

**PLANTX LIFE INC.**

**Condensed Consolidated Interim Financial Statements**

**For the three months ended June 30, 2020 and for the period from October 11, 2019 (date of incorporation) to March 31, 2020**

**(Expressed in Canadian Dollars)**

## **NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these interim condensed consolidated financial statements in accordance with the standards established by and the Chartered Professional Accountants of Canada for a review of the interim financial statements by an entity's auditor.

**PLANTX LIFE INC.**  
**Condensed Consolidated Interim Statements of Financial Position**  
**As at June 30, 2020 and March 31, 2020**  
**(Expressed in Canadian Dollars)**

	June 30, 2020	March 31, 2020
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 64,972	\$ 97,340
Accounts receivable	89,944	13,862
GST recoverable	3,103	205
Prepaid expenses	8,226	8,257
	166,245	119,664
Intangible assets (Note 8)	132,796	132,796
<b>Total Assets</b>	<b>\$ 299,041</b>	<b>\$ 252,460</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable	\$ 133,050	\$ 38,493
Accrued liabilities	5,000	5,000
Due to related party (Note 7)	158,078	72,034
<b>Total Liabilities</b>	<b>296,128</b>	<b>115,527</b>
<b>Shareholders' Equity</b>		
Share capital (Note 6)	471,444	471,444
Share-based payment reserve	7,875	7,875
Deficit	(476,406)	(342,386)
<b>Total Shareholders' Equity</b>	<b>2,913</b>	<b>136,933</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 299,041</b>	<b>\$ 252,460</b>

**Going concern** (Note 2)

Approved by:

"Sean Dollinger" (signed)  
Sean Dollinger, CEO and Director

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

**PLANTX LIFE INC.****Condensed Consolidated Interim Statements of Comprehensive Loss****For the three months ended June 30, 2020 and for the period from October 11, 2019 (date of incorporation) to March 31, 2020****(Expressed in Canadian Dollars)**

		<b>For the three months ended June 30, 2020</b>		<b>For the period from October 11, 2019 (date of incorporation) to March 31, 2020</b>
<b>Revenue</b> (Note 9)	\$	132,890	\$	1,349
<b>Cost of sales</b>		(122,303)		-
		10,587		1,349
<b>Operating Expenses</b>				
Advertising and promotion		23,806		147,937
Accounting and audit fees		22,762		14,110
Consulting fees (Note 7)		27,897		325,000
Foreign exchange loss		1,490		-
Investor relations		-		3,830
Legal fees		41,304		20,931
General and administrative		11,864		22,433
Share-based compensation (Note 6)		-		7,875
Travel expenses		15,484		48,230
		(144,607)		(590,346)
<b>Net and Comprehensive Loss</b>	\$	<b>(134,020)</b>	\$	<b>(588,997)</b>
<b>Loss per Share – Basic and Diluted</b>	\$	<b>(0.01)</b>	\$	<b>(0.04)</b>
<b>Weighted Average Number of Common Shares Outstanding</b>				
		<b>23,572,220</b>		<b>14,546,544</b>

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

**PLANTX LIFE INC.****Condensed Consolidated Interim Statements of Changes in Equity**

For the three months ended June 30, 2020 and for the period from October 11, 2019 (date of incorporation) to March 31, 2020

(Expressed in Canadian Dollars)

	Share Capital		Share-Based Payment Reserve	Deficit	Total
	Number	Amount			
<b>Balance, October 11, 2019 (date of incorporation)</b>	-	\$ -	\$ -	\$ -	-
Shares issued from private placements (Note 6)	22,500,000	450,000	-	-	450,000
Shares issued in settlement of debt (Note 6)	1,072,220	21,444	-	246,611	268,055
Share-based compensation (Note 6)	-	-	7,875	-	7,875
Net and comprehensive loss	-	-	-	(588,997)	(588,997)
<b>Balance, March 31, 2020</b>	<b>23,572,220</b>	<b>\$ 471,444</b>	<b>\$ 7,875</b>	<b>\$ (342,386)</b>	<b>\$ 136,933</b>
Net and comprehensive loss	-	-	-	(134,020)	(134,020)
<b>Balance, June 30, 2020</b>	<b>23,572,220</b>	<b>\$ 471,444</b>	<b>\$ 7,875</b>	<b>\$ (476,406)</b>	<b>\$ 2,913</b>

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

**PLANTX LIFE INC.****Condensed Consolidated Interim Statements of Cash Flows****For the three months ended June 30, 2020 and for the period from October 11, 2019 (date of incorporation) to March 31, 2020****(Expressed in Canadian Dollars)**

	<b>For the three months ended June 30, 2020</b>	<b>For the period from October 11, 2019 (date of incorporation) to March 31, 2020</b>
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Net loss	\$ (134,020)	\$ (588,997)
Item not involving cash:		
Share-based compensation	-	7,875
Changes in working capital items:		
Accounts receivable	(76,082)	(13,862)
GST recoverable	(2,898)	(205)
Prepaid expenses	31	(8,257)
Accounts payable and accrued liabilities	94,557	43,493
Due from related party	86,044	340,089
Net cash used in operating activities	(32,368)	(219,864)
<b>Investing activity</b>		
Intangible assets	-	(132,796)
Net cash used in investing activity	-	(132,796)
<b>Financing activity</b>		
Shares issued from private placements	-	450,000
Net cash provided by financing activity	-	450,000
<b>Change in cash</b>	<b>(32,368)</b>	<b>97,340</b>
<b>Cash, beginning</b>	<b>97,340</b>	<b>-</b>
<b>Cash, ending</b>	<b>\$ 64,972</b>	<b>\$ 97,340</b>
<b>Supplemental disclosure:</b>		
Shares issued in settlement of debt	\$ -	\$ 21,444

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

# PLANTX LIFE INC.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended June 30, 2020 and for the period from October 11, 2019 (date of incorporation) to March 31, 2020  
(Expressed in Canadian Dollars)

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### 1. NATURE OF OPERATIONS

PlantX Life Inc. (the “Company” or “PlantX”) was incorporated under the *Business Corporations Act* (British Columbia) on October 11, 2019. The Company is an online source for high-quality plant-based food and beverages, distributing products throughout North America. The Company will also create a vibrant online community with a collaborative forum and blog to help likeminded consumers connect with each other.

The address of its head office is 1005 Alpha Lake Road, Suite 18, Whistler, British Columbia, Canada, V0N1B1.

### 2. GOING CONCERN

These condensed consolidated interim financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company has incurred net losses since inception and as at June 30, 2020 has a deficit of \$476,406. The Company’s continuation as a going concern is dependent upon its ability to develop and attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with loans from directors and/or private placement of common shares. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company’s ability to continue as a going concern.

These condensed consolidated interim financial statements do not include any adjustments to the recoverability and classification of recorded assets amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

### 3. BASIS OF PRESENTATION

#### (a) Statement of compliance

These condensed consolidated interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standard (“IFRS”) as issued by International Accounting Standards Board (“IASB”), and interpretations of the IFRS Interpretations Committee (“IFRIC”). Therefore, these consolidated interim financial statements comply with International Accounting Standards (“IAS”) 34 “Interim Financial Reporting”.

These condensed consolidated interim financial statements were reviewed and approved by the Board of Directors and authorized for issue on August 31, 2020.

#### (b) Basis of preparation

The condensed consolidated interim financial statements of the Company have been prepared on an accrual basis except for cash flow information and are based on historical costs, modified where applicable. These financial statements are presented in Canadian dollars, which is also the Company’s functional currency. All values are rounded to the nearest dollar unless otherwise indicated.

## PLANTX LIFE INC.

### Notes to the Condensed Consolidated Interim Financial Statements

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#### 3. BASIS OF PRESENTATION (CONTINUED)

##### (c) Basis of consolidation

These consolidated financial statements include the records of the Company and its wholly owned subsidiary Vegaste Technologies US Corp. All intercompany transactions, balances and any unrealized gains and losses from intercompany transactions are eliminated in preparing the consolidated financial statements.

##### (d) Significant accounting estimates and judgements

###### Significant estimates and assumptions

The preparation of the financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting period include:

###### *Deferred taxes*

The determination of income tax expense and deferred tax involves judgment and estimates as to the future taxable earnings, expected timing of reversals of deferred tax assets and liabilities, and interpretations of tax laws. The Company is subject to assessments by tax authorities who may interpret the tax law differently. Changes in these estimates may materially affect the final amount of deferred taxes or the timing of tax payments.

###### *Estimated useful lives and depreciation of intangible assets*

Depreciation of finite-life intangible assets is dependent upon estimates of useful lives, which are determined through the exercise of judgment. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

###### Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include: the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

#### 4. SIGNIFICANT ACCOUNTING POLICIES

##### (a) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. All financial instruments are initially recorded at fair value, adjusted for directly attributable transaction costs. The Company determines each financial instrument's classification upon initial recognition. Measurement in subsequent periods depends on the financial instrument's classification.

###### Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial



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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (a) Financial instruments (continued)

##### Classification (continued)

recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

##### Measurement

###### *Financial assets at FVTOCI*

Elected investments in equity investments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive loss. The Company has no financial assets classified as FVTOCI.

###### *Financial assets and liabilities at amortized cost*

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. The Company's financial assets and liabilities at amortized cost include cash, accounts receivable and accounts payable.

###### *Financial assets and liabilities at FVTPL*

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transactions costs expensed in the statements of comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are recorded in the statements of comprehensive loss in the period in which they arise. The Company has no financial assets and liabilities classified as FVTPL.

##### Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset's credit risk has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve-month expected credit losses. The Company shall recognize in the statements of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

##### Derecognition

###### *Financial assets*

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of comprehensive loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (a) Financial instruments (continued)

##### Derecognition (continued)

##### *Financial liabilities*

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of comprehensive loss.

#### (b) Loss per share

Basic loss per share is calculated by dividing the net loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings per share is determined by adjusting the weighted average number of common shares outstanding for the effects of dilutive instruments such as options granted to employees. The effects of anti-dilutive potential units are ignored in calculating diluted earnings per share. All options and warrants are considered anti-dilutive when the Company is in a loss position.

#### (c) Intangible assets

The Company's intangible assets consist of a finite life intangible asset that is recorded at cost less accumulated depreciation and accumulated impairment losses. Finite life intangible assets are amortized once they are in use on a straight-line basis over their estimated useful lives.

#### (d) Impairment of non-financial assets

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

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

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

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

#### (e) Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects.

# PLANTX LIFE INC.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended June 30, 2020 and for the period from October 11, 2019 (date of incorporation) to March 31, 2020  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (f) Share-based compensation

The Company grants stock options to directors, officers, employees and consultants. Share-based compensation is measured on the grant date at the fair value of equity instruments issued, using the Black-Scholes Option Pricing Model and is recognized over the vesting periods. A corresponding increase in share-based payment reserve is recorded when stock options are expensed. When stock options are exercised, share capital is credited by the sum of the consideration paid and the related portion of share-based compensation previously recorded in contributed surplus. Share-based compensation arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity settled share-based payment transactions and measured at the fair value of goods or services received. If the fair value of the goods or services received cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services.

#### (g) Income taxes

##### Current income tax:

Current income tax assets and liabilities for the current period 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, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### Deferred income tax:

Deferred income tax is provided using the balance sheet method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

#### (h) Revenue

IFRS 15 Revenue from Contracts with Customers, utilizes a methodical framework for entities to follow in order to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

## **PLANTX LIFE INC.**

### **Notes to the Condensed Consolidated Interim Financial Statements**

**For the three months ended June 30, 2020 and for the period from October 11, 2019 (date of incorporation) to March 31, 2020  
(Expressed in Canadian Dollars)**

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#### **4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### (h) Revenue (continued)

The Company operates a website where customers can purchase high-quality plant-based food and beverage products from various suppliers. The Company's primary sources of revenue are from fees received for connecting online customers with suppliers of plant-based food and beverage products, and from wholesale orders of plant-based food and beverage products.

Revenue is recognized in line with the following model:

- the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
- the Company can identify each party's rights regarding the goods or services to be transferred (i.e. the performance obligations);
- the Company can identify the payment terms for the goods or services to be transferred;
- the contract has commercial substance (i.e. the risk, timing or amount of the Company's future cash flows is expected to change as a result of the contract); and
- it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

The Company recognizes revenue when it satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when the customer obtains control of that asset.

A customer obtains control of an asset at a point in time when:

- the Company has a present right to payment for the asset;
- a customer has legal title to the asset;
- the Company has transferred physical possession of the asset;
- a customer has the significant risks and rewards related to the ownership of the asset; and
- a customer has accepted the asset.

Revenue is measured at the amount of the transaction price that is allocated to that performance obligation. The transaction price (which excludes estimates of constrained variable consideration) that is allocated to each performance obligation is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer.

The Company capitalizes any incremental costs incurred to obtain a future revenue contract. Capitalized contract costs are amortized over the period of the revenue contract. At each reporting date, the capitalized contract costs are reviewed for impairment that includes management's analysis of the probability of a future revenue contract.

#### **5. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**

The Company's financial instruments consist of cash, accounts receivable and accounts payable. The carrying values of the financial instruments approximate fair value due to the short-term nature of these instruments. Fair value of financial assets and liabilities, information related to risk management positions and discussion of risks associated with financial assets and liabilities are presented as follows:

## **PLANTX LIFE INC.**

### **Notes to the Condensed Consolidated Interim Financial Statements**

**For the three months ended June 30, 2020 and for the period from October 11, 2019 (date of incorporation) to March 31, 2020  
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#### **5. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)**

##### **Fair value**

IFRS 13 establishes a fair value hierarchy that reflects the significance of inputs used in making fair value measurements as follows:

- Level 1 quoted prices in active markets for identical assets or liabilities;
- Level 2 inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. from derived prices); and
- Level 3 inputs for the asset or liability that are not based upon observable market data.

As at June 30, 2020, the carrying value of the Company's financial instruments approximates their fair value due to their short terms to maturity. The Company's financial assets are classified as Level 1.

##### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's primary exposure to credit risk is in its cash accounts and accounts receivable. The Company manages credit risk, in respect of cash, by placing cash at major Canadian financial institutions. Accounts receivable mainly consists of receivables from its customers. At June 30, 2020, 99% of the Company's accounts receivable were from one customer.

##### **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due. At June 30, 2020, the Company had a cash balance of \$64,972 and current liabilities of \$296,128. All of the Company's financial liabilities have contractual maturities of less than 90 days. Liquidity risk is assessed as high.

##### **Market risk**

Market risk is the risk that changes in market prices, 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 capital. As at June 30, 2020, the Company is not exposed to significant market risk.

#### **6. SHARE CAPITAL**

- (a) Authorized

Unlimited number of common shares without par value; and  
Unlimited number of preferred shares without par value.

## PLANTX LIFE INC.

### Notes to the Condensed Consolidated Interim Financial Statements

For the three months ended June 30, 2020 and for the period from October 11, 2019 (date of incorporation) to March 31, 2020  
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#### 6. SHARE CAPITAL (CONTINUED)

(b) Issued and outstanding

On November 29, 2019, the Company issued 9,500,000 common shares at a price of \$0.02 per share.

On December 20, 2019, the Company issued 13,000,000 common shares at a price of \$0.02 per share.

On March 24, 2020, the Company issued 1,072,220 common shares with a fair value of \$21,444 in settlement of debt of \$268,055, resulting in a gain of \$246,611 (Note 7).

(c) Stock options

On December 20, 2019, the Company granted 1,500,000 stock options, which are exercisable at \$0.10 for a period of two years until December 20, 2021.

The fair value of the stock options was estimated to be \$7,875 and was determined using the Black-Scholes Option Pricing Model and the following weighted average assumptions: share price of \$0.02, expected share price volatility of 116%, expected life of two years and risk-free interest rate of 1.67%. The expected volatility is based on historical prices of comparable companies within the same industry due to the lack of historical pricing information for the Company.

The Company's stock option transactions are summarized as follows:

	Number of options	Weighted average exercise price
Balance, October 11, 2019 (date of incorporation)	-	-
Granted	1,500,000	\$ 0.10
As at June 30, 2020 and March 31, 2020	1,500,000	\$ 0.10

The following summarizes information about stock options outstanding and exercisable at June 30, 2020:

Expiry date	Options outstanding and exercisable	Exercise price	Weighted average remaining contractual life, in years
December 20, 2021	1,500,000	\$ 0.10	1.47

(d) Share warrants

As at June 30, 2020 and March 31, 2020, the Company has no share warrants outstanding.

(e) Share-based payment reserve

The share-based payment reserve records items recognized as share-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

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#### 7. RELATED PARTY TRANSACTIONS

During the three months ended June 30, 2020, the Company accrued consulting fees of \$6,993 to the CEO and director of the Company (during the period from October 11, 2019 (date of incorporation) to March 31, 2020 - \$220,000).

On March 24, 2020, the Company issued 1,072,220 common shares in settlement of debt to the CEO and director of \$268,055 (Note 6).

As at June 30, 2020, the Company owed \$158,078 (March 31, 2020 - \$72,034) to the CEO and director of the Company. The amount is non-interest bearing, unsecured and has no fixed terms of repayment.

#### 8. INTANGIBLE ASSETS

	<b>Website</b>
Cost:	
Website development costs incurred	\$ 132,796
As at June 30, 2020 and March 31, 2020	\$ 132,796

#### 9. REVENUE AND GEOGRAPHIC INFORMATION

Revenues consist of website sales and wholesale orders of plant-based food and beverage products. During the three months ended June 30, 2020 and period from October 11, 2019 (date of incorporation) to March 31, 2020, 100% of revenues from wholesale orders were earned from one customer.

Revenue derived from customers located in the following geographic areas:

	<b>For the three months ended June 30, 2020</b>	<b>For the period from October 11, 2019 (date of incorporation) to March 31, 2020</b>
Canada	\$ 13,104	\$ 1,349
United States	119,786	-
	\$ 132,890	\$ 1,349

#### 10. CAPITAL RISK MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern. The Company considers the items included in shareholders' equity as capital. The Company's primary source of capital comes from the issuance of capital stock.

The Company manages and adjusts its capital structure when changes in economic conditions occur. To maintain or adjust the capital structure, the Company may seek to additional funding through issuance of new shares or new debt. The Company may require additional capital resources to meet its administrative overhead expenses in the long term. The Company believes it will be able to raise capital as required in the long-term but recognizes there will be risks involved that may be beyond its control. The Company is not subject to external capital requirements.

## **PLANTX LIFE INC.**

### **Notes to the Condensed Consolidated Interim Financial Statements**

**For the three months ended June 30, 2020 and for the period from October 11, 2019 (date of incorporation) to March 31, 2020  
(Expressed in Canadian Dollars)**

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#### **11. REVERSE TAKEOVER**

On March 27, 2020, the Company entered into a Share Exchange Agreement with Winston Resources Inc. ("Winston"), whereby Winston will purchase all of the issued and outstanding shares of the Company in exchange for 61,072,220 common shares of Winston. The acquisition is a reverse takeover transaction. Concurrent with the transaction, Winston will complete a financing to raise gross proceeds of up to \$3,200,000 by issuance of common shares at a price of \$0.25 per share. Subsequent to June 30, 2020, the transaction has been completed.