



Blueberries Medical Reports 2021 Q2 Financial Results and Provides Corporate and Operations Update

Toronto, Ontario (August 30, 2021) – Blueberries Medical Corp. (CSE: BBM) (OTC: BBRRF) (FRA: 10A) the Canadian parent of Blueberries S.A.S. (“**BBSAS**”), the premier Latin American licensed cultivator and producer of medicinal cannabis and medicinal-grade cannabis extracts, (together the “**Company**” or “**Blueberries**”), is pleased to report its financial results for the quarter ended June 30, 2021. Today, Blueberries has filed its unaudited condensed interim consolidated financial statements and related management’s discussion and analysis, both of which are available on Blueberries’ profile at www.sedar.com.

Blueberries Medical Corp. continues deploying the strategy of reducing administrative cost, capital and operational expenditures, as well as focusing on multiple revenue generating activities. Also, people with proven track record in Cannabis / Pharma / Fine Ingredients industries have joined the management team to cover key roles in the organization, primarily in Sales, Quality, Finance, and I+D.

New Colombian Regulation

Blueberries is closely following the changes in the Colombian new regulatory framework for medical cannabis, with the intention to be well equipped and fully prepared to seize additional revenue streams that the new Decree allows, primarily related to the opportunity to export dry flower of both THC and CBD strains and to manufacture FMCGs using non photoactive derivatives.

Financial Highlights

All financial information in this press release is reported in Canadian dollars, unless otherwise indicated.

“Our three fundamental pillars, Operate with Excellence, Connect with Demand, and Differentiate, continue to be crucial in ensuring our long-term success,” said Jose Maria Forero, President, Latin American Operations. “As we had some open positions, we put special care in inviting the best people to help us run the Company, people with a proven track record in the cannabis or medical grade ingredient industries, primarily in areas such as Sales, R&D, Quality and Finance.”

Since February 2021, when current CEO & Chairman Facundo Garreton took over direction of The Company, a new management team was put in place with a single objective, specifically, “Blueberries Medical Corp.’s short term strategy will be to minimize fixed structure costs and expenses, reducing capital and operational expenditures, while preserving working capital to optimize the resource and cost structure and focus 100% on revenue generating activities. For example, Selling General & Administrative Expenses were reduced from \$411,132 incurred during the first half of 2020 to current \$209,114 in the first half of 2021, almost 100% improvement,” added Guillermo Rodriguez, new CFO of The Company. “On the other hand and accordingly aligned with this strategy, The Company started to expand its commercial revenues, adding more services and extending our model and we have started to provide extraction services to others Cannabis companies in Colombia,” continued Guillermo Rodriguez

Blueberries Medical Corp. signed a Framework Agreement with YVY Life Sciences of Uruguay a couple of months ago. Under the Framework Agreement, Blueberries and YVY will structure collaborative plans, initially starting with mutual development of strains and genetics in Colombia, and subsequent registration of those cultivars both in Colombia and Uruguay. This will provide a fast-track opportunity to register Blueberries’ proprietary genetics in Uruguay, thus allowing the partners to cultivate and export dry flower of Blueberries’ strains from Uruguay.

“We are thrilled with this strategic alliance. Our goal is to work closely with YVY, to replicate YVY’s unique cultivation model with small producers in Colombia, producing high-quality and natural products while generating scalable social benefits and minimizing environmental impact,” said Facundo Garreton, Chief Executive Officer and Chairman of Blueberries Medical Corp. “Our vision is to use the Framework Agreement as the first step in a long-term strategic partnership which will help us quickly take practical steps in developing collaborative projects both in Colombia and Uruguay.”

(Expressed in Canadian Dollars)	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Revenues	\$ 14,785	\$ 4,644	\$ 37,905	\$ 4,644
Cost of sales	(7,171)	(3,356)	(8,366)	(3,356)
Gross profit	7,614	1,288	29,539	1,288
Expenses				
Pre-operating expenses	(123,060)	(154,991)	(237,231)	(406,637)
General and administrative expenses	35,692	(513,086)	(124,261)	(1,596,385)
Depreciation and amortization	(141,191)	(166,144)	(358,217)	(342,036)
Finance expense	(64,980)	-	(127,469)	-
Other income (expense)	8,716	(26,533)	(14,629)	(49,580)
Foreign exchange loss	8,204	45,382	(27,062)	(90,088)
Net loss	(269,067)	(814,084)	(859,392)	(2,483,438)
Other Comprehensive Loss				
Foreign currency translation adjustment	(75,917)	2,905	(269,723)	(171,338)
Comprehensive loss	(344,984)	(811,179)	(1,129,115)	(2,654,776)
Loss per share - basic and diluted	(0.002)	(0.007)	(0.006)	(0.020)

	As at June 30, As at December 31,	
	2021	2020
Total assets	\$ 6,566,053	\$ 7,270,212
Total liabilities	3,060,814	3,380,433
Total equity	3,505,239	3,889,779

Financial Highlights Commentary

Revenues - Blueberries' commercial operations moved from introductory sales of cuttings of its cultivars to associate growers to effective sales of cannabis derivatives and extracts to customer both in Colombia and Peru. In addition to this, the company launched a tolling service processing flower and biomass from small and mid-size licensed producers that is also positively impacting revenue results.

Pre-operating expenses - Since the Company is in early stages of commercial operations, material operational costs are included under pre-operating expenses, which are non-capital expenditures relating to Blueberries' cannabis cultivation and extraction operations. During 2020, due to COVID-19, the company implemented voluntary salary reductions for personnel in management positions, which is reflected in the lower pre-operating expenses in 2021.

General and Administrative ("G&A") Expenses – An analysis of selected G&A expenses is as follows:

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Share based compensation	(260,265)	179,534	(291,425)	682,478
Marketing and investor relations	-	15,674	-	51,172
Director and management fees	43,700	108,188	100,700	248,343
Legal	4,496	2,999	4,829	46,584
Consulting	5,301	36,552	23,047	143,615
Salary, wages, and benefits	95,731	83,627	159,511	234,410
Audit & accounting	17,500	19,250	8,683	41,638
General office	10,171	19,600	24,979	66,697
Travel	(23)	187	18	10,275
Filing and transfer agent fees	7,940	26,164	32,842	39,966
Insurance	20,568	21,941	38,183	25,995
Other	19,189	630	22,894	5,212
Total general and administrative expenses	(35,692)	513,086	124,261	1,596,385

Share based compensation - During the second quarter of 2021, 775,000 unvested options were forfeited resulting in a reversal of stock-based compensation of \$260,265. On first quarter of 2021, 3,099,998 unvested options were forfeited resulting in a reversal of stock-based compensation of \$251,982.

Director and management fees - The year-on-year decrease reflects savings measures implemented due to COVID-19 pandemic, with certain directors and officers leaving the company. The Company continues to manage its costs and focuses its resources on commercial and revenue-generating activities.

Legal fees. The fees incurred in 2021 and 2020 mainly relate to procurement of legal services for private placements, ongoing administrative matters and legal counsel regarding the structure and format of potential business ventures the Company is pursuing.

Consulting – Includes advice and assistance on operations, quality management, facility development, financial and technical counsel, human resources services, and regulatory compliance. The reduction of consulting fees from 2020 to 2021 are due to the Company having incurred start-up related consulting fees in 2020, mainly engagement of new services by the company at the start of the operations on compliance with EU-GMP standards. The 2021 consulting fees are also lower because of savings realized by financial services being internalized.

Salary, wages, and benefits - Include payroll, training, benefits, and severance costs of employees in Colombia. The year-on-year decrease reflects the Company continuing to manage its costs, including head count, and focusing its resources on commercial and revenue-generating activities.

Audit and accounting fees - Include cost of audit, accounting and taxation services provided by the Company's external auditor and other third parties. The Q2, 2021 audit and accounting fees reflect the current accrual for annual audit.

General office expenditures - Include office and equipment rent, utilities, communication, and cleaning services. The year-on-year decrease reflects savings measures implemented due to COVID-19 pandemic. Blueberries closed its Toronto and Bogota offices, with significant monthly rental fee savings.

Travel – The decrease in travel expenses from 2020 to 2021 is due to tighter cost control on discretionary expenses and the impact of COVID-19 travel restrictions.

Finance Expense - The finance expense consists of accrued interest of \$32,500 on the convertible debenture and the accretion of convertible debt liability of \$32,480.

About Blueberries Medical Corp.

Blueberries is a Latin American licensed producer of naturally grown premium quality cannabis with its primary operations ideally located in the Bogotá Savannah of central Colombia. The Company is led by a specialized team with proprietary expertise in agriculture, genetics, extraction, medicine, pharmacology and marketing, Blueberries is fully licensed for the cultivation, production, domestic distribution, and international export of CBD and THC-based medical cannabis in Colombia. Blueberries' combination of leading scientific expertise, agricultural advantages and distribution arrangements has positioned the Company to become a leading international supplier of naturally grown, processed, and standardized medicinal-grade cannabis oil extracts and related products.

Additional information about the Company is available at www.blueberriesmed.com. For more information, please contact:

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Cautionary Note Regarding Forward-Looking Information

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate, among other things, to: commencement of commercial production of CBD-dominant oils and products, successful implementation of full GMP standards at its extraction facility to allow for additional export potential to international markets, achieving additional milestones is contemplated, or at all, ability to expand distribution networks, ability to expand and upgrade the Company's cultivation facilities in Colombia, internal expectations, expectations regarding the ability of the Company to access new Latin American and international markets, the ability to attract and retain new customers, and future expansion plans including development of the cultivation, production, industrialization and marketing of cannabis for commercial and scientific purposes.

These forward-looking statements are based on reasonable assumptions and estimates of management of the Company at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors,

among other things, include: fluctuations in general macroeconomic conditions; fluctuations in securities markets; expectations regarding the size of the Colombian and international medical cannabis market and changing consumer habits; the ability of the Company to successfully achieve its business objectives; plans for expansion; political and social uncertainties; inability to obtain adequate insurance to cover risks and hazards; and the presence of laws and regulations that may impose restrictions on cultivation, production, distribution and sale of cannabis and cannabis related products in Colombia, Argentina and elsewhere; and employee relations. Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended. Readers should not place undue reliance on the forward-looking statements and information contained in this news release. The Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

Additional information regarding the Company, and other risks and uncertainties relating to the Company's business are contained under the heading "Risk Factors" in the Company's Listing Statement dated January 31, 2019 filed on its issuer profile on SEDAR at www.sedar.com.

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.