensive income is attributed to NCI even if it results in NCI having a deficit balance.

(iv) Loss of control

When the Company loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognized in the consolidated statement of operations. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(c) Foreign currency translation

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of companies at the exchange rates at the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are recognized in the consolidated statement of operations.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisitions, are translated into Canadian dollars using the exchange rate at the reporting date. Revenues and expenses of foreign operations are translated into Canadian dollars at the exchange rates at the dates of the transactions. Foreign currency differences are recognized in other comprehensive income or loss, except to the extent that the translation difference is allocated to the non-controlling interests ("NCI").

(d) Classification of expense

Included in Selling & general expenses are advertising and promotional expense and referral fees. Office and general expense include consulting fees, software, subscription and licenses, insurance expense and all other administration costs.

(e) Revenue from contracts with customers

(i) Sale of goods

Revenue from sale of goods consists of cannabis and cannabis related products, hardware, including vaporizers, glassware and accessories, and nutraceutical products. Revenue from sale of goods is recognized when control over the goods has been transferred to the customer.

E-commerce sales to customers are recognized at the point in time when the goods have been delivered to the customer's location, as this is when the Company transfers control to the customer and satisfies the performance obligation. Revenue is measured based on the transaction price listed on the e-commerce platforms net of customer discounts and other sales related discounts.

Wholesale revenue from strategic partnerships with provincial governments and other corporate customers is recognized when the goods are delivered to the customer's destination. Payment is due based on a specified time period as permitted by the underlying agreement. Revenue is measured at the agreed upon transaction price based on the underlying arrangement which defines the consideration expected to be received.

(ii) Principal versus Agent – Dropship agreements

The Company has drop-ship arrangements with licensed producers (LPs), whereby it acts as a wholesale distributor and logistics partner to the LPs.

When deciding the most appropriate basis for presenting revenue on either a gross or net basis, both the legal form and substance of the agreements between the Company and the LPs are reviewed to determine each party's respective role in the transaction. Where the Company's role in a transaction is that of a principal, revenue is recognized on a gross basis, where the gross value of the transaction billed to the customer is recognized as revenue and the costs incurred in the transaction are recognized as direct cost of revenue. When the Company's role in a transaction is that of an agent, revenue is recognized on a net basis with revenue approximating the margin earned and is recorded in revenue in the consolidated statements of operations. This determination of whether the Company is acting as principal or agent requires the exercise of judgment. In making this assessment, Management considers whether the Company:

- acts on behalf of the LPs in identifying the customer in certain arrangements;
- controls the good or service being provided, prior to it being transferred to the customer;
- has primary responsibility for providing the goods and service to the customer;
- has inventory risk before or after the customer order; and
- has discretion in establishing prices for the specified goods and services.

(iii) Rendering of services

Service revenues, including artificial intelligence service fees and patient referrals, are recognized over a period of time as performance obligations are completed. Sales commissions generated from the Company's proprietary marketplace platform, "VendorLink" are recognized at the point in time when the vendor has successfully delivered the goods to the customer's location. The transaction price for the Company's service revenues are determined based on the contractual agreements and payments are due based on the terms set by these agreements.

(f) Inventories

Inventories are measured at the lower of cost and net realizable value (NRV). Cost is determined using the weighted average method and includes all costs of purchases and all other costs incurred in bringing inventories to their present location and condition. The inventory consists of raw materials, work-in-progress and finished goods held for sale. NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

When there is a decline in the price of an item which indicates that the cost is higher than the NRV, a provision for inventories is established and an expense is recognized in the period in which the write-down occurs. Reversal of such write-down is recognized in the period in which the reversal occurs.

(g) Property and equipment

Property and equipment are measured at cost, less accumulated depreciation and any accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

The cost of replacing a part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. All other expenditures, including repair and maintenance, are recognized in the consolidated statement of operations as incurred.

Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the consolidated statement of operations.

Depreciation is calculated on the depreciable amount, which is the cost of an asset, or other amounts substituted for cost, less its residual value and commences when the asset is available for use. Depreciation is recognized in the consolidated statement of operations on a straight-line basis over the estimated useful lives of the items of property and equipment, as this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives of property and equipment are as follows:

Category	Useful life
Right-of-use assets	Over the lease term
Leasehold improvements	Over the lease term
Computer equipment	2 years
Furniture and equipment	3 - 5 years

Depreciation method, useful lives and residual values are reviewed at each annual reporting date and adjusted, prospectively, if appropriate.

(h) Intangible assets and goodwill

Goodwill is measured at cost less accumulated impairment losses.

Expenditures on research activities are recognized in consolidated statement of operations as incurred. Development expenditures are capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient funds to complete development and to use or sell the asset. Otherwise, these are recognized in the consolidated statement of operations as incurred. Subsequent to initial measurement, development expenditures are measured at cost less accumulated amortization and any accumulated impairment losses.

Intangible assets are recognized as assets where it is probable that the use of the asset will generate future economic benefits and where the cost of the asset can be determined reliably.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

Intangible assets that have a finite useful life are measured at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets with finite lives are amortized over their useful economic life on a straight-line basis from the date that they are available for use.

Amortization relating to customer lists and intellectual properties is recognized as part of depreciation and amortization in the consolidated statement of operations. The estimated useful lives for the current period are as follows:

Category	Useful life
Intellectual properties	7 years
Customer lists	3 - 7 years
Computer software & domains	2 - 5 years

Amortization methods, useful lives and residual values are reviewed at each annual reporting date and adjusted, prospectively, if appropriate.

Intangible assets with indefinite lives, comprised of brand names and licenses are not amortized but are tested annually for impairment, or more frequently if events or changes in circumstances indicate that the asset might be impaired.

(i) Impairment of non-financial assets

Assets with finite lives are tested for impairment at each reporting date whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill and indefinite life intangibles are tested for impairment at least annually at their designated dates, and whenever there is an indication that the assets may be impaired.

Events or changes in circumstances which may indicate impairment include a significant change to the Company's operations, a significant decline in performance, or a change in market conditions which adversely affect the Company.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in consolidated statement of operations.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, an impairment loss recognized in prior periods is assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(j) Leases

The Company recognizes a right-of-use asset and a lease liability as the present value of future lease payments when the lessor makes the leased asset available for use by the Company.

Lease liabilities include the net present value of fixed payments, variable lease payments that are based on an index or a rate, amounts expected to be payable by the Company under residual value guarantees, and the exercise price of a purchase option or penalties for terminating the lease, if the Company is reasonably certain to exercise those purchase or termination options. The lease payments are discounted using the interest rate implicit in the lease, or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease terms applied are the contractual non-cancellable periods of the lease, plus periods covered by renewal options or termination options, if the Company is reasonably certain to exercise those options. Lease liabilities are remeasured when there is a change in lease term, a change in the assessment of an option to purchase the leased asset, a change in expected residual value guarantee, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments. Right-of-use assets are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes the amount of the initial measurement of the related lease liability, plus any lease payments made at or before the commencement date and any initial direct costs and future restoration costs, less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis from the date that the underlying asset is available for use. Depreciation is recorded over the shorter of the lease term and the useful life of the underlying asset, unless the lease transfers ownership of the underlying asset to the lessee by the end of the lease term, in which case depreciation is recorded over the useful life of the underlying asset.

Lease payments for assets that are exempt through the short-term exemption and variable payments not based on an index or rate continue to be recognized in office and general expenses.

Subleases

When the Company enters into sublease arrangements as an intermediate lessor, it assesses whether the sublease is classified as a finance sublease or an operating sublease by reference to the corresponding right-of-use asset arising from the head lease, rather than by reference to the underlying asset. A sublease is a finance sublease if substantially all the risks and rewards incidental to ownership of the related right-of-use asset on the head lease have been transferred to the sub-lessee.

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. Subsequent to initial recognition, the Company regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of IFRS 9, recognizing an allowance for expected credit losses on the lease receivables.

(k) Financial instruments

Recognition

The Company recognizes a financial asset and financial liability when it becomes party to the contractual provisions of the financial instrument, except for trade receivables which are initially recognized when they are originated. Financial assets are initially measured at fair value and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

Classification and measurement

The Company determines the classification of its financial instruments at initial recognition. Financial assets and financial liabilities are classified according to the measurement categories:

- those to be measured subsequently at FVTPL,
- those to be measured subsequently at FVOCI, and
- those to be measured subsequently at amortized cost.

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset and the contractual terms of the cash flows.

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting period. All other financial assets are measured at their fair values at each subsequent reporting period, with any changes recorded through profit or loss or through other comprehensive income (when a designation is made as an irrevocable election at the time of recognition).

The financial instruments that are measured at amortized cost are cash and cash equivalents, trade and other receivables, other assets, accounts payable and accrued liabilities. The financial instruments that are measured at fair value through other comprehensive income are the Company's portfolio investments, due to irrevocable election made and they are not held for trading. The financial instruments that are measured at fair value through profit or loss are the Company's derivatives, equity investments at FVTPL and convertible loan receivable.

Transaction costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability are classified as and then subsequently measured at amortized cost or at FVOCI and are included in the fair value of the instrument on initial recognition. Transaction costs for financial assets and financial liabilities classified at FVTPL are expensed in profit or loss.

Impairment

The Company uses the "expected credit loss" model for calculating impairment and recognizes expected credit losses as a loss allowance in the consolidated statement of financial position if they relate to a financial asset measured at amortized cost. The Company's trade and other receivables are typically short-term receivables and do not have a significant financing component. Therefore, the Company recognizes impairment and measures expected credit losses as lifetime expected credit losses. The carrying amount of these assets in the consolidated statement of financial position is stated net of loss allowance, if any.

(l) Share-based compensation

Share-based payments to employees, officers and directors are measured at the fair value of the instruments issued at grant date and are recognized over the vesting period. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined that fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to the options reserve. The fair value of options is determined using the Black Scholes Option Pricing Model ("Black Scholes Model") which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

The fair value of Restricted Stock units and Deferred Stock units is based on the closing price of the common shares of the Company on the trading day immediately preceding the date of the award and are recognized over the vesting period.

(m) Income tax

Income tax expense comprises current and deferred taxes. Current income taxes and deferred income taxes are recognized in the consolidated statement of operations for the period, except for items recognized directly in equity or in the consolidated statement of comprehensive loss.

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

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized, or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the consolidated statement of operations in the period that substantive enactment occurs. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is not recognized.

(n) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank balances, and short-term deposits with original maturities of three months or less, which are readily convertible into a known amount of cash and subject to insignificant risk of changes in value.

(p) Share capital

Ordinary shares are classified as equity. Shares issued by the Company are recorded at proceeds received. Incremental costs attributable to the issue of ordinary shares are recognized as a deduction from equity. When shares and warrants are issued under the same offering, the residual method is used to allocate proceeds between shares and warrants. Warrants are valued using the Black-Scholes pricing model and the residual is allocated to the shares.

(q) Loss per share

Basic loss per share represents the loss for the period, divided by the weighted average number of common shares issued and outstanding during the period. Diluted earnings represents the profit or loss for the period, divided by the weighted average number of common shares issued and outstanding during the period plus the weighted average number of dilutive shares that could result from the exercise of stock options. When a loss per share calculation based on the fully diluted number of shares would be less than the loss per share calculated on the basic number of shares, the loss per share would be the same under a basic and diluted basis, given the anti-dilutive effect of convertible securities.

(r) Interest income

Interest income is recognized on an accrual basis using the effective interest rate method.

(s) Equity reserves

All options-related activity is recorded in the options reserve and the fair value of forfeited vested options and warrants is being recorded in contributed reserve.

Accumulated other comprehensive income consists of cumulative translation adjustments and the change in fair value of equity investments designated at FVOCI.

Other reserve is the difference between the consideration paid to acquire the remaining interest of CannMart Labs Inc. and the carrying amount of non-controlling interest as disclosed in Note 26.

(t) Use of management estimates, judgments and measurement uncertainty

The preparation of the consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the consolidated financial statements. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses.

Management uses various factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes could differ from these estimates under different assumptions and conditions.

(i) Critical judgments in applying accounting policies.

Business combination

A business combination is a transaction or event in which an acquirer obtains control of one or more businesses and is accounted for using the acquisition method. In determining the fair value of all identifiable assets, liabilities and contingent liabilities acquired, the most significant estimates relate to contingent consideration and intangible assets. Management exercises judgment in estimating the probability and timing of when earn-outs are expected to be achieved which is used as the basis for estimating fair value. For any intangible asset identified, depending on the type of intangible asset and the complexity of determining its fair value, an independent valuation expert or management may develop the fair value, using appropriate valuation techniques, which are generally based on a forecast of the total expected future net cash flows. The valuations are linked closely to the assumptions made by management regarding the future performance of these assets and any changes in the discount rate applied.

Recoverability of deferred tax assets

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 utilize recognized 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 realize the net deferred tax assets recorded at the reporting date could be impacted.

Leases

The Company has applied judgment to determine the lease term for some lease contracts that include renewal or termination options. The assessment of whether the Company is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognized.

(ii) Significant estimates in applying accounting policies

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount. In determining the recoverable amount, defined as the higher of the value in use and the fair value less costs of disposal, various estimates are used. Value-in-use is determined based on management's best estimate of projected future sales, gross profit margin and earnings which is discounted by using an estimate of industry pre-tax weighted average cost of capital adjusted for the Company's estimated risk profile.

Inventory valuation

The Company determines if the cost of any inventory exceeds its net realizable value, such as cases where prices have decreased, or inventory has spoiled or has otherwise been damaged. The Company records a write-down to reflect management's best estimate of the net realizable value of inventory based on the above factors.

Useful lives of property and equipment and intangible assets

Depreciation of property and equipment and amortization of intangible assets are dependent upon estimates of useful lives, which are determined through the exercise of judgment. The Company estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. To determine the useful lives of intangible assets the Company considers the period over which the assets are expected to contribute directly or indirectly to the future cash flows. The estimate of the useful life is also based on analysis of all pertinent factors, including the expected use of the asset, legal, regulatory or contractual provisions that may limit the useful life, the Company's own historical experience in renewing or extending similar arrangements and other relevant factors.

Share-based compensation

The Company measures the cost of equity-settled transactions with employees, officers and directors by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining and making assumptions about the most appropriate inputs to the valuation model including the expected life and volatility. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Fair value of financial instruments

Certain of the Company's financial assets such as share purchase options, share purchase warrants, equity investments and convertible loan receivable 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.

Leases

The Company is required to estimate the incremental borrowing rates used to discount lease liabilities if the interest rate implicit in the lease is not readily determined. In determining the incremental borrowing rates, management considers the Company's creditworthiness, the security, the term, the value of the underlying leased asset, and the economic operational environment of the leased asset. The incremental borrowing rates are subject to change mainly due to macroeconomic changes.

COVID-19 estimation uncertainty

In March 2020, the World Health Organization recognized the outbreak of COVID-19 as a global pandemic. Government measures to limit the spread of COVID-19 did not materially impact the Company's operations during the years ended November 30, 2022 and 2021. Due to uncertainty surrounding COVID-19, it is not possible to predict the impact that COVID-19 will have on the Company's business, financial position and operating results in the future. The Company is closely monitoring the impact of the pandemic on all aspects of its business.

(Expressed in Canadian dollars, unless otherwise noted)

3. Recently issued but not yet effective standards

The Company has performed an assessment of new and revised standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its consolidated financial statements would not be material.

4. Discontinued Operations

On May 25, 2022, the Company completed the sale of Findify AB, the Swedish subsidiary that operates an AI-powered product search and discovery platform, for total consideration of US$4,075,765 in cash, and a net gain of $3,260,496 was recorded from this transaction.

The following table summarizes the assets and liabilities of Findify and consideration received:

		November 30, 2022
Carrying value of net assets sold:		
Cash and cash equivalents	$	116,584
Trade receivable and others		197,441
Intangible assets		931,686
Accounts payable and accrued liabilities		(279,274)
Deferred revenue		(303,596)
		662,841
Sale consideration on disposition of net assets:		
Cash		5,023,606
Holdback receivable		185,793
Cost to sell		(450,000)
		4,759,399
Gain on sale of discontinued operations		4,096,558
Net loss from discontinued operations		(836,062)
Net gain from discontinued operations	**$**	**3,260,496**

(Expressed in Canadian dollars, unless otherwise noted)

Revenue, expenses and gains or losses relating to the discontinuance of Findify have been eliminated from the profit or loss from the Company's continuing operations and are shown as a single line in the Consolidated Statements of Operations. As a result, the Company's prior period has been restated to present Findify as a discontinued operation.

		November 30, 2022		November 30, 2021
Gross revenue	$	1,142,435	$	1,673,758
Cost of goods sold		(113,809)		(112,270)
Gross profit		**1,028,626**		**1,561,488**
Salaries and other compensation costs		496,780		815,696
Office and general		1,176,732		1,871,321
Professional fees		22,448		45,058
Selling and marketing expense		6,046		69,955
Depreciation and amortization		162,108		324,216
Total operating expense		**1,864,114**		**3,126,246**
Loss from operations		**(835,488)**		**(1,564,758)**
Foreign exchange loss (gain)		(3,184)		3,167
Other (income) expense		3,758		473
Total other expense		574		3,640
Loss from discontinued operations		(836,062)		(1,568,398)
Income tax (expense) recovery		-		(1,663)
Net loss from discontinued operations		(836,062)		(1,570,061)
Gain on sale of discontinued operations		4,096,558		-
Net gain (loss) from discontinued operations	**$**	**3,260,496**	**$**	**(1,570,061)**

5. Operating segments

Segmented information

In addition to the Corporate segment, the operating segments of the Company are known as Lifeist Vapes, Australian Vaporizers, CannMart, CannMart Marketplace, and CannMart Labs (together referred to as "CannMart"), CannMart MD, and Mikra, Cellular Sciences. In determining the operating segments, management considered the product mix as well as the geographical segments that the business units sell under.

Disclosure by segment pertaining to income statement transactions are for fiscal 2022 and 2021, while asset and liability balances are as at November 30, 2022 and November 30, 2021 were as follows:

(Expressed in Canadian dollars, unless otherwise noted)

	Mikra, Cellular Sciences	Lifeist Vapes	Australian Vaporizers	CannMart	CannMart MD	Corporate & Other	Total
2022							
Revenue	$	$	$	$	$	$	$
Net segment revenue	978,528	39,854	5,091,659	15,911,532	51,402	-	22,072,975
Intersegment revenue	-	-	-	-	(4,293)	-	(4,293)
External revenue	978,528	39,854	5,091,659	15,911,532	47,109	-	22,068,682
Gross profit (loss)	264,183	(777,235)	198,218	4,090,737	18,757	-	3,794,660
Depreciation and amortization	451	176,182	27,322	1,174,806	4,454	90,792	1,474,007
Salaries and other compensation costs	791,693	25,433	601,311	3,298,489	23,087	2,800,444	7,540,457
Office and general expenses	523,304	604,435	346,592	1,722,546	28,534	1,420,489	4,645,900
Technological development	32,124	-	-	55,929	-	42,000	130,053
Selling and marketing expense	1,551,019	57,443	8,075	1,301,589	632	118,341	3,037,099
Other expense (income)	3,470	454,708	(44,365)	194,354	8	(409,384)	198,791
Earn-out shares issued	-	-	-	1,036,397	-	-	1,036,397
Impairment loss on intangible assets	-	-	-	2,500,000	-	-	2,500,000
Income tax (expense) recovery	-	-	(252,657)	-	-	28,404	(224,253)
Foreign exchange loss (gain)	9,277	(8,980)	31,956	13,317	(153)	(60,087)	(14,670)
Net (loss)	(2,683,383)	(2,091,095)	(544,474)	(3,784,410)	(33,511)	(6,298,626)	(15,435,499)
Total assets	1,186,430	18,751	3,716,707	14,339,824	34,595	1,373,093	20,669,400
Total liabilities	339,056	1,982,843	437,594	2,078,981	-	2,466,413	7,304,887

	Mikra, Cellular Sciences	Lifeist Vapes	Australian Vaporizers	CannMart	CannMart MD	Corporate & Other	Total
2021							
Revenue	$	$	$	$	$	$	$
Net segment revenue	-	2,154,498	6,622,872	12,220,256	306,891	-	21,304,517
Intersegment revenue	-	-	-	-	(158,714)	-	(158,714)
External revenue	-	2,154,498	6,622,872	12,220,256	148,177	-	21,145,803
Gross profit (loss)		(214,264)	1,610,383	(1,213,334)	(62,494)	-	120,291
Depreciation and amortization		319,784	44,421	989,457	157,584	208,356	1,719,602
Salaries and other compensation costs	237,098	772,606	552,254	4,396,342	149,049	4,138,792	10,246,141
Office and general expenses	89,203	1,382,889	353,192	3,116,560	297,602	1,352,652	6,592,098
Technological development	-	-	-	387,693	7,892	235,814	631,399
Selling and marketing expense	179,441	155,007	3,349	1,389,570	1,071	78,560	1,806,998
Other expense (income)	-	(113,677)	(873)	572,515	3,570	(335,236)	126,299
Change in fair value of convertible loan re	-	-	-	-	-	(1,842,862)	(1,842,862)
Income tax (expense)	-	-	(184,986)	-	-	21,863	(163,123)
Foreign exchange loss (gain)	-	64,613	(1,092)	8,471	(611)	63,613	134,994
Net loss (income)	(505,743)	(2,717,702)	431,632	(12,363,555)	(519,937)	(8,125,444)	(23,800,749)
Total assets (i)	15,842	1,485,785	5,183,576	16,945,060	78,940	12,831,651	36,540,854
Total liabilities (ii)	56,717	1,477,406	1,030,952	4,222,826	9,071	4,674,383	11,471,355

(i) Excluding $1,416,112 of total assets of Findify (discontinued operations)
(ii) Excluding $422,235 of total liabilities of Findify (discontinued operations)

Included in net revenue arising from the CannMart operating segment for fiscal 2022 are net revenues of $14,137,375 (2021: $7,340,915) which arose from sales to the Company's major wholesale customers. No other single customer contributed 10 per cent or more to the Company's net revenue during fiscal 2022.

(Expressed in Canadian dollars, unless otherwise noted)

The Company has an expense sharing and cost allocation agreement with their subsidiaries. Operating segments as of November 30, 2022 and 2021 are disclosed with the expense sharing and cost allocation agreeement in effect.

Furthermore, $573,525 of corporate costs mainly consisting of head office expenditures have been allocated from the Corporate & Other segment to the other operating segments (2021: $2,696,415).

(i) On November 1, 2021, Lifeist Bahamas Inc. which is part of the Lifeist Vapes operating segment, stopped its operations. Lifeist Bahamas Inc. has not been presented as a discontinued operation as the criteria under IFRS 5, *Non-current Assets Held for Sale and Discontinued Operations* for presenting discontinued operations and assets held for sale were not met as at November 30, 2022 and 2021.

Geographical information

The Company markets its products and services globally. Net revenue is attributed to the following regions based on the location of customers:

	2022	2021
North America	$ 16,983,030	$ 12,378,975
Australia	5,085,652	6,624,087
Europe	-	2,134,015
Other	-	8,726
	$ 22,068,682	$ 21,145,803

6. Trade and other receivables

a) Trade and other receivables as at November 30, 2022 and November 30, 2021 were as follows:

(Expressed in Canadian dollars, unless otherwise noted)

		2022		2021
Trade receivables	$	3,339,031	$	3,397,004
Sales tax receivable		333,558		155,995
Other receivables		1,707,292		529,863
Income tax receivable		425,951		287,115
	$	5,805,832	$	4,369,977

Information about the Company's exposure to credit and market risks is included in Note 23 (b, i, ii). The Company assesses all information available, including on a forward-looking basis the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportable forward-looking information. 93% (2021: 85%) of the Company's trade receivables are less than 60 days old. The Company's allowance for uncollectable trade receivables as at November 30, 2022 and November 30, 2021 was as follows:

		2022		2021
Opening balance	$	(504,417)	$	(543,622)
Net decrease		355,145		39,205
	$	(149,272)	$	(504,417)

b) Loan Receivable

On April 1, 2020, World-Class Extractions Inc. ("WCE") acquired a controlling interest in Pineapple (see Note 8). As part of the transaction, the carrying amount of the loan receivable of $201,215 was modified resulting in derecognizing the loan and recognizing the new loan at fair value. The new loan is convertible into WCE shares on March 31, 2021, subject to a hold period of four months. Due to the conversion feature, the convertible loan receivable is accounted for at FVTPL. As at November 30, 2021, the fair value was $2,044,077. The fair value was determined to be equal to the carrying value at the time of the acquisition, based on the present value of future cash flows, and taking into account a hold period, illiquidity of the WCE share price and a contractual daily trading volume restriction.

On December 9, 2021, Fire & Flower Holdings Corp. (Fire & Flower) entered into a definitive agreement to acquire Pineapple Express Delivery Inc. (PED), a holder of the Company's convertible loan receivable. On January 25, 2022, the Company received $2,044,077 as full settlement of the loan owed to the Company by PED.

(Expressed in Canadian dollars, unless otherwise noted)

7. Inventories

Inventories as at November 30, 2022 and November 30, 2021 were as follows:

		2022		2021
Hardware	$	1,256,763	$	2,354,065
Cannabis		2,673,659		3,015,451
Nutraceuticals		606,299		-
Total inventories	$	4,536,721	$	5,369,516

The cost of inventories recognized as an expense and included in cost of goods sold for fiscal 2022 was $13,873,038 (2021: $14,992,877). During fiscal 2022 the Company recorded an inventory write down of $922,599 (2021: $1,851,450).

8. Investment in associates

(i) In 2019, the Company acquired 49% of the issued and outstanding shares of Choklat Inc. ("Choklat") for a purchase consideration of $1,750,000, comprised of $1,500,000 in cash and issuance of stock options having a fair value of $250,000 based on the Black Scholes Model. Choklat is a private entity which is involved in the manufacture and distribution of chocolates in Canada.

During the year ended November 30, 2020, an impairment loss on the investment in Choklat was recognized in the amount of $1,016,127. This impairment loss was recognized based on management's assessment of Choklat's working capital and operational constraints. The Company has not recognized any additional share of losses of the associate for the current year end.

(ii) Pineapple Express Delivery Inc. ("Pineapple") is a private entity involved in the delivery of medical and recreational cannabis across Canada

On April 1, 2020, World-Class Extractions Inc. ("WCE") acquired a controlling interest in Pineapple resulting in a decrease of the Company's equity interest in Pineapple from 49% to 30.3%. As a result of this transaction and due to the resignation of the Company's Board representative from Pineapple Board of Directors and other qualitative factors, the Company no longer holds significant influence over Pineapple.

(Expressed in Canadian dollars, unless otherwise noted)

In 2019, management recognised an impairment loss on the investment of Pineapple for $2,918,318 bring the carrying value to nil. This $nil carrying value of the 11,883,524 common shares held in Pineapple was derecognized from investment in associates and reclassified to equity investments at its fair value of $nil (see Note 9). On December 9, 2021, Fire & Flower Holdings Corp. (Fire & Flower) entered into a definitive agreement to acquire Pineapple, a holder of the Company's convertible loan receivable.

On January 25, 2022, Fire & Flower completed the acquisition of Pineapple, and, as part of the purchase, Fire & Flower assumed and repaid the $2,044,077 convertible loan receivable owed to the Company by Pineapple. In addition, as part of the agreement, the Company received 75,100 shares of Fire & Flower in Q2 2022 at a value of $5.19 per share and 45,502 shares in Q3 2022 at a value of $2.84 per share, for a total value of $518,995 resulting in a gain of $518,995, and subsequently sold them for the total proceeds of $315,059 resulting in a loss of $203,936. The gain from these transactions amounted to $315,059. As of November 30, 2022, contingent on the earn-out conditions on September 30, 2022, the Company is potentially entitled to receive an additional 238,209 shares of Fire & Flower in 2023.

9. Portfolio investments

Portfolio investments at November 30, 2022 and November 30, 2021 were as follows:

	Notes		2022		2021
Equity investments – at FVOCI	(a)	$	18,935	$	285,978
Equity investments – at FVTPL	(a)		57,315		76,625
		$	76,250	$	362,603

(a) Equity investments designated at FVOCI comprise of investments in equity shares of listed and non-listed companies. These investments were irrevocably designated at fair value through OCI as the Company considers these investments to be strategic in nature. Equity investments designated at FVPTL comprise of investments in equity shares of a listed company.

Details of equity investments as at November 30, 2022 and 2021 were as follows:

(Expressed in Canadian dollars, unless otherwise noted)

	Number of shares acquired	Cost	Fair Value	Unrealized (gain)/loss
November 30, 2022				
Equity Instruments - FVOCI		$	$	$
Atlas Biotechnologies Inc.	200,000	200,000	11,333	188,667
Inolife R&D Inc.	666,667	200,000	43,333	156,667
Kief Cannabis Company Ltd.	46,729	250,000	2,648	247,352
Lovelabs.com Inc.	8,243	32,220	468	31,752
YPB Group Ltd.	3,800,000	130,000	13,824	116,176
Equity Instruments - FVTPL				
PeakBirch Commerce Inc.	928,787	100,000	4,644	95,356
Fire & Flower (formerly Pineapple Express Delivery Inc. (ii))	-	-	-	-
		912,220	76,250	835,970

	Number of shares acquired	Cost	Fair Value	Unrealized (gain)/loss
November 30, 2021:				
Equity Instruments - FVOCI		$	$	$
Atlas Biotechnologies Inc.	200,000	200,000	35,333	164,667
Inolife R&D Inc.	666,667	200,000	233,334	(33,334)
Kief Cannabis Company Ltd.	46,729	250,000	8,255	241,745
Lovelabs.com Inc.	8,243	32,220	1,456	30,764
YPB Group Ltd.	3,800,000	130,000	7,600	122,400
Equity Instruments - FVTPL				
PeakBirch Commerce Inc.	3,065,000	100,000	76,625	23,375
Pineapple Express Delivery Inc. (ii)	11,883,524	-	-	-
		912,220	362,603	549,617

(i) On August 24, 2020 the Company signed an agreement with Lifted Innovations Inc.(“Lifted”), under which Lifted issued 3,065,000 common shares to the Company. These shares were subsequently exchanged for 3,065,000 common shares of PeakBirch Logic Inc. as part of the Kootenay Zinc Corp acquisition of all issued and outstanding shares of Lifted. As at November 30, 2022, the Company holds 928,787 common shares of PeakBirch Commerce Inc. (previously 3,065,000 common shares of PeakBirch Logic Inc.), as a result of the consolidation of common shares of PeakBirch Logic Inc. to those of PeakBirch Commerce Inc. in 2022.

(ii) Please refer to Note 8 (ii) for details.

(Expressed in Canadian dollars, unless otherwise noted)

(b) The following is the movement schedule for equity investments and derivatives:

	Equity investments - FVOCI	Equity investments - FVTPL	Derivatives	Total
Balance at November 30, 2020	$ 207,092	$ 674,300	639	$ 882,031
Unrealized (loss) gain	84,163	(597,675)	(639)	(514,151)
Disposition	(5,277)	-	-	(5,277)
Balance at November 30, 2021	$ 285,978	$ 76,625	-	$ 362,603
Additions	-	518,995	-	518,995
Unrealized (loss) gain	(214,371)	(71,982)	-	(286,353)
Realized (loss) gain	-	(203,936)	-	(203,936)
Disposition	-	(315,059)	-	(315,059)
Balance at November 30, 2022	$ 71,607	$ 4,642	-	$ 76,250

10. Property and equipment

	Right of use Assets	Leasehold improvements	Computer equipment	Furniture & equipment	Total
Cost:	$	$	$	$	$
Balance at November 30, 2020	931,674	3,854,644	554,205	1,147,170	6,487,693
Additions	-	93,384	88,718	184,190	366,292
Disposals	(554,188)	-	-	(160,079)	(714,267)
Translation adjustment	-	-	(20,680)	17,340	(3,340)
Balance at November 30, 2021	377,486	3,948,028	622,243	1,188,621	6,136,378
Additions	24,532	221,936	48,983	397,955	693,406
Translation adjustment	-	-	-	1,954	1,954
Balance at November 30, 2022	402,018	4,169,964	671,226	1,588,530	6,831,738
Accumulated depreciation:	$	$	$	$	$
Balance at November 30, 2020	218,234	576,767	367,922	353,043	1,515,966
Depreciation	161,567	581,306	151,856	221,995	1,116,724
Disposals	(169,992)	-	-	(40,020)	(210,012)
Translation adjustment	-	(1)	(5,379)	2,445	(2,935)
Balance at November 30, 2021	209,809	1,158,072	514,399	537,463	2,419,743
Depreciation	129,436	795,589	93,185	297,569	1,315,779
Translation adjustment	-	-	-	58	58
Balance at November 30, 2022	339,245	1,953,661	607,584	835,090	3,735,580
Net book value:	$	$	$	$	$
Balance at November 30, 2021	167,677	2,789,956	107,844	651,158	3,716,635
Balance at November 30, 2022	62,773	2,216,303	63,642	753,440	3,096,158

(Expressed in Canadian dollars, unless otherwise noted)

The Company reclassified the Right of use of Asset relating to the sublease of the head office space located at 365 Bloor Street East, Toronto, Suite 2001 from Property and Equipment to Other Assets, see Note 13.

11. Intangible assets

	Intellectual properties	Licenses	Customer lists	Brand names	Computer software & domains	Total
Cost:	$	$	$	$	$	$
Balance at November 30, 2020	2,226,800	3,613,208	3,049,517	331,313	2,455,969	11,676,807
Translation adjustment	-	(4,616)	4,616	-	(29,602)	(29,602)
Balance at November 30, 2021	2,226,800	3,608,592	3,054,133	331,313	2,426,367	11,647,205
Discontinued operations	(2,226,800)	-	-	-	-	(2,226,800)
Impairment	-	(2,500,000)	-	-	-	(2,500,000)
Translation adjustment	-	-	-	-	(201)	(201)
Balance at November 30, 2022	-	1,108,592	3,054,133	331,313	2,426,166	6,920,204
Accumulated amortization:	$	$	$	$	$	$
Balance at November 30, 2020	807,923	22,000	2,970,622	-	1,778,146	5,578,691
Amortization	-	-	79,800	-	523,078	602,878
Discontinued operations	324,216	-	-	-	-	324,216
Translation adjustment	-	-	-	-	(28,384)	(28,384)
Balance at November 30, 2021	1,132,139	22,000	3,050,422	-	2,272,840	6,477,401
Amortization	-	-	3,711	-	154,517	158,228
Discontinued operations	(1,132,139)	-	-	-	-	(1,132,139)
Translation adjustment	-	-	-	-	(1,191)	(1,191)
Balance at November 30, 2022	-	22,000	3,054,133	-	2,426,166	5,502,299
Carrying value:	$	$	$	$	$	$
Balance at November 30, 2021	1,094,661	3,586,592	3,711	331,313	153,527	5,169,804
Balance at November 30, 2022	-	1,086,592	-	331,313	-	1,417,905

(a) Finite life intangible assets

Intellectual properties, customer lists and computer software and domains are considered finite life intangible assets and are amortized over their useful lives. Amortization expense on finite life intangible assets in fiscal 2022 has been recognized in the consolidated statement of operations in the amount of $158,228 (2021: $927,094).

The Company reviews the carrying value of its intangible assets at each reporting period for indicators of impairment. During fiscal 2022 management noted there were no indicators of impairment at the asset specific level, as a result no impairment loss was recognized.

(Expressed in Canadian dollars, unless otherwise noted)

(b) Indefinite life intangible assets

Licenses and brand names are considered to have indefinite lives. Brand names are considered part of the Australian Vaporizers CGU and tested annually for impairment, see Note 12. Licenses are considered part of the CannMart CGU and tested annually for impairment.

Impairment testing for CannMart CGU

The recoverable amount of this CGU including indefinite life intangibles is based on a value in use calculation. The value in use is determined by discounting the future cash flows expected to be generated from the continuing use of the CGU.

The key assumptions used in estimation of recoverable amount are set out below:

	2022	2021
Weighted average cost of capital (“WACC”)	15%	15%
Terminal value growth rate	1.6%	1.6%
Budgeted sales growth rate (average of next five years)	8%	8%

Cash flows are projected based on actual operating results and the annual plan. Cash flows for a five-year period are projected using annual growth rates based on the industry trends. Cash flows after the first five years are projected using terminal value growth rate, in order to calculate the terminal recoverable amount. WACC is applied in determining the recoverable amount of the CGU.

The values assigned to the key assumptions represent management’s assessment of future trends in the cannabis industry and are based on both external and internal sources.

Based on the value in use calculation, management has concluded that the recoverable amount of $12,139,989 was lower than the carrying amount of this CGU, and an impairment loss of $2,500,000 was recognized during fiscal 2022 (2021: $nil).

12. Goodwill

The Company’s goodwill as at November 30, 2022 is $667,091 (2021: $667,091).

Goodwill for each cash generating unit (“CGU”) is tested for impairment annually at its designated date. The designated date for the annual impairment test for Australian Vaporizers is August 31st.

(Expressed in Canadian dollars, unless otherwise noted)

Impairment testing for Australian Vaporizers CGU

The recoverable amount of this CGU including the goodwill is based on a value in use calculation. The value in use is determined by discounting the future cash flows expected to be generated from the continuing use of the CGU.

The key assumptions used in estimation of recoverable amount are set out below:

	2022	2021
Weighted average cost of capital (“WACC”)	15%	15%
Terminal value growth rate	1.6%	1.6%
Budgeted sales growth rate (average of next five years)	8%	8%

Cash flows are projected based on actual operating results and the annual plan. Cash flows for a five-year period are projected using annual growth rates based on industry trends. Cash flows after the first five years are projected using terminal value growth rate, in order to calculate the terminal recoverable amount. WACC is applied in determining the recoverable amount of the CGU.

The values assigned to the key assumptions represent management’s assessment of future trends in the vapes and ecommerce industry and are based on both external and internal sources (historical data). Management believes that any reasonable possible change in key assumptions on which recoverable amounts are based will not lead to a materially different outcome.

Based on the value in use calculation, management has concluded that the recoverable amount of this CGU was higher than the carrying amount and no impairment was recognized (2021: $Nil).

13. Prepaid expenses and other assets

Prepaid expenses and other assets listed in the current assets section of the consolidated statement of financial position as at November 30, 2022 and November 30, 2021 were as follows:

(Expressed in Canadian dollars, unless otherwise noted)

	Notes		2022		2021
Prepaid expenses	(i)	$	379,177	$	433,920
Deposits	(i)		535,249		2,639,121
		$	914,426	$	3,073,041

Other assets included in the non-current assets section of the consolidated statement of financial position as at November 30, 2022 and November 30, 2021 were as follows:

	Notes		2022		2021
Deposits		$	227,306	$	227,306
Other non-current receivables	(ii)		107,867		217,459
		$	335,173	$	444,765

(i) Prepaid expenses and deposits mainly consist of payments made for directors' and officers' liability insurance, inventory purchases, software subscriptions, and legal and directors fees.

(ii) Other non-current receivables represent the long-term portion of receivable arising from sublease agreement for the head office space located at 365 Bloor Street East, Toronto, Suite 2001, expiring on October 30, 2024.

(Expressed in Canadian dollars, unless otherwise noted)

Finance lease receivables

	2022	2021
Amount receivable under finance leases	$	$
Year 1	122,100	122,100
Year 2	111,925	122,100
Year 3	-	111,925
Undiscounted lease payments	234,025	356,125
Unguaranteed residual values	-	-
Less: unearned finance income	(16,568)	(36,921)
Present value of lease payments receivable	217,457	319,204
Impairment loss allowance	-	-
Net investment in the lease	217,457	319,204

Undiscounted lease payment analyzed as:		
Recoverable after 12 months	111,925	234,025
Recoverable within 12 months	122,100	122,100
	234,025	356,125

Net investment in the lease analyzed as:		
Recoverable after 12 months	107,867	217,459
Recoverable within 12 months	109,590	101,745
	217,457	319,204

The current portion of the finance lease receivable is recorded in other receivables.

14. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities as at November 30, 2022 and 2021 were as follows:

		2022		2021
Accounts payable	$	2,218,277	$	1,900,175
Accrued liabilities		3,975,768		6,579,907
	$	6,194,045	$	8,480,082

(Expressed in Canadian dollars, unless otherwise noted)

15. Deferred Revenue

Deferred revenue as at November 30, 2022 and 2021 was as follows:

	Hardware	Cannabis	Other	Nutraceuticals	Total
Balance at November 30, 2020	$ 324,408	$ 256,949	$ 88,489	$ -	$ 669,846
Additions	1,734,204	2,108,570	1,877,757	-	5,720,531
Revenue recognized during the year	(1,741,232)	(1,979,731)	(1,794,902)	-	(5,515,865)
Balance at November 30, 2021	317,380	385,788	171,344	-	874,512
Additions	1,114,171	1,674,029	-	220,108	3,008,308
Revenue recognized during the year	(1,243,851)	(2,029,985)	-	(194,126)	(3,467,962)
Discontinued operation	-	-	(171,344)	-	(171,344)
Balance at November 30, 2022	$ 187,700	$ 29,832	$ -	$ 25,982	$ 243,514

16. Provisions

The Company is involved in litigation, investigations or proceedings related to claims arising out of its operations and the completion of acquisitions or divestitures. The Company initially recognized a provision of $3,964,750 in fiscal 2019 for these claims.

	2022	2021
Opening balance	$ 326,594	$ 658,590
Legacy resolutions	(404,927)	(218,320)
Restructuring and other	78,333	(113,676)
Closing balance	$ -	$ 326,594

(i) In fiscal 2021, a total of $218,320 of the provision was applied against legacy resolutions and associated legal fees. The Company reversed unused provisions of $113,676, which were included in restructuring and other costs.

(ii) In fiscal 2022, the Company settled the remaining legacy provisions.

(Expressed in Canadian dollars, unless otherwise noted)

17. Lease liabilities

The following is the continuity of lease liabilities:

Balance at November 30, 2020	$	755,316
Total lease payments (principal and interest)		(280,610)
Interest expense on lease liabilities		79,879
Balance at November 30, 2021	$	554,585
Addition		24,532
Total lease payments (principal and interest)		(307,215)
Interest expense on lease liabilities		56,426
Balance at November 30, 2022	$	328,328
Short-term portion of lease liabilities	$	144,782
Long-term portion of lease liabilities		183,546
Total lease liabilities	$	328,328

The amount of short-term lease payments accounted for applying the exemption for short term leases under IFRS 16 was $190,445 and (2021: $217,747).

		2022		2021
Maturity analysis				
Year 1	$	225,952	$	281,860
Year 2		137,285		224,532
Year 3		-		137,285
		363,237		643,677
Less: unearned interest		(34,909)		(89,092)
Lease liabilities	**$**	**328,328**	**$**	**554,585**
Analyzed as:				
Current		144,782		190,445
Non-current		183,546		364,140
	$	**328,328**	**$**	**554,585**

(Expressed in Canadian dollars, unless otherwise noted)

18. Share capital

(a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares with no par value. As at November 30, 2022 the Company had 437,041,518 (2021: 404,650,916) common shares issued and outstanding.

(b) Issuance of shares

During fiscal 2021, the Company issued 65,780,000 common shares as part of its public offering, for the total net cash proceeds of $21,519,093, private placement investment of 2,214,287 common shares for net cash proceeds of $155,000 and 10,990,736 common shares in the acquisition of CannMart Labs, increasing its ownership interest from 51% to 100% (Note 26).

During fiscal 2022, the Company issued 24,878,244 common shares for the acquisition of CannMart Labs with a value of $2,144,399. Included in the total, is an earn-out payment of 11,096,306 common shares issued in October 2022 at the fair value of $1,036,397.

In addition, the Company issued 2,500,000 units, each unit consisting of one share and one warrant, for cash proceeds of $150,000. The proceeds were allocated as $72,181 to shares and $77,819 to warrants. Issuance costs were $95,074. The Company also issued 664,121 shares with a value of $40,000 as a part of cost of sale to Findify.

(c) Share purchase warrants

The following is a summary of the changes in the Company's share purchase warrants for fiscal 2022 and 2021:

	November 30, 2022		November 30, 2021	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding, beginning of year (i)	85,863,587	$ 0.89	13,922,500	$ 3.14
Bought deal public offering (ii)	-	-	65,780,000	0.47
Granted to brokers (iii)	-	-	3,946,800	0.35
Private placement issuance (ii)	2,500,000	0.10	2,214,287	0.11
Forfeited	-	-	-	-
Outstanding, end of year	88,363,587	$ 0.87	85,863,587	$ 0.91

(Expressed in Canadian dollars, unless otherwise noted)

(i) Included in outstanding balance are 1,035,000 broker warrants. These warrants allow the broker to acquire units at a value of $3.00 per unit. These units are comprised of one share and 3/4 warrant to purchase common shares at $3.15 which will expire on October 25, 2023.

(ii) Issued on January 19, 2021, as part of the public offering, are 65,780,000 warrants that allow the holders to acquire units at a value of $0.47 per unit. These units are comprised of one share and one warrant to purchase common shares at $0.47 which will expire on January 19, 2024.

Included in the non-brokered private placement on November 29, 2021 is 2,214,287 of warrants that allow the holder to acquire one share at an exercise price of $0.11 until November 29, 2024.

Issued on November 15, 2022, as part of the private placement, are 2,500,000 warrants that allow Alumina Partner (Ontario) Ltd. to acquire units at a value of $0.10. These units are comprised of one share and one transferable warrant to purchase an additional common share at $0.10 which will expire on November 15, 2025.

The assumptions used for the calculation of the fair value of the warrants from the public offering were as follows:

Risk free rate		1.17%
Spot price	$	0.35
Exercise price	$	0.47
Expected life		3 years
Expected volatility		40%
Expected dividend per shares		Nil

The assumptions used for the calculation of the fair value of the warrants issued on November 29, 2021 in the private placement were as follows:

Risk free rate	1.33%
Expected life	3 years
Expected volatility	40%
Expected dividend per shares	Nil

The assumptions used for the calculation of the fair value of the warrants issued on November 15, 2022 in the private placement were as follows:

(Expressed in Canadian dollars, unless otherwise noted)

Risk free rate	3.64%
Expected life	3 years
Expected volatility	97%
Expected dividend per shares	Nil

At the time of the grant, volatility was estimated using a rate of volatility expected over the life of warrants using the Company's trading history. The expected life in years represents the time that the warrants granted are expected to be outstanding. The risk-free rate is based on zero coupon Canada government bonds with a remaining term equal to the expected life of the warrants.

(iii) Issued on January 19, 2021, as part of the public offering, are 3,946,800 broker warrants that allow the broker to acquire units at a value of $0.35 per unit. These units are comprised of one share and one warrant to purchase common shares at $0.35 which expired on January 19, 2023 unexercised.

The assumptions used for the calculation of the fair value of the warrants were as follows:

Risk free rate	1.17%
Expected life	3 years
Expected volatility	40%
Expected dividend per shares	Nil

At the time of the grant, volatility was estimated using a rate of volatility expected over the life of warrants using the Company's trading history. The expected life in years represents the time that the warrants granted are expected to be outstanding. The risk-free rate is based on zero coupon Canada government bonds with a remaining term equal to the expected life of the warrants.

(d) Stock options

The Company has established a stock option plan (the "Plan") for officers and employees. Under the Plan, the exercise price of each option is determined by the Board. The aggregate number of common shares issuable pursuant to options granted under the Plan is maximum 10% of the Company's issued common shares. The shareholders approve the plan, and the Board approves the execution of granting of options and their vesting and cancellation provisions.

(Expressed in Canadian dollars, unless otherwise noted)

The following is a summary of the movement in the Plan for the fiscal 2022 and 2021:

	November 30, 2022		November 30, 2021	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding, beginning of year	17,217,811	$ 0.91	16,435,205	$ 0.95
Granted	6,721,735	0.07	2,297,439	0.23
Exercised	-	-	-	-
Forfeited	(5,887,091)	1.23	(1,514,833)	0.37
Outstanding, end of year	18,052,455	0.49	17,217,811	0.91
Vested and exercisable, end of year	11,115,896	$ 0.72	13,006,331	$ 1.10

For fiscal 2022, the Company recognized share-based compensation expense related to stock options of $355,076 (2021: $929,131). The weighted average share price of options exercised was $Nil (2021: $Nil).

The following table summarizes information regarding stock options outstanding by exercise price as at November 30, 2022:

Exercise price ranges	Number of options outstanding	Weighted average remaining contractual life in years	Weighted average exercise price
			$
$0.01 – $1.00	14,267,338	1.70	0.21
$1.01 – $2.00	3,379,117	0.10	1.38
$2.01 – $4.00	406,000	0.00	2.99
Total options outstanding	18,052,455	1.36	0.49

The weighted average assumptions used for the calculation of the fair value of the options granted for fiscal 2022 and 2021 were as follows:

(Expressed in Canadian dollars, unless otherwise noted)

	November 30, 2022	November 30, 2021
Spot price	$ 0.07	$ 0.24
Exercise price	$ 0.05	$ 0.23
Expected annual volatility	97.09%	111.80%
Expected life	2.94	3.41 years
Expected dividend per share	Nil	Nil
Risk free rate	3.03%	0.40%
Forfeiture rate	22.33%	11.82%

The Company calculates volatility using its own historical trading prices. The expected life in years represents the time that the options granted are expected to be outstanding. The risk-free rate is based on zero coupon Canada government bonds with a remaining term equal to the expected life of the options.

(e) RSUs and DSUs

The Company has established a restricted share unit and a deferred share unit award plan (the "RSU/DSU Plan") for officers and employees. Under the RSU/ DSU Plan, calculation of the value of restricted share units (the "RSUs") and deferred share units (the "DSUs") awarded is based on the closing price of common shares of the Company on the trading day immediately preceding the date of the award. The shareholders approved the RSU/DSU Plan, and the Board approved the execution of granting of RSUs and DSUs, their vesting and cancellation provisions.

For fiscal 2022, the Company issued 4,348,237 RSUs, the majority of which vest up to December 2024, and 683,571 DSUs. The value of the RSUs and DSUs vested in the year is $400,883 (2021: $266,058) and is included in share based compensation.

19. Disaggregation of revenue

In the following table, net revenue is presented for fiscal 2022 and 2021, and disaggregated by major products, service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Company's reportable operating segments.

(Expressed in Canadian dollars, unless otherwise noted)

	Notes	Lifeist Vapes	Australian Vaporizers	CannMart	CannMart MD	Mikra	Total
2022							
Major goods/service lines							
Hardware	(i)	$ 39,854	$ 5,091,659	$ 15,906,190	$ -	$ -	$ 21,037,703
Cannabis, net of excise taxes	(i)	-	-		-	-	-
Nutraceuticals	(i)	-	-	-	-	978,528	978,528
Referral fees	(ii)	-	-	-	47,109	-	47,109
Processing fees	(iii)	-	-	-	-	-	-
Sales commissions	(iii)	-	-	5,342	-	-	5,342
		$ 39,854	$ 5,091,659	$ 15,911,532	$ 47,109	$ 978,528	$ 22,068,682

	Notes	Lifeist Vapes	Australian Vaporizers	CannMart	CannMart MD	Mikra	Total
2021							
Major goods/service lines							
Hardware	(i)	$ 2,154,498	$ 6,622,872	$ -	$ -	$ -	$ 8,777,370
Cannabis, net of excise taxes	(i)	-	-	10,747,602	-	-	10,747,602
Nutraceuticals	(i)	-	-	-	-	-	-
Referral fees	(ii)	-	-	-	148,177	-	148,177
Processing fees	(iii)	-	-	1,426,107	-	-	1,426,107
Sales commissions	(iii)	-	-	46,547	-	-	46,547
		$ 2,154,498	$ 6,622,872	$ 12,220,256	$ 148,177	$ -	$ 21,145,803

Timing of revenue recognition:
(i) Goods transferred at a point in time
(ii) Services performed over period of time
(iii) Services performed at a point in time

20. Restructuring and other (recovery) costs

Restructuring and other (recovery) costs for fiscal 2022 and 2021 were as follows:

	2022	2021
Legacy resolutions (recovery) costs	$ (404,927)	$ -
Restructuring (recovery) costs	78,333	(113,676)
	$ (326,594)	$ (113,676)

21. Other expense (income)

Other expense (income) for fiscal 2022 and 2021 was as follows:

(Expressed in Canadian dollars, unless otherwise noted)

		2022		2021
Unrealized loss (gain) on equity investments at FVTPL	$	71,982	$	597,675
Interest expense (income)		2,455		95,018
Miscellaneous expense (income)		439,413		(555,652)
Unrealized (gain) loss on derivatives		-		639
Gain on disposal of investment		(315,059)		(11,381)
	$	198,791	$	126,299

22. Income taxes

(a) The Company's income tax (expense) recovery for fiscal years ended November 30, 2022 and 2021 comprises the following:

		2022		2021
Current income tax (expense) recovery	$	193,684	$	(201,272)
Deferred income tax recovery		30,569		38,149
Income tax (expense)	$	224,253	$	(163,123)

(b) The provision for income tax differs from the amount that would have resulted by applying the combined Canadian statutory income tax rate of approximately 26.5% (2021: 26.5%) for fiscal years ended November 30, 2022 and 2021 as follows:

		2022		2021
Loss from continuing operations before income taxes	$	(18,920,248)	$	(22,067,565)
Canadian statutory tax rate		26.50%		26.50%
Expected income tax recovery at the statutory rate of 26.5%		5,013,866		5,847,905
Share-based compensation		(468,416)		(310,241)
Foreign tax rate differential		(618,826)		(864,090)
Tax impact of temporary differences for which no deferred tax asset was recorded		(3,136,576)		(5,033,759)
Other permanent differences		(565,795)		197,062
Income tax (expense)	$	224,253	$	(163,123)

The statutory tax rate used in the 2022 effective tax rate reconciliation is that of the Canadian parent entity which reflects the Canadian federal tax rate of 15.0% plus the provincial tax rate of 11.5%.

(c) The following table reflects the changes in deferred income tax assets (liabilities) for fiscal years ended November 30, 2022 and 2021:

(Expressed in Canadian dollars, unless otherwise noted)

		2022		2021
Balance at beginning of the year	$	(40,817)	$	(50,398)
Deferred income tax (expense) recovery		30,569		38,149
Deferred income tax recorded through OCI		28,404		(21,862)
Foreign currency translation and other		-		(6,706)
Balance at end of the year	$	18,156	$	(40,817)

(d) The following table summarizes components of deferred tax assets and liabilities as at November 30, 2022 and November 30, 2021:

		2022		2021
Intangible assets	$	(30,563)	$	(284,013)
Property and equipment		(437)		3,819
Capital lease obligation		-		(679)
Accounting provision and accruals		16,907		28,708
Unrealized foreign exchange		(13,342)		(2,842)
Non-capital losses		45,591		214,190
	$	18,156	$	(40,817)

(e) Deferred tax assets have not been recognized in respect of the following deductible temporary differences as at November 30, 2022 and November 30, 2021:

		2022	2021
Non-capital losses	$	105,737,704	92,034,025
Capital losses		14,066,070	-
Intangible assets		4,907,809	6,441,706
Investments		2,658,857	5,998,241
Share issuance costs		1,360,954	2,911,273
Property and equipment		356,633	1,360,586
Accounting provision, accruals and other		241,500	1,333,931

(f) Tax losses in Canada of $102,548,681 can be carried forward to reduce taxable income in future years. The losses are expected to expire between years 2034 and 2043. Capital losses in Canada of $14,066,077 can be carried forward to reduce capital gains in future years. These losses can be carried forward indefinitely. In addition, the Company has foreign tax losses amounting to $3,189,024 which do not expire.

23. Financial instruments and associated risks

(a) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

(Expressed in Canadian dollars, unless otherwise noted)

The Company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1 includes quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 includes inputs that are observable other than quoted prices included in Level 1; and
- Level 3 includes inputs that are not based on observable market data.

The following is a summary of financial assets and liabilities measured at fair value based on various level of inputs:

	Level 1	Level 2	Level 3	Total
Financial assets:				
Equity investments	$ 61,802	$ -	$ 14,448	$ 76,250

Following is the summary of other financial instruments, not measured at fair value, as at November 30, 2022 and November 30, 2021:

	Financial assets at amortized cost	Financial liabilities at amortized cost	Total
2022			
Financial assets:			
Cash and cash equivalents	$ 3,801,688	$ -	$ 3,801,688
Trade and other receivables	5,805,832	-	5,805,832
Other assets	335,173	-	335,173
Deposits	535,249	-	535,249
Balance at November 30, 2022	10,477,942	-	10,477,942
Financial liabilities:			
Accounts payable and accrued liabilities	-	6,194,045	6,194,045
Leases	-	328,328	328,328
Other short-term liabilities	-	539,000	539,000
Balance at November 30, 2022	$ -	$ 7,061,373	$ 7,061,373

(Expressed in Canadian dollars, unless otherwise noted)

	Financial assets at amortized cost	Financial liabilities at amortized cost	Total
2021			
Financial assets:			
Cash and cash equivalents	$ 12,739,457	$ -	$ 12,739,457
Trade and other receivables	4,369,977	-	4,369,977
Other assets	444,765	-	444,765
Deposits	2,639,121	-	2,639,121
Balance at November 30, 2021	20,193,320	-	20,193,320
Financial liabilities:			
Accounts payable and accrued liabilities	-	8,480,082	8,480,082
Leases	-	554,585	554,585
Other short-term liabilities	-	1,347,500	1,347,500
Other long-term liabilities	-	269,500	269,500
Balance at November 30, 2021	$ -	$ 8,480,082	$ 8,480,082

The carrying values of the above financial instruments approximate their fair values as at November 30, 2022 due to their short-term nature.

(b) Risk management

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

(i) Market risk

Market risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether caused by factors specific to an individual investment or its issuers or factors affecting all instruments traded in the market. Future changes in market conditions such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

a. *Currency risk*
Currency risk is the risk that changes in foreign exchange rates may have an effect on future cash flows associated with financial instruments. The Company is party to financial instruments or enters into transactions that are denominated in currencies other than its functional currency. Consequently, the Company is exposed to translation risk in which other foreign currencies change in a manner that has an

(Expressed in Canadian dollars, unless otherwise noted)

adverse effect on the value of the Company's assets or liabilities denominated in its operational currency. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The Company does not hedge against movements in foreign currency exchange rates.

		Cash and cash equivalents		Accounts receivable		Accounts payable		Net Exposure
2022:								
United States dollars	$	539,858	$	65,152	$	(308,516)	$	296,494
Euros		-		26,280		-		26,280
Pound Sterling		-		24,915		(25,874)		(959)
Balance at November 30, 2022	$	539,858	$	116,347	$	(334,390)	$	321,815
2021:								
United States dollars	$	144,802	$	9,955	$	(56,124)	$	98,633
Euros		21,902		13,877		(12,311)		23,468
Pound Sterling		-		310,196		(69,726)		240,470
Balance at November 30, 2021	$	166,704	$	334,028	$	(138,161)	$	362,571

A 5% change in the foreign currencies against functional currencies, assuming that all other variables are constant, would either increased or decreased the net loss by $16,091 (2021: $62,867) as a result of the revaluation on foreign currency denominated financial assets and liabilities.

b. *Interest rate risk*

Interest rate risk is the risk that the cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has notes receivable and non-interest-bearing debt obligations. Interest rate risk refers to the risk of loss due to adverse movements in interest rates. Interest rate risk consists of a) the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities.

c. *Other price risk*

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices, other than those arising from interest rate risk or currency risk. The Company's exposure to other price risks relates to fair value of its equity investments and derivatives.

If the fair value of financial assets at FVTPL were to increase or decrease by 5%, net loss would have increased or decreased by $232 (2021: $3,568).

If the fair value of financial assets at FVOCI were to increase or decrease by 5%, OCI would have changed by $3,580 (2021: $15,732).

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from cash and cash equivalents, trade and other receivables, loans receivable, deposits and other assets.

The Company is moderately exposed to credit risk from its cash and cash equivalents, and trade receivables. The carrying amount of these financial assets represents the maximum credit exposure.

Cash and cash equivalents, deposits and other assets

Cash and cash equivalents, deposits and other assets are held with reputable financial institutions and business partners which are closely monitored by management and are covered by deposit insurance.

Trade and other receivables

Trade receivables generated from online sales are held in reputable merchant accounts and are received within a short period of time. Credit risk is generally limited for trade receivables from government bodies, which have low default risk.

Credit risk for non-government wholesale customers is assessed on a case-by-case basis. When estimating Expected Credit Loss ("ECL") the Company analyzes both quantitative and qualitative data. Typically, ECL increases with the age of the receivable. A receivable is considered in default when the debtor is unlikely to pay its credit obligations in full and the Company has limited recourse.

As of November 30, 2022, the Company recognized a $723,303 (2021: $793,260) provision for expected credit losses. This amount includes provisions for other receivables.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have the sufficient liquidity to meet its liabilities when they are due, without incurring unacceptable losses or risking damage to the Company's reputation. On August 18, 2020, the Company filed the base shelf prospectus to maintain financial flexibility to access capital quickly, when available and needed. In January 2021 the Company closed a bought deal public offering for total net proceeds of $21,197,086 and sold 65,780,000 units of the Company at a price of $0.35 per unit under the offering. In November 2021 a deal for private placement was concluded for 2,214,287 units of shares for net proceeds of $155,000. In November 2022, a financing facility for a private placement was concluded, and the first tranche of 2,500,000 of shares for net proceeds of $150,000 was issued.

(Expressed in Canadian dollars, unless otherwise noted)

The following are the remaining contractual maturities of financial liabilities as at November 30, 2022:

		<1 year		1-2 years		Total
Accounts payable	$	2,218,277	$	-	$	2,218,277
Accrued liabilities		3,975,768		-		3,975,768
Other short term liabilities		539,000		-		539,000
Lease liabilities		144,782		183,546		328,328
	$	6,877,827	$	183,546	$	7,061,373

24. Additional disclosures for statement of cash flow

(a) Changes in non-cash working capital

Changes in non-cash working capital for fiscal 2022 and 2021 were as follows:

		2022		2021
(Increase)/decrease in trade and other receivables	$	(870,622)	$	1,947,768
Decrease in inventories		832,795		2,758,819
Decrease/(increase) in prepaid expenses and other assets		2,158,615		322,071
(Decrease)/increase in accounts payable and accrued liabilities		(1,950,337)		204,675
Increase/(decrease) in provisions		-		(218,320)
(Decrease)/increase in deferred revenue		(327,402)		33,322
	$	(156,951)	$	5,048,335

(b) Additional information

Additional information for the fiscal 2022 and 2021 were as follows:

(Expressed in Canadian dollars, unless otherwise noted)

		2022		2021
Interest received		56,931		122,634
	$	56,931	$	122,634

25. Related party balances and transactions

Related parties include key management personnel and the entities controlled or directed by key management personnel. Key management personnel include the Board of Directors and key executives of the Company together with certain individuals responsible for outsourced services who in the opinion of the Company have satisfied relevant criteria to be considered key management personnel.

Related party transactions for fiscal 2022 and 2021 are as follows:

		2022		**2021**
Related Party Transactions				
Key management personnel compensation	$	1,119,427	$	1,243,036
Directors fees		426,493		689,621
Share-based compensation		154,577		322,310

(i) The key management personnel compensation includes salaries and bonuses, benefits and incentives.

(ii) The key management personnel compensation includes the following stock options:

Grant date	Number of options	Exercise price	Fair Value	Vesting period	Expiry date
		$	$		
December 7, 2019	200,000	0.33	0.19	Immediate	December 7, 2024
July 2, 2020	1,332,487	0.34	0.21	3 years	July 1, 2024
July 2, 2020	304,569	0.34	0.21	3 years	July 1, 2024
July 2, 2020	2,900,000	0.35	0.21	3 years	July 1, 2024
August 17, 2020	125,000	0.34	0.21	3 years	August 24, 2024
May 6, 2021	190,000	0.25	0.16	3 years	May 5, 2025
June 14, 2021	230,000	0.25	0.15	3 years	June 13, 2025
December 24, 2021	229,220	0.08	0.04	3 years	December 23, 2025
September 15, 2022	666,667	0.10	0.04	Immediate	September 15, 2024
September 15, 2022	333,333	0.10	0.04	1 year	September 15, 2024

(iii) The key management personnel and directors' compensation includes restricted and deferred share units (RSUs and DSUs) (Note 18(e)).

26. Acquisition of Non-Controlling Interest

On November 17, 2020 the Company signed a Share Purchase Agreement (SPA) to buy the remaining 49% NCI in CannMart Labs Inc., effective December 2, 2020, for total consideration of $4,034,000. The difference between the consideration and carrying amount of NCI in the amount of $3,769,219 has been included in Other Reserve. Consideration was paid in the Company's shares as follows: $1,608,500 of the shares on December 2, 2020, and the remaining $2,425,500 of shares to be paid in increments of $269,500 of shares over the course of nine consecutive quarters, beginning on the fiscal quarter ending February 28, 2021.

As of November 30, 2022, the Company has issued 24,878,244 shares ($2,144,399), with the remainder of the balance payable of $539,000 included in other short-term liabilities. The remaining shares to be issued have been classified as a financial liability as the number of shares to be issued by the Company is variable.

Further, the sellers shall be entitled to additional payments in the maximum amount of $17,427,680 calculated in accordance with the Gross Margin Principles, which will be conditional upon meeting the financial targets as set out in the Earn-Out Schedule of the SPA. These additional payments are accounted for separately from the business combination.

In October 2022 the Company issued 11,096,306 Earn Out shares ($1,036,397), as a result of meeting Q3 2022 financial targets, as set out in the Earn-Out Schedule of the SPA.

27. Subsequent Event

On January 31, 2023, the Company has completed a second tranche under its existing draw-down equity facility with Alumina Partners (Ontario) Ltd. and issued a total of 4,628,177 units at a price of $0.05625 per unit for gross proceeds of $260,335. Each unit consisted of one common share of Lifeist and one transferable share purchase warrant with each warrant exercisable to acquire one additional common share at a price of $0.09375 for a period of three years.