



BLISSCO CANNABIS CORP.

(formerly Trigen Resources Inc.)

Condensed Interim Consolidated Financial Statements

For the Three Months ended April 30, 2018

(In Canadian Dollars)

(Unaudited)

BLISSCO CANNABIS CORP.

(formerly Trigen Resources Inc.)

Index	Page
Condensed Interim Consolidated Financial Statements	
Condensed Interim Consolidated Statements of Financial Position	3
Condensed Interim Consolidated Statement of Changes in Equity	4
Condensed Interim Consolidated Statements of Comprehensive Loss	5
Condensed Interim Consolidated Statement of Cash Flows	6
Notes to Condensed Interim Consolidated Financial Statements	7-19

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)**Condensed Interim Consolidated Statements of Financial Position**

(Unaudited – Expressed in Canadian Dollars)

	Notes	April 30, 2018	January 31, 2018
ASSETS			
Cash and cash equivalents		\$ 4,129,228	\$ 97,757
Receivables		197,939	129,906
Prepays and deposits		50,579	29,335
		4,377,746	256,998
Property, plant and equipment	4	5,537,541	4,622,488
		\$ 9,915,287	\$ 4,879,486
LIABILITIES			
Accounts payable and accrued liabilities		\$ 525,136	\$ 759,761
Note payable	5	-	144,754
Loan payable	6	-	250,000
Mortgage payable-current	7	7,792	7,792
		532,928	1,162,307
Mortgage payable	7	1,100,000	1,100,000
		1,632,928	2,262,307
SHAREHOLDERS' EQUITY			
Share capital	8	9,281,282	2,964,995
Reserves	8	2,028,683	150,787
Deficit		(3,027,606)	(498,603)
		8,282,359	2,617,179
		\$ 9,915,287	\$ 4,879,486

Nature and Continuance of Operations (Note 1)

Reverse takeover of Bliss Co Holdings (Note 3)

Commitments (Note 10)

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

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited – Expressed in Canadian Dollars)

		Three months ended April 30,	
	Note	2018	2017
Operating expenses			
Amortization	4	\$ 40,637	\$ -
Consumables		7,601	-
Interest and bank charges		3,095	-
Management fees	9	24,000	-
Marketing and promotion		20,181	-
Mortgage interest	7	23,375	-
Office and administration	9(c)	67,754	18
Professional fees		85,330	3,699
Property taxes		3,900	-
Regulatory and transfer agent fees		12,150	-
Repairs and maintenance		2,805	-
Salaries and benefits		61,763	-
Share based compensation	8	112,698	-
Travel		10,089	-
Utilities		8,602	-
NET LOSS BEFORE OTHER ITEMS		(483,980)	(3,717)
Other items			
Interest income		262	-
Listing expense	3	(2,045,285)	-
		(2,045,023)	-
NET LOSS FOR THE PERIOD		\$ (2,529,003)	\$ (3,717)
Loss per common share			
-basic and diluted		\$ (0.06)	\$ (0.00)
Weighted average number of common shares outstanding			
-basic and diluted		43,055,091	4,755,124

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

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)

Condensed Interim Consolidated Statements of Changes in Shareholders' Deficit

(Unaudited – Expressed in Canadian Dollars)

		Share Capital					Total Shareholder s' equity
	Not e	Number of shares	Amount	Reserves	Deficit		
Balance at January 31, 2017		53,717,902	\$ 1	\$ -	\$ (49,993)	\$	(49,992)
Net loss for the period		-	-	-	(3,717)		(3,717)
Balance at April 30, 2017		53,717,902	\$ 1	\$ -	\$ (53,710)	\$	(53,709)
Balance at January 31, 2018		69,963,652	2,964,995	150,787	(498,603)		2,617,179
Finder's shares	3	833,333	179,167	-	-		179,167
Fair value of finder's options	8	-	(178,261)	178,261	-		-
Recapitalization transaction:							
Equity of Trigen	3,8	10,113,309	2,174,362	-	-		2,174,362
Shares issued for cash	8	18,684,044	4,017,061	1,588,144	-		5,605,205
Share issuance costs	8	-	(21,010)	-	-		(21,010)
Fair value of finders' warrants	8	-	(5,032)	5,032	-		-
Exercise of convertible debenture	5	600,000	150,000	(6,239)	-		143,761
Share based compensation	8	-	-	112,698	-		112,698
Net loss for the period		-	-	-	(2,529,003)		(2,529,003)
Balance at April 30, 2018		100,194,338	\$ 9,281,282	\$ 2,028,683	\$ (3,027,606)	\$	8,282,359

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

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)**Condensed Interim Consolidated Statements of Cash Flows**

(Unaudited – Expressed in Canadian Dollars)

	Three months ended April 30,	
	2018	2017
Cash provided by (used in):		
Operating:		
Net loss for the period	\$ (2,529,003)	\$ (3,717)
Items not involving cash:		
Amortization	40,637	-
Share-based compensation	112,698	-
Listing expense	1,907,992	-
Interest expense	(993)	-
	<u>(468,669)</u>	<u>(3,717)</u>
Changes in non-cash operating working capital items:		
Receivables	(65,505)	(189)
Prepaid expenses and deposits	(1,661)	(7,500)
Accounts payable and accrued liabilities	(623,991)	(150)
	<u>(1,159,826)</u>	<u>(11,556)</u>
Investing		
Acquisition of property, plant and equipment	(567,574)	-
	<u>(567,574)</u>	<u>-</u>
Financing		
Net cash acquired on reverse takeover	174,676	-
Proceeds from issuance of shares, net	5,584,195	-
Shareholder loan repayments	-	(10,000)
	<u>5,758,871</u>	<u>(10,000)</u>
Change in cash during the period	4,031,471	(21,556)
Cash, beginning of period	97,757	29,436
Cash, end of period	\$ 4,129,228	\$ 7,880

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

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)

Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended April 30, 2018

(Unaudited – Expressed in Canadian Dollars)

1. Nature and Continuance of Operations

BlissCo Cannabis Corp., formerly Trigen Resources Inc. (the “Company” or “BlissCo”) was incorporated on January 13, 1981 under the laws of British Columbia. On February 22, 2018, the Company changed its name from Trigen Resources Inc. (“Trigen”) to BlissCo Cannabis Corp. The Company was previously listed on the NEX board of the TSX Venture Exchange (the “Exchange”) and was delisted from the Exchange effective February 21, 2018. On March 2, 2018, the Company commenced trading on the Canadian Securities Exchange (“CSE”) under the symbol “BLIS” (Note 12).

On February 23, 2018, Trigen completed its acquisition of Bliss Co Holdings Ltd. (“BCH”), a private company incorporated under the laws of Canada. The Company is constructing an urban Access to Cannabis for Medical Purposes Regulation cultivation facility with a focus on being a high-volume packager, processor and distributor of medical and non-medical cannabis when it becomes legal in Canada. (Note 3) The Company received its license to cultivate cannabis plants and prepare dried cannabis under the Access to Cannabis for Medical Purposes Regulations (“ACMPR”) in March 2018. All of its assets and operations are located in Canada.

The Company’s head office and principal address is Suite 2050-1055 West Georgia Street, PO Box 11121, Royal Centre, Vancouver, BC V6E 3P3. The records and registered office is Suite 2700, 700 West Georgia Street, Vancouver, BC, V7Y 1B8.

These financial statements have been prepared using accounting principles applicable to a going concern which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The ability of the Company to carry out its business objectives dependent on the Company’s ability to receive continued financial support from related parties and to obtain public equity financing and to identify, evaluate and negotiate an acquisition of, a participation in, or an investment of an interest and to generate profitable operations in the future. Such an acquisition will be subject to regulatory approval and may be subject to shareholder approval. In order to continue as a going concern and meets its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These financial statements do not reflect the adjustments to the carrying value of assets and liabilities, or the impact on the statement of loss and comprehensive loss and financial position classification that would be necessary were the going concern assumptions not appropriate.

There can be no assurance that a viable business opportunity that can be adequately financed will be identified and available to the Company. Additional equity and/or debt financing is subject to the global financial markets and prevailing economic conditions, which have recently been volatile and distress. These factors will likely make it more challenging to obtain financing for the Company going forward. These matters and conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. The Company has not generated any revenue from operations. During the three months ended April 30, 2018, the Company incurred a net loss of \$2,557,026 (2017 - \$3,717) and, as of this date, the Company has an accumulated deficit of \$3,055,629.

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)

Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended April 30, 2018

(Unaudited – Expressed in Canadian Dollars)

2. Significant Accounting Policies

The financial statements were authorized for issue on June 28, 2018 by the directors of the Company.

Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34 "*Interim Financial Reporting*" ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Accordingly, certain disclosures required in annual financial statements have been condensed or omitted. These condensed interim consolidated financial statements are intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since its recent year ended January 31, 2018.

Basis of Presentation

These condensed interim consolidated financial statements have been prepared on an accrual basis and are based on historical cost basis except for certain financial instruments which are measured at their fair value as explained in the accounting policies set out below. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except cash flow information.

Functional and Presentation Currency

These financial statements are presented in Canadian dollars, unless otherwise noted, which is the functional currency of the Company.

Critical Accounting Estimate, Judgments and Assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. Significant judgments, estimates and assumptions that have the most significant effect on the amounts recognized in the financial statements are described below.

Deferred tax liabilities and assets

Deferred tax liabilities and assets are measured at tax rates expected in the period during which the asset is realized or the liability is settled, based on tax rates (and tax laws) that are enacted or substantively enacted at the end of the reporting period of the financial information. The measurement of deferred tax liabilities and deferred tax assets reflects the tax consequences that result from the manner in which the Company expects, at the end of the reporting period of the financial information, to recover or settle the carrying amount of its assets and liabilities.

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)

Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended April 30, 2018

(Unaudited – Expressed in Canadian Dollars)

2. Significant Accounting Policies (cont'd)

Critical Accounting Estimate, Judgments and Assumptions (cont'd)

Going concern

Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its financial statements for the three months ended April 30, 2018 and 2017. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management considered a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing. As a result of the assessment, management concluded there are significant doubt as to the ability of the Company to meet its obligations as they fall due and, accordingly, the ultimate appropriateness of the use of accounting principles applicable to a going concern.

These unaudited condensed interim consolidated financial statements have been prepared using the same policies and methods of computation as the annual financial statements for the year ended January 31, 2018. Refer to note 3, Significant Accounting Policies, of the annual financial statements of the Company for the year ended January 31, 2018 for information on the accounting policies as well as accounting standards not yet effective.

Property, plant and equipment

Property and equipment is measured at cost less accumulated depreciation and impairment losses. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Building	40 years
Building improvements	15 years
Furniture and equipment	5 years
Production equipment	2 to 10 years
Computer hardware	3 years
Website	2 years

An asset's residual value, useful life and depreciation method are reviewed at each financial year-end and adjusted if appropriate.

The Company capitalizes borrowing costs on capital invested in projects under construction. Upon commencement of operations, capitalized borrowing costs, as portion of the total cost of the asset, are depreciated over the estimated useful life of the related asset.

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)

Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended April 30, 2018

(Unaudited – Expressed in Canadian Dollars)

2. Significant Accounting Policies (cont'd)

Adoption of new pronouncements

IFRS 9 – Financial Instruments

Effective February 1, 2018, the Company adopted IFRS 9, which sets out requirements for recognition and measurement, impairment, derecognition and general hedge accounting. This standard simplifies the classification of a financial asset as either at amortized cost or at fair value as opposed to the multiple classifications which were permitted under IAS 39. This standard also requires the use of a single impairment method as opposed to the multiple methods in IAS 39. 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 standard also add guidance on the classification and measurement of financial liabilities.

The adoption of IFRS 9 has not had an effect on the Company's accounting policies related to the financial assets and financial liabilities.

There was no material impact of transition to IFRS 9 on the Company's statement of financial position at February 1, 2018.

IFRS 15 – Revenue from Contracts with Customers

Effective February 1, 2018, the Company adopted IFRS 15. The adoption of IFRS 15 has not had an effect on the Company's accounting policies on revenue recognition. There was no material impact of the transition to IFRS 15 on the Company's statement of financial position as at February 1, 2018.

New accounting standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC. The following have not yet been adopted by the Company and are being evaluated to determine its impact:

IFRS 16 – Leases

On January 13, 2016, the International Accounting Standards Board published a new standard, IFRS 16, Leases, eliminating the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Under the new standard, a lease becomes an on-balance sheet liability that attracts interest, together with a new right-of-use asset. In addition, lessees will recognize a front-loaded pattern of expense for most leases, even when cash rentals are constant. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with earlier adoption permitted. The Company intends to adopt IFRS 15 in its financial statements for the annual period beginning on or after January 1, 2019. The extent of the impact of adoption of IFRS 16 has not yet been determined.

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)

Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended April 30, 2018

(Unaudited – Expressed in Canadian Dollars)

3. Reverse Takeover of Bliss Co Holdings

On February 23, 2018 ("RTO Date"), the Company completed a RTO transaction with BCH (Note 1), whereby the Company acquired 100% of the issued and outstanding common shares of BCH. For accounting purposes, the acquisition was considered to be a reverse acquisition under IFRS 3 *Business Combinations* ("IFRS 3") as the shareholders of BCH obtained control of BlissCo. However, as BlissCo does not meet the definition of a business as defined by IFRS 3, it has been accounted for as a share-based payment transaction in accordance with IFRS 2. The accounting for this transaction resulted in the following:

- (i) The consolidated financial of the combined entity are issued under the legal parent, BlissCo, but are considered a continuation of the financial statements of the legal subsidiary, BCH.
- (ii) As BCH is deemed to be the acquirer for accounting purposes, its assets and liabilities are included in the consolidated financial statements at their historical carrying values.
- (iii) Since the shares allocated to the former shareholders of BCH on closing the RTO is considered within the scope of IFRS 2, and the Company cannot identify specifically some or all of the goods or service received in return for the allocation of the shares, the value in excess of the net identifiable assets or obligations of BlissCo acquired on closing was expensed in the consolidated statement of loss and comprehensive loss as a listing expense.

The fair value of the 10,113,309 common shares for all of Trigen was determined to be \$2,174,362 or \$0.215 per share.

- (iv) The fair value of all the consideration given and charged to listing expense was comprised of:

Fair value of the common shares at RTO Date	\$	2,174,362
Identifiable assets acquired – at February 23, 2018		
Cash	\$	174,676
Receivable		2,528
Prepays		19,583
Note receivable		250,000
Trades payable		(1,250)
		445,537
Unidentified assets acquired		
Listing expense		1,728,825
Total net identifiable assets and transaction costs	\$	2,174,362

- (v) The Company paid a finder's fee of 833,333 common shares at the completion of the RTO. Accordingly, the Company recorded a fair value of \$179,167 as a listing expense. The Company incurred additional listing expenses of \$137,294.

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)**Notes to the Condensed Interim Consolidated Financial Statements****Three Months Ended April 30, 2018**

(Unaudited – Expressed in Canadian Dollars)

4. Property, plant and Equipment

	Land	Building	Building Improvements	Furniture and equipment	Production equipment	Computer hardware	Website	Total
Cost:								
At January 31, 2017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Additions	1,656,037	815,660	2,043,908	30,592	59,370	12,471	4,450	4,622,488
At January 31, 2018	1,656,037	815,660	2,043,908	30,592	59,370	12,471	4,450	4,622,488
Additions	-	-	897,587	10	15,036	38,240	4,817	955,690
At April 30, 2018	\$ 1,656,037	\$ 815,660	\$ 2,941,495	\$ 30,602	\$ 74,406	\$ 50,711	\$ 9,267	\$ 5,578,178
Amortization:								
At January 31, 2017 and 2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Amortization	-	3,399	32,683	1,020	-	2,763	772	40,637
At April 30, 2018	\$ -	\$ 3,399	\$ 32,683	\$ 1,020	\$ -	\$ 2,763	\$ 772	\$ 40,637
Net book value:								
At January 31, 2018	\$ 1,656,037	\$ 815,660	\$ 2,043,908	\$ 30,592	\$ 59,370	\$ 12,471	\$ 4,450	\$ 4,622,488
At April 30, 2018	\$ 1,656,037	\$ 812,261	\$ 2,908,812	\$ 29,582	\$ 74,406	\$ 47,948	\$ 8,495	\$ 5,537,541

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)

Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended April 30, 2018

(Unaudited – Expressed in Canadian Dollars)

5. Note Payable

On January 8, 2018, the Company entered into a convertible promissory note in the principal amount of \$150,000 bearing an interest at a simple rate of 10% per annum (effective interest rate of 20.5%) from the date of the advancement until maturity on June 7, 2018 to a Company controlled by a director of the Company. The note payable and any unpaid accrued interest may be converted into common shares of the Company which is calculated by the quotient of the outstanding note payable and unpaid interest on the date of the conversion and the conversion price of \$0.25.

At inception, \$143,761 was allocated to the liability portion of this compound financial instrument and \$6,239 was allocated to the equity portion.

During the three months ended April 30, 2018, the promissory note was converted into 600,000 common shares (Note 7(b)) of the Company in full settlement of the note payable and \$6,239 of the equity portion was allocated to share capital.

6. Loan Payable

On January 15, 2018, the Company entered into a loan agreement with Trigen in the principle amount of \$250,000 bearing interest at a rate of LIBOR plus 1% per annum. The loan payable is due on the earliest of April 15, 2018 and thirty business days from the date of demand. Upon completion of the RTO, this loan became an intercompany loan without interest and has been eliminated on consolidation.

7. Mortgage Payable

Wind Farms Ltd. has provided a mortgage of \$1,100,000 for the acquisition of the facility. The mortgage is secured by the land and the building, bears interest rate at 8.5% per annum with a two-year term. As at April 30, 2018, interest of \$7,792 was accrued and included in mortgage payable. During the three months ended April 30, 2018, the Company incurred \$23,375 (2017 - \$nil) in mortgage interest. Future repayments are as follows:

Fiscal Year	Interest	Principal
2019	\$70,125	\$--
2020	\$48,761	\$1,100,000

8. Share Capital

(a) Authorized:

Unlimited common shares without par value
Unlimited Class A preference shares with a par value of \$10
Unlimited Class B preference shares with a par value of \$50

(b) Issued – common shares

During the three months ended April 30, 2018, the Company completed the following transactions:

- (i) On February 23, 2018, in accordance with the RTO (Note 1), 69,963,652 common shares of BlissCo were issued to the shareholders of BCH as consideration for 100% of the issued and outstanding shares of BCH.

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)

Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended April 30, 2018

(Unaudited – Expressed in Canadian Dollars)

8. Share Capital (cont'd)

(b) Issued – common shares (cont'd)

- (ii) BlissCo completed a private placement financing of 18,684,044 units of common shares on a post-Consolidation basis at a price of \$ 0.30 per Unit for aggregate gross proceeds of \$5,605,213 (the "Private Placement"). Each Unit is comprised of one common shares ("Share") and one Share purchase warrant ("Warrant"). Each Warrant entitles the holder to acquire one Share at an exercise price of \$0.60 for a period of two years provided that the Company may accelerate the expiry date by providing 20 days' notice in the event that the Shares have a volume weighted average price of \$0.80 or higher for a period of 10 consecutive trading days. All securities issued under the Financing were issued on a post-consolidated basis and are subject to a four-month hold period in accordance with applicable securities laws.

The Company paid a cash finder's fees of \$19,955 and other share issuance costs of \$1,055 in connection to this private placement

- (iii) Arm's length finders received an aggregate of 833,333 post-Consolidation common shares of BlissCo. (Note 3)
- (iv) 600,000 common shares were issued on the conversion of convertible debentures held by a related party. The convertible debenture was valued at \$150,000. (Note 5)

During the year ended January 31, 2018, the Company completed the following transactions:

- (v) On July 20, 2017, the Company completed a stock split, where one Class A common shares was subdivided at a rate of 537,179.02 Class A common shares. All data on earnings per share and share capital shown in these financial statements and note disclosures reflect the impact of this stock split.
- (vi) On July 21, 2017, the Company completed a private placement, issuing 16,245,750 units at \$0.20 per share for gross proceeds of \$3,249,150. Each unit consist of one Class A common shares of the Company and one common share purchase warrant. Each warrant shall be exercisable to acquire one additional common share of the Company during a period of 36 months. The share purchase warrants were determined to have a \$nil value based on the warrants residual value. In connection with this private placement, the Company paid consulting fees of \$221,655 and incurred other share issuance costs of \$62,501.

Each subscriber is issued the right to receive, for no additional consideration, that number of additional common shares which is equal to 20% of the total number of units subscribed for in the offering in the event that a Liquidity Event does not occur prior to the Liquidity Deadline. This right has expired with no further share issuances.

(c) Escrow shares

54,403,087 shares issued to the principals of the Company under the RTO are subject to escrow conditions required by applicable securities laws and the CSE requirements. Pursuant to the terms of the escrow agreements, 10% of the escrowed shares were released from escrow on February 23, 2018. The remaining 48,962,778 shares held within escrow will be released over a period of 36 months.

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)**Notes to the Condensed Interim Consolidated Financial Statements****Three Months Ended April 30, 2018**

(Unaudited – Expressed in Canadian Dollars)

8. Share Capital (cont'd)

(d) Reserve

The reserve records the fair value recognized on stock options granted and on the share purchase warrants issued in connection to the private placement until such time that the stock options or share purchase warrants are exercised, at which time the corresponding amount will be transferred to share capital.

(e) Stock options and warrants

The Company maintains a 10% rolling share option plan (the “Plan”) that enables management to grant options to directors, officers, employees and other service providers. The Company follows the CSE policies where the number of common shares which may be issued pursuant to options granted under the Plan may not exceed 10% of the issued and outstanding shares of the Company from time to time at the date of granting of options and have a maximum of 10 years. Each option agreement with the grantee sets forth, among other things, the number of options granted, the exercise price and the vesting conditions of the options as determined by the Board of Directors.

As at April 30, 2018, the Company had warrants outstanding enabling holders to acquire the following: Stock option and share purchase warrant transactions are summarized as follows:

	Warrants		Stock Options	
	Number	Weighted Average Exercise Price (\$)	Number	Weighted Average Exercise Price (\$)
Outstanding, January 31, 2017	-	-	-	-
Granted	16,245,750	0.25	-	-
Outstanding, January 31, 2018	16,245,750	0.25	-	-
Granted	19,859,286	0.58	5,095,000	0.30
Forfeited	-	-	(2,040,000)	0.30
Outstanding, April 30, 2018	36,105,036	0.43	3,055,000	0.30
Number currently exercisable	36,105,036	0.43	-	-

As at April 30, 2018, the following were outstanding:

	Expiry Date	Number of Shares	Weighted Average Exercise Price	Weighted Average Period
Options	February 23, 2022	3,055,000	\$ 0.30	3.82 years
Warrants	February 23, 2019	66,517	\$ 0.60	0.82 years
	February 23, 2020	18,684,044	\$ 0.60	1.82 years
	July 21, 2020	17,354,475	\$ 0.25	2.23 years
		36,105,036	\$ 0.43	2.01 years

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)

Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended April 30, 2018

(Unaudited – Expressed in Canadian Dollars)

8. Share Capital (cont'd)

(e) Stock options and warrants (cont'd)

Stock option and warrant activities during the period ended April 30, 2018:

- (i) On February 23, 2018, the Company issued 5,095,000 incentive stock option to directors, officers, employees and consultants for the purchase of up to 5,095,000 common shares of the Company at an exercise price of \$0.30 per share on or before February 23, 2022 with a vesting provision over a 3 year period. On April 30, 2018, 2,040,000 of the incentive stock options issued to a director and two consultants were cancelled.
- (ii) In connection with the private placement, the Company issued 18,684,044 common share purchase warrants at a price of \$0.60 per share expiring February 23, 2020. (Note 7(b)(ii)) A fair value of \$1,588,144 was recorded in Reserves on these warrants. In addition, the Company issued to a finder 66,517 common share purchase warrants. Each finder warrant is exercisable for one common share of the Company at an exercise price of \$0.60 per share until February 23, 2019. These securities are subject to a four-month hold period in accordance with applicable securities laws expiring June 24, 2018.
- (iii) 16,245,750 warrants of BlissCo Cannabis were issued to holders of BlissCo warrants, where each warrant entitles the holder to acquire one post-Consolidation share of the Company at an exercise price of \$0.25 expiring July 21, 2020. These securities are subject to a four-month hold period in accordance with applicable securities laws expiring June 23, 2018.
- (iv) In connection to the private placement completed by BCH, 1,108,725 finder's options were issued to a company for its efforts in raising funds. Each whole warrant is exercisable for one common share of the Company at an exercise price of \$0.25 expiring July 21, 2020. These securities are subject to a four-month hold period in accordance with applicable securities laws expiring June 24, 2018.

(f) Share based compensation

During the period ended April 30, 2018, the Company:

- (i) Recognized \$112,698 in share-based compensation for options granted.
- (ii) Recognized \$178,261 in share-based compensation on finder's options in reserves.
- (iii) Recognized \$5,032 in share-based compensation on finder's warrants in reserves

The Company applies the fair value method in accounting for its stock options and finder's warrants using the Black-Scholes Option Pricing Model using the following estimates:

April 30, 2018	Warrants	Stock Options
Risk free rate	1.94%	1.98%
Expected dividend yield	0%	0%
Expected stock price volatility	146.86%	170.99%
Weighted average expected life	2.42 year	3.96 years
Weighted average fair value	\$0.16	\$0.25

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)

Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended April 30, 2018

(Unaudited – Expressed in Canadian Dollars)

9. Related Party Transactions

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors and officers.

During the period ended April 30, 2018, the remuneration of the key management personnel were as follows:

	April 30, 2018		April 30, 2017	
Chief Executive Officer ⁽¹⁾	\$	24,000	\$	-
Total	\$	24,000	\$	-

Other related party transactions and balances:

- (a) The Company owes \$nil (January 31, 2018 - \$67,892) non-interest bearing payable upon demand to the CEO and director of the Company.
- (b) The Company paid or accrued \$4,000 (2017 – \$Nil) to the spouse of the CEO and director of the Company for marketing consulting fees. As at April 30, 2018, \$2,733 was outstanding and the amount was included in accounts payable and accrued liabilities.
- (c) On March 1, 2018, the Company entered into an administrative agreement with Varshney Capital Corp. ("VCC"), a company controlled by a common director. (Note 13(a))

Pursuant to this agreement for the three months ended April 30, 2018, the Company paid \$13,000 (2017 - \$nil) for administrative fees to VCC.

- (d) In connection with BCH's private placement, the Company issued 508,275 finder's options to VCC and 300,000 finder's options to NLX Capital, a company controlled by a common director, at an exercise price of \$0.25 per share expiring July 21, 2020. A fair value of \$130,008 was recorded as a listing expense on these finder's options. (Note 7(e)).
- (e) 600,000 common shares were issued to a director's company for the conversion of its note payable of \$150,000 (Note 5).
- (f) As at April 30, 2018, the Company owed \$555 (January 31, 2018 - \$Nil) to a company controlled by two directors and the CEO for reimbursement of business expenses. This amount was recorded in accounts payable and accrued liabilities.

10. Commitments

- (a) On March 1, 2018, the Company entered into an agreement with a private company to provide administrative services to the Company for a period of two years in exchange for a monthly fee of \$6,500 plus applicable taxes. At the end of the service term, the terms of the agreement are automatically renewed on an annual basis until either party provides notice of termination.
- (b) On March 1, 2018, the Company entered into a sublease agreement with a company for a portion of the office premises for a period of 2 years, expiring February 29, 2020, in exchange for \$2,000 per month plus applicable taxes.

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)

Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended April 30, 2018

(Unaudited – Expressed in Canadian Dollars)

11. Financial Instruments

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk and commodity price risk.

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk as the Company holds its cash in deposits with high credit quality Canadian financial institutions.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it does not have sufficient liquidity to meet liabilities when due. As at April 30, 2018, the Company had a cash balance of \$4,129,228 (January 31, 2018 - \$97,757) to settle current liabilities of \$532,928 (January 31, 2018 - \$1,162,307). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits and loan payable. The interest rate risk on bank deposits is insignificant as the deposits are short term. A 10% change in the LIBOR rates will result in an insignificant impact on the profit or loss. The mortgage payable and note payable are subject to fixed interest rates; therefore, the Company is not exposed to interest rate risk on these financial liabilities.

(b) Foreign currency risk

As at April 30, 2018 and January 31, 2018, the Company's expenditures are in Canadian dollars, any future equity raised is expected to be predominantly in Canadian dollars. The Company believes it has no significant foreign exchange rate risk.

The Company does not hold balances in foreign currencies which would give rise to exposure to foreign exchange risk.

Fair value hierarchy

The Company applied the following fair value hierarchy which prioritizes the inputs used in the valuation methodologies in measuring fair value into three levels:

The three levels are defined as follows:

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 – inputs to valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As at April 30, 2018 and January 31, 2018, cash is assessed to be a Level 1 instrument.

The fair value of cash and accounts payable is equal to its carrying value due to its short-term maturity

BLISSCO CANNABIS CORP. (formerly Trigen Resources Inc.)

Notes to the Condensed Interim Consolidated Financial Statements

Three Months Ended April 30, 2018

(Unaudited – Expressed in Canadian Dollars)

12. 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 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 for its operations and 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 Company monitors capital on the basis of maintaining sufficient cash flow to comply with financial obligations. During the year, the Company's strategy, which was unchanged from the prior year, was to issue sufficient additional shares from treasury to meet all such obligations.

The Company is not subject to any externally imposed capital requirements.

13. Subsequent Events

Subsequent to the first quarter ended April 30, 2018, the Company:

- (a) Granted 450,000 stock option to employees and consultants at an exercise price of \$0.33 per option for a period of 3 years.
- (b) Issued 400,000 common shares on the exercise of 400,000 share purchase warrants at \$0.25 per share for total gross proceeds of \$100,000.