

TRIGEN RESOURCES INC.

Condensed Interim Financial Statements

Six months ended October 31, 2017 and 2016

Expressed in Canadian Dollars
(Unaudited – Prepared by Management)

TRIGEN RESOURCES INC.

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TRIGEN RESOURCES INC.

Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars-Unaudited)

	Notes	October 31, 2017	April 30, 2017
Assets			
Current assets			
Cash and cash equivalents	3	\$ 477,708	\$ 85,248
Receivables	4	2,220	1,935
Prepays		44,487	833
		524,415	88,016
Property and equipment	5	-	127
		\$ 524,415	\$ 88,143
Liabilities and Shareholders' Equity			
Current liabilities			
Trade payables and accrued liabilities	6	\$ 4,150	\$ 12,185
Shareholders' Equity			
Share capital	7	12,178,086	11,631,617
Reserves	7	674,698	674,698
Deficit		(12,332,519)	(12,230,357)
		520,265	75,958
		\$ 524,415	\$ 88,143

Nature and continuance of operations (Note 1)
Proposed transaction (Note 11)

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

TRIGEN RESOURCES INC.

Condensed Interim Statement of Changes in Equity (Expressed in Canadian Dollars - Unaudited)

	Share Capital		Reserves	Deficit	Total Equity
	Number of Shares	Amount			
Balance, April 30, 2016	13,578,556	\$ 11,631,617	\$ 674,698	\$ (12,106,318)	\$ 199,997
Net and comprehensive loss	-	-	-	(56,863)	(56,863)
Balance, October 31, 2016	13,578,556	11,631,617	674,698	(12,163,181)	143,134
Net and comprehensive loss	-	-	-	(67,176)	(67,176)
Balance, April 30, 2017	13,578,556	11,631,617	674,698	(12,230,357)	75,958
Common shares issued for cash	9,176,599	550,596	-	-	550,596
Share issuance costs	-	(4,127)	-	-	(4,127)
Net and comprehensive loss	-	-	-	(102,162)	(102,162)
Balance, October 31, 2017	22,755,155	\$ 12,178,086	\$ 674,698	\$ (12,332,519)	\$ 520,265

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

TRIGEN RESOURCES INC.

Condensed Interim Statements of Comprehensive Loss (Expressed in Canadian Dollars - Unaudited)

	Note	Three months ended October 31,		Six months ended October 31,	
		2017	2016	2017	2016
Expenses:					
Amortization	5	\$ -	\$ 123	\$ 127	\$ 246
Consulting		18,750	-	37,500	-
Management fees	8	7,500	7,500	15,000	15,000
Office and administration	8	19,625	17,831	36,556	34,786
Professional fees (recovery)		1,670	2,441	1,670	(959)
Regulatory and transfer agent fees		4,401	3,537	6,018	5,327
Travel and promotion		3,395	918	5,291	3,102
		(55,341)	(32,350)	(102,162)	(57,502)
Interest and other income		-	282	-	639
Net and comprehensive loss for the period		\$ (55,341)	\$ (32,068)	\$ (102,162)	\$ (56,863)
Loss per common share					
-Basic and diluted		\$ (0.003)	\$ (0.002)	\$ (0.006)	\$ (0.004)
Weighted average number of common shares outstanding					
-Basic and diluted		20,261,514	13,578,556	16,920,035	13,578,556

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

TRIGEN RESOURCES INC.

Condensed Interim Statement of Cash Flows (Expressed in Canadian Dollars - Unaudited)

	Six months ended October 31,	
	2017	2016
Cash provided by (used in):		
Operating:		
Net comprehensive loss	\$ (102,162)	\$ (56,863)
Item not involving cash:		
Amortization	127	246
Changes in non-cash working capital:		
Receivables	(285)	350
Prepays	(43,654)	–
Trade payables and accrued liabilities	(8,035)	(6,704)
	(154,009)	(62,971)
Financing:		
Common shares issued for cash, net	546,469	–
	546,469	–
Change in cash and cash equivalents	392,460	(62,971)
Cash and cash equivalents, beginning	85,248	212,994
Cash and cash equivalents, ending	\$ 477,708	\$ 150,023

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

TRIGEN RESOURCES INC.

Notes to Condensed Interim Financial Statements

October 31, 2017

(Expressed in Canadian Dollars - Unaudited)

1. NATURE AND CONTINUANCE OF OPERATIONS

Trigen Resources Inc. (the "Company" or "Trigen") was incorporated on January 13, 1981 under the laws of British Columbia. The Company is listed on the NEX board of the TSX Venture Exchange (the "Exchange").

On November 4, 2017, the Company entered into a definitive share exchange agreement with Bliss Co Holdings Ltd. ("BlissCo"), a private company incorporated under the laws of Canada. BlissCo 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 recreational cannabis when it becomes legal in Canada and of medical cannabis. (Note 11)

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 400, 725 Granville Street, Vancouver, BC, V7Y 1G5.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has not generated any revenue from operations. During the six months ended October 31, 2017, the Company incurred a net loss of \$102,162 (2016 - \$56,863) and, as of this date, the Company has an accumulated deficit of \$12,332,519.

Management is of the opinion that sufficient working capital is available to meet the Company's liabilities and commitments as they become due for the upcoming fiscal year. The continuing operations of the Company are dependent upon its ability to identify and acquire a business opportunity, to raise adequate financing and to commence profitable operations in the future. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. Further discussion of liquidity risk has been disclosed in Notes 9 and 10.

These financial statements do not include any adjustments relating to the recoverability and classification of asset and liabilities which might be necessary should the Company be unable to continue in existence.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

The financial statements were authorized for issue on December 5, 2017 by the directors of the Company.

Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounts Standards ("IAS") 34, "Interim Financial Reporting" using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

TRIGEN RESOURCES INC.

Notes to Condensed Interim Financial Statements

October 31, 2017

(Expressed in Canadian Dollars - Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Basis of Presentation

The financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. These condensed interim financial statements are presented in Canadian dollars unless otherwise noted.

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates 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 estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability and measurement of deferred tax 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.

Summary of significant accounting policies

These condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's audited financial statements for the year ended April 30, 2017.

These condensed interim financial statements does not include all of the information required of a full annual financial report and is 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 the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the Company's audited annual financial statements for the year ended April 30, 2017.

TRIGEN RESOURCES INC.

Notes to Condensed Interim Financial Statements

October 31, 2017

(Expressed in Canadian Dollars - Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Recent accounting pronouncements

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective. The Company has not early adopted these revised standards and is currently assessing the impact that these standards will have on its financial statements.

IFRS 9: New standard that replaces IAS 39 for classification and measurement of financial assets, effective for annual periods beginning on or after January 1, 2018.

IFRS 15: New standard that replaces existing revenue requirements IAS 11, IAS 18, IFRIC 13, IFRIC 18 and SIC 31 for measurement, recognition, and disclosure of revenues; effective for annual periods beginning on or after January 1, 2018.

*IFRS 16 –*New standard contains a single lessee accounting model, eliminating the distinction between operating and financing leases from the perspective of the lessee. The accounting requirements from the perspective of the lessor remains largely in line with previous IAS 17 requirements, effective for annual reporting periods beginning on or after January 1, 2019 for public entities with early adoption permitted.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are comprised of:

	October 31, 2017	April 30, 2017
Cash at bank	\$ 477,708	\$ 9,288
High Interest Savings Account ("HISA")	–	75,960
	\$ 477,708	\$ 85,248

Cash equivalents consist of mutual fund investments in the HISA. The counter-party is a financial institution.

4. RECEIVABLES

Receivables are comprised of:

	October 31, 2017	April 30, 2017
Sales tax credits	\$ 2,220	\$ 1,881
Interest accrued on HISA	–	54
	\$ 2,220	\$ 1,935

TRIGEN RESOURCES INC.

Notes to Condensed Interim Financial Statements

October 31, 2017

(Expressed in Canadian Dollars - Unaudited)

5. PROPERTY AND EQUIPMENT

	Equipment	Leasehold improvements	Total
Cost:			
At April 30, 2017 and October 31, 2017	\$ 4,444	\$ 2,309	\$ 6,753
Amortization:			
At April 30, 2016	\$ 4,285	\$ 2,079	\$ 6,364
Amortization	32	230	262
At April 30, 2017	4,317	2,309	6,626
Amortization	127	-	127
At October 31, 2017	\$ 4,444	\$ 2,309	\$ 6,753
Net book value:			
At April 30, 2017	\$ 127	\$ -	\$ 127
At October 31, 2017	\$ -	\$ -	\$ -

6. TRADE PAYABLES AND ACCRUED LIABILITIES

	October 31, 2017	April 30, 2017
Trade payables	\$ 800	\$ 373
Due to related parties (Note 8)	-	1,312
Accrued liabilities	3,350	10,500
	\$ 4,150	\$ 12,185

7. 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

TRIGEN RESOURCES INC.

Notes to Condensed Interim Financial Statements

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(Expressed in Canadian Dollars - Unaudited)

7. SHARE CAPITAL (cont'd)

(b) Issued – common shares

During the six months ended October 31, 2017, the Company completed a non-brokered private placement and issued an aggregate of 9,176,599 common shares for total gross proceeds of \$550,596. The Company paid regulatory fees of \$4,127 in connection to this financing.

There were no share issuances during the year ended April 30, 2017.

(c) Stock options

The Company maintains a 10% rolling stock option plan (the "Plan") that enables management to grant options to directors, officers, employees and other service providers. The Company follows the Exchange 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. 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.

There were no stock options outstanding as at October 31, 2017 and April 30, 2017.

(d) Reserves

The reserve records items recognized as stock-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.

8. RELATED PARTY TRANSACTIONS

Effective January 1, 2011, the Company entered into a management and administrative agreement with Varshney Capital Corp. ("VCC"), a company controlled by two common directors, whereby the Company agreed to pay management and administrative fees of \$2,500 and \$3,000 per month, respectively.

During the six months ended October 31, 2017, the Company paid \$15,000 (2016 – \$15,000) for management fees and 18,000 (2016 – \$18,000) for administrative fees to VCC.

As at October 31, 2017, \$nil (April 30, 2017 - \$1,312) was due to a director of the Company for reimbursement of business expenses.

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9. FINANCIAL INSTRUMENTS

Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash and short-term investment. As a majority of the Company's cash is held by a Canadian bank, there is a concentration of credit risk with one bank in Canada. While there is concentration of risk holding all funds with one institution, this risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. As at October 31, 2017, the Company has cash on hand of \$477,708. Management assesses credit risk of cash and short-term investment as low.

The Company's secondary exposure to credit risk is on its receivables. This risk is minimal as receivables consist of refundable government sales taxes.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates only in Canada and is therefore not exposed to foreign exchange risk arising from transactions denominated in a foreign currency.

Interest rate risk

Interest rate risk is the risk that an investment's value will change due to a change in the level of interest rates. The Company is exposed to interest rate risk as its bank account earn interest income at variable rates and is subject to the movement in interest rates. Management considers the interest rate rise to be minimal.

Liquidity risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and seeking equity financing when needed. As at October 31, 2017, the Company has cash on hand of \$477,708, which are sufficient to settle its current liabilities of \$4,150.

TRIGEN RESOURCES INC.

Notes to Condensed Interim Financial Statements

October 31, 2017

(Expressed in Canadian Dollars - Unaudited)

10. CAPITAL DISCLOSURE

Management's objective is to manage its capital to ensure that there are adequate capital resources to safeguard the Company's ability to continue as a going concern through the optimization of its capital structure. The capital structure consists of share capital and working capital.

In order to achieve this objective, management makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets. To maintain or adjust capital structure, management may invest its excess cash in interest bearing accounts of Canadian chartered banks and/or raise additional funds externally as needed.

There were no changes in the Company's approach to capital management during the six months ended October 31, 2017. The Company is not subject to externally imposed capital requirements.

11. PROPOSED TRANSACTION

On November 4, 2017, the Company has entered into a definitive share exchange agreement with BlissCo and each of the security holders of BlissCo (the "BlissCo Securityholders") (Note 1). Pursuant to the Agreement, Trigen will acquire from the BlissCo Securityholders all of the outstanding securities of BlissCo and BlissCo will become a wholly-owned subsidiary of the Company (the "Proposed Transaction"). Upon completion of the Proposed Transaction, the Company will carry on the business of BlissCo (the "Resulting Issuer"). The Proposed Transaction is an arm's length transaction and will constitute a reverse takeover of Trigen by BlissCo, pursuant to the policies of the Exchange. In connection with completion of the Proposed Transaction, the Company will apply to list its common shares on the Canadian Securities Exchange ("CSE") and will concurrently apply to delist its common shares on the Exchange.

About BlissCo

BlissCo is constructing an urban Access to Cannabis for Medical Purposes Regulation (ACMPR) cultivation facility with a focus on being a high-volume packager, processor and distributor of recreational cannabis when it becomes legal in Canada, which is currently anticipated to be by July 2018, and of medical cannabis. It recently took ownership of its 12,600 sq. ft. industrial facility in Langley, British Columbia.

Upon receipt of the anticipated ACMPR cultivation and sales licenses, BlissCo expects to grow and sell dried cannabis and cannabis oil to approved medical patients through an online portal and via a service excellence call centre. BlissCo expects to focus on high volume sales opportunities in the legal cannabis market when individual distribution models are established by Canadian provinces and territories.

TRIGEN RESOURCES INC.

Notes to Condensed Interim Financial Statements

October 31, 2017

(Expressed in Canadian Dollars - Unaudited)

11. PROPOSED TRANSACTION. (cont'd)

Summary of the Proposed Transaction

Pursuant to the Agreement:

- Trigen will undertake a two and one quarter (2.25) for one (1) consolidation of its common shares (the "Consolidation"). There will be 10,113,402 Trigen shares issued and outstanding on a post-Consolidation basis.
- 69,963,652 post-Consolidation shares of Trigen will be issued to the shareholders of BlissCo as consideration for 100% of the issued and outstanding common shares of BlissCo.
- 16,245,750 warrants of Trigen will be 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.
- Trigen will complete a private placement financing of a minimum of \$2,000,000 and a maximum of \$3,000,000 of common shares on a post-Consolidation basis at a price between \$0.28 and \$0.35 per common share (the "Private Placement").
- Arm's length finders will receive an aggregate of 714,286 post-Consolidation common shares of the Company.
- The board of directors of the Company will consist of six directors, four of whom will be nominated by BlissCo and two of whom will be nominated by Trigen;
- Assuming completion of the Private Placement at \$0.35 per post-Consolidation share:
 - Shareholders of Trigen will hold approximately 11.3% of the Company;
 - Shareholders of BlissCo will hold approximately 78.3% of the Company;
 - Shareholders under the Private Placement will hold approximately 9.6% of the Company.
- Closing will take place on or before February 15, 2018 and will be subject to the following key conditions:
 - completion of the Consolidation;
 - receipt of approval of the Exchange and the CSE, as applicable;
 - if applicable, the shareholders of Trigen shall have approved the Proposed Transaction;
 - the Private Placement shall have raised gross proceeds of at least \$2,000,000; and
 - Damian Kettlewell shall have entered into a voluntary pooling agreement with respect to any securities of the Company received by him pursuant to the Proposed Transaction, whereby such securities will be released over a four-year period with 1/17th released on closing and then every three months thereafter.

TRIGEN RESOURCES INC.

Notes to Condensed Interim Financial Statements

October 31, 2017

(Expressed in Canadian Dollars - Unaudited)

11. PROPOSED TRANSACTION. (cont'd)

Other Matters Relating to the Proposed Transaction

The common shares of the Company are currently halted and will remain halted pending completion of the Proposed Transaction. The Company anticipates that shareholder approval of the Proposed Transaction will not be required by virtue of the application of section 4.1 of Exchange policy 5.2.

The Company anticipates applying for a waiver of the requirement for sponsorship pursuant to the policies of the Exchange.