

Good2Go Corp.
(A Capital Pool Corporation)

Financial Statements

**For the Period from the Date of Incorporation (February 28, 2018) to
February 28, 2019
(Expressed in Canadian Dollars)**

Independent Auditor's Report

To the Shareholders of Good2Go Corp.:

Opinion

We have audited the financial statements of Good2Go Corp. (the "Company"), which comprise the statement of financial position as at February 28, 2019 and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the period from February 28, 2018 (date of incorporation) to February 28, 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at February 28, 2019, and its financial performance and its cash flows for the period from February 28, 2018 to February 28, 2019 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit 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 Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

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

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

The engagement partner on the audit resulting in this independent auditor's report is Pierrette Dosanjh.

Toronto, Ontario
June 18, 2019

MNP LLP

Chartered Professional Accountants
Licensed Public Accountants

MNP

Good2Go Corp.

Statement of Financial Position (Expressed in Canadian Dollars)

February 28, 2019

Assets

Current assets

Cash held in trust	\$	246,329
Total current assets		<u>246,329</u>

Total Assets	\$	246,329
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Liabilities and Shareholders' Equity

Current liabilities

Accounts payable and accrued liabilities	\$	13,941
Total current liabilities		<u>13,941</u>

Shareholders' equity

Share Capital (Note 4 a)	308,468
Warrant reserve (Note 4 b)	11,466
Contributed Surplus (Note 4 c)	30,344
Deficit	<u>(117,890)</u>
Total shareholders' equity	<u>232,388</u>

Total Liabilities and Shareholders' Equity	\$	246,329
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Related Party Transactions (Note 5)

Subsequent Event (Note 9)

The accompanying notes are an integral part of these financial statements

Approved by the Board of Directors

(signed) "James Cassina"

James Cassina, Director

(signed) "Sandra Hall"

Sandra Hall, Director

Good2Go Corp.

Statement of Loss and Comprehensive Loss

For the period from the date of incorporation (February 28, 2018) to February 28, 2019

February 28, 2019

(Expressed in Canadian Dollars)

Expenses

Professional fees	\$	50,146
Stock based compensation (Note 4 c, 5)		30,344
Transfer agent fees		2,751
Listing fees		21,921
Filing fees		12,728

Net loss and comprehensive loss (117,890)

Net loss per share, basic and diluted (0.09)

Weighted Average shares outstanding, basic and diluted 1,363,444

The accompanying notes are an integral part of these financial statements

Good2Go Corp.

Statement of Changes in Shareholders' Equity

For the period from the date of incorporation (February 28, 2018) to February 28, 2019

(Expressed in Canadian Dollars)

	SHARE CAPITAL Number of Common Shares	SHARE CAPITAL Common shares \$	WARRANT RESERVE \$	CONTRIBUTED SURPLUS \$	DEFICIT \$	TOTAL SHAREOLDERS' EQUITY \$
Balance, February 28, 2018	-	-	-	-	-	-
Share subscriptions	3,000,000	150,000	-	-	-	150,000
Initial public offering	2,200,000	220,000	-	-	-	220,000
Fair value of agent warrants	-	(11,655)	11,655	-	-	-
Offering costs	-	(50,423)	-	-	-	(50,423)
Stock based compensation	-	-	-	30,344	-	30,344
Exercise of agent warrants	3,570	546	(189)	-	-	357
Net loss for the year	-	-	-	-	(117,890)	(117,890)
Balance, February 28, 2019	5,203,570	308,468	11,466	30,344	(117,890)	232,388

The accompanying notes are an integral part of these financial statements

Good2Go Corp.

Statement of Cash Flows

For the period from incorporation (February 28, 2018) to February 28, 2019

(Expressed in Canadian Dollars)

February 28, 2019

Cash provided by (used in)

Operating activities

Net loss for the period	\$	(117,890)
Items not involving cash:		
Stock based compensation (Note 4 c)		30,344
Working capital adjustments:		
Increase in accounts payable and accrued liabilities		13,941

Net cash used in operating activities

(73,605)

Financing activities

Share subscriptions (Note 4 a)		150,000
Initial public offering (Note 4 a)		220,000
Exercise of agent warrants		357
Offering costs		(50,423)

Net cash provided by financing activities

319,934

Increase in cash for the period

246,329

Cash, beginning of period

-

Cash, end of period

\$ 246,329

The accompanying notes are an integral part of these financial statements

Good2Go Corp.

Notes to the Financial Statements

For the period from the date of incorporation (February 28, 2018) to February 28, 2019

1. Incorporation and Nature of Operations

Good2Go Corp., was incorporated under the laws of the province of Ontario on February 28, 2018 (“Good2Go” or the “Company”) and is classified as a Capital Pool corporation, as defined in Policy 2.4 of the TSX Venture Exchange (the “Exchange”). The principal business of the Company will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction (“QT”). The Company has not commenced operations and has no assets other than cash held in trust. The Company’s continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition, or business, or an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned and, in the case of a non- arm’s length transaction, of the majority of the minority shareholders.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to the lesser of 30% of the gross proceeds realized by the Company, in respect of the sale of its securities, or \$210,000, may be used for purposes other than evaluating businesses or assets. These restrictions apply until completion of a QT by the Company, as defined under the policies of the Exchange. The Company is required to complete its QT on or before two years from the date the Company receives regulatory approval.

The Company’s head office and registered office is located at 1 King Street West, Suite 1505, Toronto, Ontario, M5H 1A1. The Company’s common shares trade on the TSX Venture Exchange under the symbol GOTO.P.

2. Basis of Preparation

Statement of Compliance

These Financial Statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretation Committee (“IFRIC”). On June 18, 2019, the Board of Directors of the Company approved the Financial Statements for the period from the date of incorporation (February 28, 2018) to February 28, 2019.

Use of Estimates and Judgments

The preparation of these financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

Basis of Presentation

The financial statements are presented in Canadian dollars (“CAD”), which is the Company’s functional and presentation currency. The financial statements are prepared on a historical cost basis except for certain financial instruments classified as fair value through profit or loss (“FVPTL”), which are stated at their fair value. The accounting policies have been applied consistently throughout the entire period presented in these financial statements.

3. Summary of Significant Accounting Policies

Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity.

Basic and Diluted Loss per Share

Basic loss per share is computed by dividing the net loss applicable to common shares by the weighted average number of common shares outstanding for the relevant period. Common shares escrowed pursuant to the requirements of the Exchange are excluded from the number of outstanding common shares.

Good2Go Corp.

Notes to the Financial Statements

For the period from the date of incorporation (February 28, 2018) to February 28, 2019

3. Summary of Significant Accounting Policies-Continued

Basic and Diluted Loss per Share-Continued

Diluted loss per share is computed by dividing the net loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted.

Share-based Compensation

Equity-settled share based payments for directors, officers, employees, and consultants are measured at fair value at the date of grant and recorded as compensation expense in the financial statements. Share options are measured at the fair value of each tranche on the grant date and are recognized in their respective vesting period using the Company's expected forfeiture rate. Any consideration paid by directors, officers, employees and consultants on exercise of equity-settled share based payments is credited to share capital. Shares are issued from treasury upon the exercise of equity-settled share-based instruments.

Financial Instruments

Recognition

The Company recognizes financial assets and financial liabilities on the date the Company becomes a party to the contractual provisions of the instruments.

Classification

The Company classifies its financial assets and financial liabilities in the following measurement categories: i) those to be measured subsequently at fair value (either through other comprehensive loss or through profit or loss, and ii) those to be measured at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition). For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive loss.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

The Company has implemented the following classifications:

Cash is classified as fair value through profit and loss any period change in fair value is recorded in profit or loss. Accounts payable and accrued liabilities are classified as other financial liabilities and measured at amortized cost using the effective interest rate method.

Measurement

All financial instruments are required to be measured at fair value on initial recognition, plus, in case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss.

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 or principal and interest on the principal outstanding are generally measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive loss (irrevocable election at the time of recognition).

Good2Go Corp.

Notes to the Financial Statements

For the period from the date of incorporation (February 28, 2018) to February 28, 2019

3. Summary of Significant Accounting Policies-Continued

Financial Instruments-Continued

Additional fair value measurement disclosure includes classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements which are as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

Cash held in trust is a level 1 financial instrument measured at fair value on the statement of financial position.

Income Taxes

Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the intention is to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences and deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to be recovered or settled. Deferred tax assets are recognized to the extent that realization of such benefits is probable.

New Accounting Standards issued

IFRS 9, Financial Instruments ("IFRS 9") was initially issued by the IASB on November 12, 2009 and issued in its completed version in July 2014, and will replace IAS 39, "Financial Instruments: Recognition and Measurement" ("IAS 39"). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for financial years beginning on or after January 1, 2018. The company adopted this standard on March 1, 2018, which had no impact on the financial statements.

4. SHARE CAPITAL

a) Share Capital

Authorized:

Unlimited common shares

Good2Go Corp.

Notes to the Financial Statements

For the period from the date of incorporation (February 28, 2018) to February 28, 2019

4. SHARE CAPITAL-Continued

Issued:

The following table sets out the changes in common shares during the period.

	Number of Common Shares	Amount \$
Balance, February 28, 2018	-	-
Share subscriptions (1)	3,000,000	150,000
Initial public offering (2)	2,200,000	220,000
Offering costs (2)	-	(50,423)
Fair value of agent warrants (2)	-	(11,655)
Exercise of agent warrants (2)	3,570	546
Balance, February 28, 2019	5,203,570	308,468

1) Escrowed Shares

The Company issued 3,000,000 common shares at a purchase price of \$0.05 per common share for gross proceeds of \$150,000. The 3,000,000 common shares issued at \$0.05 per share will be held in escrow pursuant to the requirements of the Exchange. All common shares granted to directors and officers prior to the completion of a Qualifying Transaction must also be deposited in escrow until the final exchange bulletin is issued.

All common shares of the Company acquired in the secondary market prior to the completion of a Qualifying Transaction by a Control Person, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Company held by principals of the resulting issuer will also be subject to escrow.

2) Initial Public Offering

On July 17, 2018, the Company completed its initial public offering (the "Offering") of 2,200,000 common shares at a purchase price of \$0.10 per common share for gross proceeds of \$220,000. During the period ended February 29, 2019, the Company incurred costs of \$50,423 directly related to the Offering.

Haywood Securities Inc., (the "Agent") acted as the agent for the initial public offering. In connection with the Offering, the Company granted to the Agent, common share purchase warrants to acquire 220,000 common shares (the "Warrants"). Each Warrant is exercisable to acquire one common share at a price of \$0.10 until July 17, 2020. The estimated fair value attributed to the Warrants was \$11,655. In connection with the Offering, the Agent was paid a cash commission equal to 10% of the aggregate gross proceeds from the sale of the common shares. The Company also paid a corporate finance fee of \$12,500 to the Agent and reimbursed the Agent for legal fees and other reasonable expenses incurred pursuant to the Offering. During the period ended February 29, 2019, 3,570 Warrants were exercised for gross proceeds of \$357 (see Note 4 b). The value attributed to these warrants is \$189.

Weighted Average Shares Outstanding

The following table summarizes the weighted average shares outstanding:

	February 28, 2019
Weighted Average Shares Outstanding, basic and diluted	1,363,444

As at February 28, 2019, 3,000,000 common shares were excluded from the calculation as they were contingently issuable and all conditions necessary for their issuance have not been satisfied. At February 28, 2019 there were 216,430 Warrants and 405,000 Options that could be exercised, however they are anti-dilutive.

The effects of any potential dilutive instruments on loss per share are anti-dilutive and therefore have been excluded from the calculation of diluted loss per share.

Good2Go Corp.

Notes to the Financial Statements

For the period from the date of incorporation (February 28, 2018) to February 28, 2019

4. SHARE CAPITAL-Continued

b) Common Share Purchase Warrants

The following table sets out the changes in warrants during the period ended February 28, 2019:

Warrants	Number of Warrants	Weighted Average Price \$
Outstanding, February 28, 2018	-	-
Warrants issued	220,000	0.10
Warrants exercised	(3,570)	0.10
Balance, February 29, 2019	216,430	\$0.10

In connection with the Offering, the Company granted to the Agent warrants to acquire 220,000 common shares (the "Agent's Warrants"). Each Agent Warrant is exercisable to acquire one common share at a price of \$0.10 until July 17, 2020. The fair value of the Agent Warrants were estimated on the date of the issue using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, discount rate 1.92%, expected volatility 100% and expected life of 2 years. The fair value attributed to the 220,000 Agent Warrants was \$11,655. During the period ended February 28, 2019, 3,570 warrants were exercised for gross proceeds of \$357.

The following table summarizes the outstanding warrants as at February 28, 2019:

Number of Warrants	Exercise Price	Expiry Date	Weighted Average Remaining Life (Years)	Warrant Value (\$)
216,430	\$0.10	July 17, 2020	1.38	11,466

c) Common Share Purchase Options

The Company has a stock option plan to provide incentives for directors, officers, employees and consultants of the Company. Options may be granted for a maximum term of five years from the date of the grant. They are non-transferable and are exercisable as determined by the Directors when the option is granted. Options expire within 12 months after completion of a qualifying transaction or within 90 days of termination of employment or holding office as director or officer of the Company and, in the case of death, expire within a maximum period of one year after such death, subject to the expiry date of the option. The stock option plan is subject to regulatory approval. Any shares issued upon exercise of the options prior to the Company entering into a Qualifying Transaction will be subject to escrow restrictions.

Upon closing of the Offering, the Company granted 405,000 common share purchase options to directors and officers. Each common share purchase option entitles the holder to acquire one common share of the Company at an exercise price of \$0.10 until July 16, 2023 (the "Options"). The fair value of the Options were estimated on the date of the issue using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, discount rate 2.04%, expected volatility 100%, forfeiture rate 0% and expected life of 5 years. The Company recorded the estimated fair value of the Options of \$30,344 as non-cash stock-based compensation expense.

The following table is a summary of the status of the Company's stock options and changes during the period ended February 28, 2019:

	Number of Options	Weighted Average Exercise Price \$
Balance, February 28, 2018	-	-
Granted	405,000	0.10
Balance, February 28, 2019	405,000	0.10

Good2Go Corp.

Notes to the Financial Statements

For the period from the date of incorporation (February 28, 2018) to February 28, 2019

4. SHARE CAPITAL-Continued

The following table is a summary of the Company's stock options outstanding and exercisable as at February 28, 2019:

Exercise Price	Number of Options	Options Outstanding			Options Exercisable	
		Weighted Average Remaining Life (Years)	Expiry Date	Number of Options	Weighted Average Exercise Price \$	
\$0.10	405,000	4.38	July 16, 2023	405,000	0.10	

5. RELATED PARTY TRANSACTIONS

The Company granted 405,000 common share purchase options exercisable at \$0.10 until July 16, 2023 to directors and officers and recorded the estimated fair value of \$30,344 as non-cash stock-based compensation expense.

6. NON-CASH TRANSACTIONS

The following summarizes the non-cash transactions for the period ended February 28, 2019:

Stock based compensation	\$30,344
Fair value of Agent Warrants	\$11,655

7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern, in order to provide returns for the shareholders and benefits for other stakeholders. The Company includes equity, comprised of share capital and deficit, in the definition of capital.

The Company's primary objective, with respect to its capital management, is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or \$210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the Exchange policy 2.4.

Risk Disclosures and Fair Values

The Company's financial instruments, consisting of cash held in trust and accounts payable and accrued liabilities, approximate fair value due to the relatively short-term maturities of the instruments. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Good2Go Corp.

Notes to the Financial Statements

For the period from the date of incorporation (February 28, 2018) to February 28, 2019

8. INCOME TAXES

A reconciliation of combined federal and provincial corporate income taxes of statutory rates of 26.5% and the Company's effective income tax expense is as follows:

Net loss for the period	\$ (117,890)
Expected income tax recovery	(31,241)
Stock-based compensation	8,041
Share issuance costs booked to equity	(13,360)
Deferred tax assets not recognized	36,560
Income tax recovery	\$ -

At February 28, 2019, the Company had non-capital loss for income tax purposes of \$97,631 which can be carried forward to be applied against future taxable income. These losses expire to the extent unutilized against future taxable income in 2039. The Company also had \$40,338 in un-deducted share issuance costs, which will be expensed for tax purposes over the next five years.

The Company has not recorded deferred tax assets related to these unused carry forward losses and share issuance costs as it is not probable that future taxable profits will be available against which these can be deducted.

9. SUBSEQUENT EVENT

Subsequent to year end, the Company entered into a letter of intent with Garyn Angel Enterprises Inc. (also referred to as "Magical Butter") pursuant to which the Company has agreed to acquire all of the outstanding securities of MagicalButter, a Florida-based product innovation and consumer branding company. The proposed acquisition is subject to certain conditions and applicable shareholder, corporate and Exchange approvals and will constitute the Company's "Qualifying Transaction" as such term is defined under the policies of the Exchange.