FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: **Organic Flower Investments Group Inc.** (the "Issuer").

Trading Symbol: **SOW**

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

Third quarter (nine month period) ended March 31, 2020.

Unaudited condensed interim consolidated financial statements of the Issuer for the nine month period ended March 31, 2020, as filed with securities regulatory

authorities, are attached to this Form 5 - Quarterly Listing Statement as Appendix A.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
(b) A description of the transaction(s), including those for which no amount has been recorded.
(c) The recorded amount of the transactions classified by financial statement category.
(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
(e) Contractual obligations with Related Persons, separate from other contractual obligations.
(f) Contingencies involving Related Persons, separate from other contingencies.

With respect to related party transactions for information supplementary to that contained in the notes to the unaudited condensed interim consolidated financial statements, which are attached hereto, please refer to Management's Discussion & Analysis for the nine month period ended March 31, 2020, as filed with securities regulatory authorities and attached to this Form 5 - Quarterly Listing Statement as Appendix B.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

As at January 15, 2019, the date of the Issuer's last Form 2A - Listing Statement, 112,691,280 common shares in the capital of the Issuer were issued and outstanding.

(a) summary of securities issued during the period for January 1, 2020 to March 31, 2020:

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
No securities were issued during the period of January 1, 2020 to March 31, 2020.								

(b) summary of options granted during the period of January 1, 2020 to March 31, 2020:

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
No options were issued during the period of January 1, 2020 to March 31, 2020.						

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

As at March 31, 2020, the authorized capital of the Issuer consisted of an unlimited number of common shares without par value, and without any special rights or restrictions, of which 312,379,370 common shares were issued and outstanding.

The holders of common shares are entitled to receive notice of and to attend all meetings of the shareholders of the Issuer and are entitled to one vote in respect of each common share held at such meetings. Subject to the rights, if any at the time, of shareholders holding shares with special rights as to dividends (none of which are authorized or outstanding at the date of this Quarterly Listing Statement), holders of common shares of the Issuer are entitled to dividends as and when declared by the directors. Subject to the rights of holders of any shares ranking in priority to or on a parity with the common shares, the holders of common shares are entitled to participate ratably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Issuer.

(b) number and recorded value for shares issued and outstanding,

Date	Number of common shares	Recorded value of common shares
March 31, 2020	44,625,624	$112,605,621

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

Options:

Options to purchase common shares in the capital of the Issuer are granted by the Issuer's Board of Directors to eligible persons pursuant to the Issuer's Stock Option Incentive Plan.

As at March 31, 2020, the following options were outstanding entitling holders to purchase common shares in the capital of the Issuer as summarized below:

Date of Grant	Number of Options	Exercise Price	Expiry Date	Recorded Value
September 20, 2018	263,159	$1.12	September 20, 2028	$247,642
March 6, 2019	142,857	$3.15	March 6, 2024	$421,618
May 17, 2019	1,321,429	$2.275	May 17, 2024	$2,646,568
October 8, 2019	7,143	$0.70	October 8, 2024	$4,572
TOTAL	1,734,588			

Warrants:

As at March 31, 2020, the following warrants were outstanding entitling holders to purchase common shares in the capital of the Issuer as summarized below:

Date of Issue	Number of Warrants	Exercise Price	Expiry Date	Recorded Value
August 21, 2018	951,714	$0.53	August 21, 2023	$Nil
August 21, 2018	300,000	$0.35	June 16, 2021	$Nil
December 5, 2018	974,303	$4.55	December 5, 2020	$16,212
March 18, 2019	85,715	$4.55	December 5, 2020	$Nil
TOTAL	2,311,732			

Convertible Securities

The Issuer has no convertible securities outstanding.

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

As at March 31, 2020, no common shares of the Issuer were held in a escrow, a pooling agreement or had any other restriction on transfer.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Name of Director/Officer	Position with Issuer
Joel Dumaresq	CEO, interim CFO and Director
Theo van der Linde	Director
John Martin	Director
Brendan Purdy	Director

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

Management's Discussion & Analysis for the nine month period ended March 31, 2020, as filed with securities regulatory authorities, is attached to this Form 5 - Quarterly Listing Statement as Appendix B.

Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated **June 1, 2020**

Joel Dumaresq
Name of Director or Senior Officer

"Joel Dumaresq"
Signature

CEO and Director
Official Capacity

Issuer Details Name of Issuer **Organic Flower Investments Group Inc.**	For Quarter Ended **March 31, 2020**	Date of Report YY/MM/D **2020/06/01**
Issuer Address **789 West Pender Street, Suite 810**		
City/Province/Postal Code **Vancouver, British Columbia V6C 1H2**	Issuer Fax No. **(604) 687-3141**	Issuer Telephone No. **(604) 687-2038**
Contact Name **Theo van der Linde**	Contact Position **Director**	Contact Telephone No. **604.336.3196**
Contact Email Address theo@pashleth.com	Web Site Address **n/a**	

APPENDIX A

ORGANIC FLOWER INVESTMENTS GROUP INC.

Unaudited condensed interim financial statements
for the nine month period ended March 31, 2020

Organic Flower Investments Group Inc.

Condensed Interim Consolidated Financial Statements
For the period ended December 31, 2019 and 2018
(Expressed in Canadian Dollars - Unaudited)

NOTICE TO READER

REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim consolidated financial statements of Organic Flower Investments Group Inc. (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 financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim consolidated financial statements by an entity's auditor.

ORGANIC FLOWER INVESTMENTS GROUP INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

As at	Notes	December 31, 2019	June 30, 2019 (Audited)
ASSETS			
Current Assets			
Cash and cash equivalents		$ **268,167**	$ 252,022
Amounts receivable		**48,784**	48,131
Prepaids		**18,002**	18,002
Investments	**7**	**40,701,794**	120,519,676
		41,036,746	120,837,831
Non-current Assets			
Convertible debenture receivable	**8**	**2,500,000**	-
Total assets		$ **43,536,747**	$ 120,837,831
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities	**11**	$ **177,461**	$ 128,341
Convertible debenture payable	**9**	**403,222**	-
Deferred interest income	**8**	**46,849**	-
		627,532	128,341
Long Term Liabilities			
Deferred income tax liability		**10,040,635**	10,040,635
Total liabilities		**10,668,167**	10,168,976
SHAREHOLDERS' EQUITY			
Share capital	**10**	**112,605,621**	111,955,131
Share-based payments reserves	**10**	**17,455,062**	17,708,960
Deficit		**(97,192,103)**	(18,995,236)
Total shareholders' equity		**32,868,580**	110,668,855
Total liabilities and shareholders' equity	**$**	$ **43,536,747**	$ 120,837,831

Nature and continuance of operations (Note 1)

Subsequent event (Note 13)

Approved on behalf of the Board on February 26, 2020:

"Joel Dumaresq"	***"Theo van der Linde"***
Director – Joel Dumaresq	Director – Theo Van Der Linde

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

ORGANIC FLOWER INVESTMENTS GROUP INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited - Expressed in Canadian Dollars)

	Notes	For the 3 months ended December 31, 2019	December 31, 2018	For the 6 months ended December 31, 2019	December 31, 2018
Net investment gain (loss)					
Fair value loss change in investments	**7**	**(42,321,431)**	(297,192)	**(89,240,637)**	(708,868)
Gain on sale of investments	**7**	**-**	-	**10,684,665**	-
		(42,321,431)	(297,192)	**(78,555,972)**	(708,868)
Expenses					
Accretion of convertible debentures		**-**	-	**-**	(159,191)
Consulting	**11**	**(559,774)**	(15,250)	**(700,639)**	(15,250)
Management and administrative	**11**	**(1,575)**	(21,546)	**(5,775)**	(38,929)
Meals and entertainment		**(1,225)**	-	**(3,339)**	-
Filing and transfer fees		**(10,223)**	(46,207)	**(22,905)**	(65,714)
Foreign exchange loss		**-**	(2,808)	**(3,996)**	(2,808)
Office and other miscellaneous		**(30,315)**	(359)	**(42,415)**	(405)
Professional fees		**(70,532)**	(55,161)	**(252,944)**	(119,322)
Research and development		**(23,620)**	-	**(50,000)**	-
Salaries and wages		**(104,985)**	-	**(104,985)**	-
Share-based compensation	**10**	**(4,572)**	-	**(4,572)**	(479,137)
Interest expense		**(3,222)**	-	**(3,222)**	(28,996)
		(810,043)	(141,331)	**(1,194,792)**	(909,752)
Net loss for the period		**$ (43,131,474)**	$ (438,523)	**$ (79,750,764)**	$ (1,618,620)
Management consulting income		**1,500,000**	-	**1,500,000**	-
Loss on conversion of convertible debenture payable		**-**	-	**-**	(886,643)
Interest income	**8**	**53,897**	-	**53,897**	-
Net loss and comprehensive loss		**$ (41,577,577)**	$ (438,523)	**$ (78,196,867)**	$ (2,505,263)
Loss per share, basic		**$ (0.13)**	$ (0.00)	**$ (0.25)**	$ (0.04)
Loss per share, diluted		**$ (0.13)**	$ (0.00)	**$ (0.25)**	$ (0.04)
Weighted average number of shares outstanding		**312,379,370**	98,237,026	**312,305,750**	71,515,262

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

ORGANIC FLOWER INVESTMENTS GROUP INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
(Unaudited - Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Equity Portion of Convertible Debentures	Share-based Payments Reserves	Deficit	Shareholders' Equity (Deficiency)
Balance, June 30, 2018	6,120,190	$ 27,300,931	$ 1,509,607	$ 102,165	$ (29,238,491)	$ (325,788)
Share-based compensation	-	-	-	479,137	-	479,137
Private placements, net	77,259,190	8,491,124	-	-	-	8,491,124
Conversion of convertible debt payable	26,625,000	2,840,857	(1,509,607)	-	-	1,331,250
Shares issued on warrant exercise	2,326,880	124,594	-	-	-	124,594
Shares issued on option exercise	360,000	63,000	-	-	-	63,000
Fair value reclassification pursuant to option exercise	-	46,990	-	(46,990)	-	-
Loss and comprehensive loss for the period	-	-	-	-	(2,505,263)	(2,505,263)
Balance, December 31, 2018	112,691,260	$ 38,867,496	$ -	$ 534,312	$ (31,743,754)	$ 7,658,054
Balance, June 30, 2019	**308,937,370**	**$ 111,955,131**	**$ -**	**$ 17,708,960**	**$ (18,995,236)**	**$ 110,668,855**
Share-based compensation	-	-	-	4,572	-	4,572
Shares issued on warrant exercise	1,520,000	81,500	-	-	-	81,500
Shares issued on option exercise	1,922,000	310,520	-	-	-	310,520
Fair value reclassification pursuant to option exercise	-	258,470	-	(258,470)	-	-
Loss and comprehensive loss for the period	-	-	-	-	(78,196,867)	(78,196,867)
Balance, December 31, 2019	**312,379,370**	**$ 112,605,621**	**$ -**	**$ 17,455,062**	**$ (97,192,103)**	**$ 32,868,580**

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

ORGANIC FLOWER INVESTMENTS GROUP INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)

Six month period ended		December 31, 2019		December 31, 2018
Operating activities				
Net loss for the period	**$**	**(78,196,867)**	**$**	(2,505,263)
Items not affecting cash:				
Share-based compensation		**4,572**		479,137
Accretion of convertible debenture payable		**-**		159,191
Accrued interest expense		**3,222**		28,996
Management consulting income		**(1,500,000)**		-
Gain on sale of investments		**(10,684,665)**		-
Loss on foreign exchange		**3,221**		-
Loss on conversion of convertible debenture payable		**-**		886,643
Fair value change in investments		**89,240,637**		708,868
		(1,129,880)		(242,428)
Changes in non-cash working capital items:				
Amounts receivable		**(653)**		-
Accounts payable and accrued liabilities		**49,120**		(17,170)
Deferred interest income		**46,849**		-
Purchase of investments		**(3,915,526)**		(7,500,000)
Proceeds from sale of investments		**6,674,215**		-
Net cash (used in) provided by operating activities		**1,724,125**		(7,759,598)
Investing activities				
Convertible debenture receivable		**(2,500,000)**		-
Net cash used in investing activities		**(2,500,000)**		-
Financing activities				
Private placements, net		**-**		8,491,124
Warrant exercise		**81,500**		124,594
Option exercise		**310,520**		63,000
Loan payable		**400,000**		-
Repayment of interest on convertible debenture payable		**-**		(436,030)
Net cash provided by financing activities		**792,020**		8,242,688
Net increase in cash and cash equivalents		**16,145**		483,090
Cash and cash equivalents, beginning of the period		**252,022**		1,933
Cash and cash equivalents, end of the period	**$**	**268,167**	**$**	485,023
Supplemental disclosure with respect to cash flows				
Reallocation of fair value pursuant to option exercise	**$**	**258,470**	**$**	46,990
Conversion of convertible debenture payable	**$**	**-**	**$**	1,331,250

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Organic Flower Investments Group Inc. (Formerly Q Investments Ltd). (the "Company") was incorporated under the *Company Act* of British Columbia. On January 19, 2001, the Company received its certificate of continuance from the Bermuda Monetary Authority in accordance with section 132C (4) (d) of the *Companies Act 1981* of Bermuda. On December 6, 2018, the Company domiciled its operations to British Columbia, Canada. The Company's common shares are listed on the Canadian Securities Exchange under the trading symbol SOW, on the OTC Markets under the symbol QILFF and on the Frankfurt Stock Exchange under the ticker symbol 2K6.

The Company is an investment holding firm, which specializes in providing early-stage financing to private and public companies.

The head office, principal and registered address, and the records of the Company are located at 810-789 West Pender Street, Vancouver, British Columbia, Canada, V6C 1H2.

These condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

As at December 31, 2019, the Company has an accumulated deficit of $97,192,103 (June 30, 2019 - $18,995,236), limited resources, no source of operating cash flow and no assurance that sufficient funding will be available. Management has the option to raise funds through a combination of equity and/or debt financing, along with a sale of investments. The success of these plans will depend upon the ability of the Company to generate cash flows from its portfolio investments.

These condensed interim consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary, should the Company be unable to continue as a going concern. Such amounts could be material. However, Management has assessed and concluded that the Company has the ability to continue as a going concern for at least the next twelve months.

2. BASIS OF PREPARATION

a) Consolidated statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board.

The Board of Directors approved these condensed interim consolidated financial statements on February 26, 2020.

b) Basis of presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with IAS 34 – Interim Financial Reporting. These condensed interim consolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the Company's audited consolidated financial statements for the year ended June 30, 2019. These financial statements have been prepared following the same accounting policies as the Company's audited consolidated financial statements for the year ended June 30, 2019.

2. BASIS OF PREPARATION (CONTINUED)

Basis of measurement

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments, which are measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

These condensed interim consolidated financial statements are presented in Canadian Dollars, which is the Company's functional currency.

Basis of consolidation

i) Subsidiaries are entities controlled by the Company. Control exists when the Company is exposed, or has rights, to variable returns from its involvement and has the ability to affect those returns through its power over the subsidiaries. In assessing control, potential voting rights that currently are exercisable are taken into account.

   The accounts of the Company's wholly owned subsidiaries, Cubix Acquisitionco Inc., incorporated in British Columbia on July 3, 2001, and Pleasant Shores Ventures Ltd., incorporated in British Virgin Islands on May 15, 2006 are included in the condensed interim consolidated financial statements from the date control commenced until the date control ceases. All of the subsidiaries were inactive as at December 31, 2019 and 2018.

ii) Intercompany balances and transactions, and any unrealized income and expenses arising from intercompany transactions, are eliminated in preparing the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

In preparing these condensed interim consolidated financial statements, the significant accounting policies and the significant judgments made by management in applying the Company's significant accounting policies and key sources of estimation uncertainty were the same as those that applied to the Company's audited consolidated financial statements for the year ended June 30, 2019, with exception to the newly adopted IFRS 16 accounting standard discussed below.

The preparation of condensed interim consolidated financial statements requires that the Company's management make judgments and estimates of effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period. Actual future outcomes could differ from present estimates and judgments, potentially having material future effects on the Company's condensed interim financial statements. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Going concern

The assessment of whether the going concern assumption is appropriate requires management to take 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. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.

Use of estimates and judgements

The preparation of these condensed interim consolidated financial statements requires management to make certain estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and reported amount of expenses during the period. In particular, significant judgements made by management in the application of IFRS during the preparation of the condensed interim consolidated financial statements and estimates with a risk of material adjustment are:

Change in Accounting Policy - IFRS 16 - Leases

The Company adopted IFRS 16, Leases, on July 1, 2019. All leases result in the lessee obtaining the right to use an asset at the start of the lease and, if lease payments are made over time, also obtaining financing. Accordingly, from the perspective of the lessee, IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 Leases and, instead, introduces a single lessee accounting model. When applying that model, a lessee is required to recognize assets and liabilities. A lessor continues to classify its leases as operating leases or finance leases, and accounts for those two types of leases differently. There was no material impact on the Company's financial statements upon adoption of this standard.

4. FINANCIAL INSTRUMENTS

IFRS 13, *Fair Value Measurement*, establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) 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. derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's cash is measured using level 1 inputs.

On September 25, 2019, the Company purchased a convertible debenture from ICC International Cannabis Corp. (Note 8). Measurement of this financial instrument is carried at fair value through profit or loss and valued under Level 3 of the fair value hierarchy.

The Company's measurement of the fair value of financial instruments as at December 31, 2019 and June 30, 2019 in accordance with the fair value hierarchy is as follows:

4. FINANCIAL INSTRUMENTS (CONTINUED)

		Total		Level 1		Level 2		Level 3
December 31, 2019								
Cash and cash equivalents	$	268,167	$	268,167	$	-	$	-
Investments	$	40,701,794	$	35,204,224	$	697,131	$	4,800,439
Convertible debenture receivable	$	2,500,000	$	-	$	-	$	2,500,000
Accounts payable	$	60,268	$	60,268	$	-	$	-
Convertible debenture payable	$	403,222	$	-	$	-	$	403,222
June 30, 2019								
Cash and cash equivalents	$	252,022	$	252,022	$	-	$	-
Investments	$	120,519,676	$	340,379	$	81,605	$	120,097,692
Accounts payable	$	46,065	$	46,065	$	-	$	-

5. FINANCIAL RISK MANAGEMENT

(a) Overview

The Company has exposure to the following risks from its use of financial instruments:

- Market risk;
- Credit risk; and
- Liquidity risk.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(i) Interest rate risk

The Company's cash and cash equivalents are held in bank accounts, which have nominal interest rates attached to them; therefore, fluctuations in market interest rates would not have a material impact on their fair market values as at December 31, 2019 and December 31, 2018.

(ii) Foreign currency risk

The Company is exposed to financial risk related to the fluctuation of foreign exchange rates. The Company's functional currency is the Canadian Dollar and the consolidated financial statements are presented in Canadian Dollars. The Company is not exposed to significant foreign currency risk.

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Market risk (continued)

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk and foreign currency risk. The Company holds investments in securities that will fluctuate in value as a result of fluctuations in estimated fair values of those securities. Furthermore, as the Company's investments are resource exploration and cannabis companies, market values will fluctuate subject to the price of cannabis and its derivatives, commodity prices, economic cycles and political events. Based upon the Company's investment portfolio at December 31, 2019, a 96% (June 30, 2019 - 140%) increase or decrease in the fair value of the securities held would result in an increase/decrease to net income (loss) and comprehensive income (loss) of approximately $27,795,410 (June 30, 2019 - $48,400,000).

(c) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its payment obligations. The Company's exposure to credit risk is limited to its cash balances. The risk exposure is limited to the carrying amounts at the consolidated statement of financial position dates.

The Company's cash balances are held in accounts at a major Canadian financial institution. The credit risk associated with cash is mitigated, as cash is held at major institutions with high credit ratings.

(d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company assesses its liquidity risk by forecasting cash flows required by operations and anticipated financing activities.

The Company has a cash and cash equivalents balance at December 31, 2019 of $268,167 (June 30, 2019 - $252,022) and investments with a fair value of $40,701,794 (June 30, 2019 - $120,519,676). At December 31, 2019, the Company has accounts payable and accrued liabilities of $177,461 (June 30, 2019 - $128,341). As at December 31, 2019, the Company has working capital of $40,409,214 (June 30, 2019 - $120,709,490). The Company relies upon financing to maintain sufficient working capital. There is no assurance that such financing will be available on terms and conditions acceptable to the Company.

The Company's accounts payable and accrued liabilities are due in the short-term (0 to 3 months).

6. CAPITAL MANAGEMENT

The investment objective of the Company is to achieve long-term capital from investments in public and private companies. The Company considers its capital structure to include all components of shareholders' equity. The Company's objective to managing capital is to ensure it has the ability to continue to make new investments and to ensure there is sufficient capital to minimize liquidity risk and to continue as a going concern. Management reviews its capital management approach on an ongoing basis and believes its approach, given the relative size of the Company, is reasonable.

Although the Company has been successful in the past in obtaining financing through the sale of equity securities and issuance of convertible debt, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be acceptable to the Company.

6. CAPITAL MANAGEMENT (CONTINUED)

The Board of Directors does not establish a quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company's share capital is not subject to any externally imposed capital requirements and the Company did not change its approach to capital management during the six month period ended December 31, 2019.

7. INVESTMENTS

December 31, 2019	**Number of Shares/Units Held**	**Fair Value $**
Publicly listed investments:		
Shares:		
AgraFlora (see Note 13)	367,191,291	34,883,174
Pinedale Energy Limited	3,777,000	321,045
Ultra Petroleum Corp.	45	6
Warrants:		
Pinedale Energy Limited	3,487,000	81,605
Bee Vectoring Technologies International Inc.	2,462,104	615,526
Private unlisted investments		
Shares:		
C3 Center Holding Inc.	2,666,667	2,000,000
2459160 Ontario Ltd. d/b/a Toronto WolfPack	2,550,000	2,550,000
2591046 Ontario Corp.	500,000	250,000
Other:		
Sextan, Tyche & Others	-	438
Total Investments		40,701,794

June 30, 2019	**Number of Shares/Units Held**	**Fair Value $**
Publicly listed investments:		
Shares:		
Pinedale Energy Limited	3,777,000	339,930
Ultra Petroleum Corp.	45	10
Warrants:		
Pinedale Energy Limited	3,487,000	81,605
Private unlisted investments		
Shares:		
1180782 BC Ltd. Delta Organic Cannabis	13,125,001	57,581,519
1205293 BC Ltd. d/b/a TF Hold Co	110,500,000	5,036,407
11122347 Canada Corp. d/b/a Canada Corp.	8,000	4,881,482
11353675 Canada Corp. d/b/a CanaBeer	8,000	4,881,482
Canada Cannabis Therapeutics Company	8,000	2,662,820
Canutra Naturals Ltd.	20,396,164	9,530,051
11406426 Canada Corp. d/b/a Colorado Science Comp.	8,000	2,662,820
Potluck Potions and Edibles Corp.	8,000	5,591,922
SUHM Investments Inc.	100	18,456,183
Trichome Cannabrands Inc.	10,000,000	5,325,640
Other:		
Sextan, Tyche & Others	-	438
2459160 Ontario Ltd. d/b/a Toronto WolfPack	-	3,487,367
Total Investments		120,519,676

7. INVESTMENTS (CONTINUED)

The continuity of the Company's investment is as follows:

	June 30, 2019	Additions	Disposals	Unrealized gain (losses)	December 31, 2019
Investment in public entities:	$	$	$	$	$
- Shares	339,940	124,104,922	-	(89,240,637)	35,204,225
- Warrants	81,605	615,526	-	-	697,131
Investment in private entities:					
- Shares	116,610,326	4,800,000	(116,610,326)	-	4,800,000
Investment in other:					
- Sextan, Tyche & Others	438	-	-	-	438
- Toronto WolfPack	3,487,367	-	(3,487,367)	-	-
Total	120,519,676	129,520,448	(120,097,693)	(89,240,637)	40,701,794

The fair value of investments in private entities at December 31, 2019 were estimated based on a Level 3 market approach of fair value using the subsequent sale price of those private entities to AgraFlora Organics International Inc. ("AgraFlora"). The sale price has been allocated to each individual investment on a pro-rata basis of original purchase cost to total cost. The fair value of the investments in private entities at December 31, 2019 were estimated based on a Level 3 market approach of fair value which approximate the transaction price.

Investment in AgraFlora Organics International Inc.

On July 11, 2019, the Company completed the transaction pursuant to an Asset Purchase Agreement dated June 10, 2019 with AgraFlora whereby the Company sold certain investments listed below to AgraFlora. As consideration the Company received 348,109,251 common shares of AgraFlora with a fair value of $120,097,692.

- Exclusive Distribution Agreement dated May 8, 2019 between the Company and ICC International Cannabis Corp.
- Exclusive Sub-License Agreement dated May 30, 2019 between the Company and 1205293 B.C. Ltd. o/a TF HoldCo.
- Exclusive Cannabis Supply, Packaging and Distribution agreement dated April 26, 2019 between the Company and 2459160 Ontario Ltd. Toronto WolfPack
- 80% of all of issued and outstanding common shares of 11353675 Canada Corp.
- 100% of all of issued and outstanding common shares of SUHM Investments Inc.
- 80% of all of issued and outstanding common shares of Potluck Potions and Edibles Inc.
- 80% of all of issued and outstanding common shares of 11122347 Canada Corp.
- 100% of all of issued and outstanding common shares of Delta Organic Cannabis (1180782 BC Ltd.)
- 80% of all of issued and outstanding common shares of 11353705 Canada Corp.
- 80% of all of issued and outstanding common shares of 11406426 Canada Corp.
- 100% of all of issued and outstanding common shares of Trichome Cannabrands Inc.

Upon completion of the sale, the Company recorded a loss of $Nil on the transactions as the private company investments above were recorded at the fair value of the AGRA consideration on June 30, 2019.

See subsequent event Note 13.

7. INVESTMENTS (CONTINUED)

Investment in Delta Organic Cannabis

On December 7, 2018, the Company acquired 7,500,000 common shares of 1180782 BC Ltd. d/b/a Delta Organic Cannabis ("DOC") for $7,500,000. DOC is a privately held Toronto-based Company. DOC's sole asset is an equity participation and earn-in agreement with AgraFlora, a growth oriented and diversified international cannabis company. AgraFlora is commercial medical cannabis cultivation operation ("Facility") in Delta, British Columbia. In addition to the equity interest in AgraFlora, DOC will earn a 20% interest in the Facility. As at December 7, 2018, DOC had acquired 27,863,775 common shares of AgraFlora.

On March 18, 2019, the Company closed the acquisition for the remaining issued and outstanding shares of DOC of 5,625,001, in consideration of the issuance of an aggregate of 54,687,503 units of the Company ("Units") at a fair value of $23,515,626. Each Unit consists of one common share of the Company and one common share purchase warrant that is exercisable into one common share of the Company at a price of $0.65 until December 5, 2020 at a fair value of $12,361,493. The Company issued 5,468,770 finder's shares to an arm's length party with a fair value of $2,351,563, which was recorded as transaction cost in the consolidated statement of income (loss) and comprehensive income (loss). During the year ended June 30, 2019, DOC advanced $2,291,020 to the Company, which was recorded against the cost of the investment.

On July 11, 2019, the Company sold all of issued and outstanding common shares of DOC to AgraFlora. Prior to the sale of DOC, DOC transferred 44,582,040 common shares of AgraFlora owned by DOC to the Company. During the period ended December 31, 2019, the Company sold 25,500,000 common shares of AgraFlora for gross proceeds of $6,674,215. As at December 31, 2019, the Company owned an additional 19,082,040 AgraFlora shares with a fair value of $1,812,794. Both of these amounts are recorded in the gain of sale in the statement of operations.

Investment in TF HoldCo

On June 10, 2019, the Company acquired 100% of 1205293 BC Ltd. d/b/a TF HoldCo ("TF) pursuant to the Share Exchange Agreement dated May 30, 2019. As consideration, the Company issued 9,456,904 common shares of the Company with a fair value of $3,593,624. The Company issued 945,690 finder's shares to an arm's length company with a fair value of $359,362.

Pursuant to the Share Exchange Agreement, additional common shares of the Company shall be issued to TF HoldCo on a pro-rata basis, upon the achievement of certain milestones as follows (collectively, the "Milestone Shares"):

a) The number of MileStone Shares equal to $1.75 million in the capital of the Company upon achievement of either:
   i) Annualized sales run-rate of TF branded product equal to $250,000 demonstrated for an uninterrupted four consecutive months, or

   ii) Achievement of TF branded product distribution in 2,500 shelves, and separately,

b) The number of Milestone Shares equal to $1.75 million in the capital of the Company upon achievement of formulaic product testing/verification in a clinical setting which demonstrates positive or tangible conclusions that the TF.

As there is uncertainty in determining the possible fair value measurements of the milestone shares, the Company has not recorded any value with respect to the Milestone Shares.

During the period ended December 31, 2019, the Company sold all of its issued and outstanding common shares of TF to AgraFlora.

7. INVESTMENTS (CONTINUED)

Investment in Canada Corp.
On June 10, 2019, the Company acquired 8,000 common shares of 11122347 Canada Corp. d/b/a Canada Corp., being 80% of the issued and outstanding share capital of Canada Corp., pursuant to a Share Exchange Agreement dated April 16, 2019. As consideration, the Company issued 9,166,000 common shares of the Company with a fair value of $3,483,080. The Company issued 900,000 finder's shares to an arm's length party with a fair value of $342,000.

During the period ended December 31, 2019, the Company sold all of its issued and outstanding common shares of 11122347 Canada Corp. to AgraFlora.

Investment in CanaBeer
On June 10, 2019, the Company acquired 8,000 common shares of 11353675 Canada Corp. d/b/a CanaBeer., being 80% of the issued and outstanding share capital of CanaBeer., pursuant to a Share Exchange Agreement dated May 6, 2019. As consideration, the Company issued 9,166,000 common shares of the Company with a fair value of $3,483,080. The Company issued 900,000 finder's shares to an arm's length party with a fair value of $342,000.

During the period ended December 31, 2019, the Company sold all of its issued and outstanding common shares of CanaBeer to AgraFlora.

Investment in Canada Cannabis Therapeutics Company
On June 10, 2019, the Company acquired 8,000 common shares of Canada Cannabis Therapeutics Company ("CCTC"), being 80% of the issued and outstanding share capital of CCTC, pursuant to a Share Exchange Agreement dated May 28, 2019. As consideration, the Company issued 5,000,000 common shares of the Company with a fair value of $1,900,000. The Company issued 500,000 finder's shares to an arm's length party with a fair value of $190,000.

During the period ended December 31, 2019, the Company sold all of its issued and outstanding common shares of CCTC to AgraFlora.

Investment in Canutra Naturals Ltd.
On June 29, 2019, the Company acquired 20,396,164 common shares of Canutra Naturals Ltd. ("Canutra"), being 100% of the issued and outstanding share capital of Cantura, pursuant to a Share Purchase Agreement ("Agreement"), dated May 30, 2019. As consideration, the Company issued 19,999,912 common shares of the Company with a fair value of $6,799,970 (the "Consideration Shares"). The Company issued 2,000,000 finder's shares to an arm's length party with a fair value of $680,000.

Pursuant to the Agreement, in addition to the payment of the Consideration Shares, the Company shall pay to Canutra shareholders an additional $2,000,000 payable by the issuance of Company common shares based on the value of the Company's common shares when Canutra completes the acquisition of a 100% interest in Savonnerie Olivier Soapery (the "Co-Packer Acquisition") at an aggregate purchase price equal to or less than $2,000,000 with no more than $750,000 in cash. In addition to the payment of the Consideration Shares and the Co-Packer Acquisition, the Company shall pay to Canutra shareholders an amount equal to 20% of grant funding obtained by Canutra on or before April 30, 2020, granted by any provincial or federal (Canada) government related body or division in favour of Canutra.

As there is uncertainty in determining the possible fair value measurements of the future payments, the Company has not recorded any value with respect to the future payments.

During the period ended December 31, 2019, the Company sold all of issued and outstanding common shares of Canutra to AgraFlora.

7. INVESTMENTS (CONTINUED)

Investment in Colorado Science Company
On June 10, 2019, the Company acquired 8,000 common shares of 11406426 Canada Corp. d/b/a Colorado Science Company ("Colorado"), being 80% of the issued and outstanding share capital of Colorado pursuant to a Share Exchange Agreement dated May 28, 2019. As consideration, the Company issued 5,000,000 common shares of the Company with a fair value of $1,900,000. The Company issued 500,000 finder's shares to an arm's length party with a fair value of $190,000.

During the period ended December 31, 2019, the Company sold all of its issued and outstanding common shares of Colorado to AgraFlora.

Investment in Potluck Potions and Edibles Corp.
On June 10, 2019, the Company acquired 8,000 common shares of Potluck Potions and Edibles Corp. ("Potluck"), being 80% of the issued and outstanding share capital of Potluck, pursuant to a Share Exchange Agreement dated April 22, 2019. As consideration, the Company issued 10,000,000 common shares of the Company with a fair value of $3,800,000. The Company issued 1,000,000 finder's fees to an arm's length party with a fair value of $380,000.

Potluck is party to a binding letter of intent dated April 22, 2019 (the "LOI") for an exclusive cannabinoid-infused beverage supply agreement (the "Beverage Supply Agreement") with Hatch Beverage Company, Ltd. ("Hatch") whereby Hatch will supply and distribute a suite of cannabinoid infused beverages. During the year ended June 30, 2019, the Company advanced $190,000 to Potluck for the LOI, which is recorded in the cost of the investment. Pursuant to the terms of the agreement, the Company will issue a further 6,000,000 common shares of the Company (the "Milestone Shares") to the Potluck shareholders upon Hatch being granted the relevant or applicable licenses from Health Canada for the purposes of operating a beverage business.

As there is uncertainty in determining the possible fair value measurements of the Milestone Shares, the Company has not recorded any value with respect to the Milestone Shares.

During the period ended December 31, 2019, the Company sold all of its issued and outstanding common shares of Potluck to AgraFlora.

Investment in Mulberry & SUHM Investments
On April 26, 2019, the Company acquired 100 shares of Mulberry Capital Inc. ("Mulberry") in the capital of SUHM Investments Corp being 100% of the issued and outstanding share capital of Mulberry pursuant to a Share Purchase Agreement dated April 5, 2019. As consideration, the Company issued 30,727,484 shares of the Company with a fair value of $11,594,026. The Company issued 2,000,000 finder's fees to an arm's length party with a fair value of $760,000, which was recorded as a transaction cost in the consolidated statement of income (loss) and comprehensive income (loss).

The Company entered into a definitive agreement ("Purchase Agreement") to acquire 80% interest in the Edibles and Infusions Corporation ("Edibles and Infusions").

7. INVESTMENTS (CONTINUED)

Investment in Mulberry & SUHM Investments (continued)

As consideration, the Company will issue or pay the following:

- 20,000,000 common shares at the time of closing of acquisition (issued with fair value of $7,600,00);
- Up to $32.5 million common shares of the Company at an attributed price equal to a 5 day VWAP at the time of issuance, upon the JV achieving certain milestones throughout 2022; and
- Fund up to $15 million to develop a facility.

Under the terms of joint venture agreement, the Company will pay a cash contribution of $12,600,000 comprised of a capital investment of $9,600,000 and management fees of $3,000,000 and will additionally issue up to $9,000,000 common shares of the Company, upon the JV achieving certain milestones throughout the term of the joint venture. During the year ended June 30, 2019, the Company paid cash contribution of $400,000, legal fees of $125,000 and management fees of $1,050,000 and issued 8,241,758 common shares of the Company with a fair value of $3,049,450 to the JV Manager, which is recorded in the value of investment.

The Company also acquired an option ("Option") to purchase certain business assets of Edibles and Infusions for the purchase price of $12.5 million.

As consideration, the Company will issue:

a. 2,485,726 common shares of the Company on the closing date of the Acquisition for the option to be exercisable within six months of the option grant (issued with a fair value of $944,576); and
b. An additional $1,000,000 in common shares of the Company to extend the exercise period by 6 months.

As there is uncertainty in determining the possible fair value measurements of the option payments, the Company has not recorded any value with respect to the option payments.

During the period ended December 31, 2019, the Company sold all of its issued and outstanding common shares of Mulberry and SUHM to AgraFlora.

Investment in Trichome Cannabrands Inc.

On June 10, 2019, the Company acquired 100% of Trichome Cannabrands Inc. pursuant to a Share Exchange Agreement dated May 29, 2019. As consideration, the Company issued 10,000,000 common shares of the Company with a fair value of $3,800,000. The Company issued 1,000,000 finder's shares to an arm's length party with a fair value of $380,000.

During the period ended December 31, 2019, the Company sold all of issued and outstanding common shares of Trichome Cannabrands Inc. to AgraFlora.

Investment in Toronto Wolfpack

On April 26, 2019, the Company entered into a Cannabis Supply, Packaging and Distribution Agreement with 2459160 Ontario Ltd. Toronto WolfPack., whereby Toronto WolfPack appoints the Company as its preferred supplier of goods. As a consideration, the Company issued 6,725,239 common shares of the Company with a fair value of $2,488,338.

The Company received 1,500,000 units of Toronto WolfPack valued at $1,500,000 in exchange for management consulting services rendered during the period ended December 31, 2019. Each unit is comprised of one common share and one share purchase warrant which is exercisable at $1.15 per share for a period of five years.

During the period ended December 31, 2019, the Company sold the Cannabis Supply, Packaging and Distribution Agreement with Toronto WolfPack to AgraFlora. The Company also acquired 1,050,000 common shares of Toronto Wolfpack for $1,050,000.

7. INVESTMENTS (CONTINUED)

Investment in ICC International Cannabis Corp.
On May 8, 2019, the Company entered into an Exclusive Distribution Agreement with ICC International Cannabis Corp., which gives the Company access to a European distribution network composed of 80,000 retail outlets and pharmacies, as well as commercial rights for cannabis processing / finishing at select European-GMP certified facilities. No consideration was received or issued for this agreement.

During the period ended December 31, 2019, the Company sold its Exclusive Distribution Agreement with ICC International Cannabis Corp. to AgraFlora.

Investment in C3 Center Holding Inc.
On August 9, 2019, the Company acquired 2,666,667 common shares of C3 Center Holding Inc. for $2,000,000.

Investment in Bee Vectoring Technologies
On October 23, 2019, the Company acquired 2,462,104 special warrants of Bee Vectoring Technologies International Inc. ("Bee Vectoring") for a total of $615,526. Each special warrant will be exercisable into one unit comprised of one common share and one additional share purchase warrant of Bee Vectoring which will be exercisable at $0.40 per warrant until April 23, 2021. The special warrants are subject to a 4 month hold period which will expire on February 24, 2020.

Investment in 2591046 Ontario Corp.
On October 23, 2019, the Company acquired 500,000 common shares of 2591046 Ontario Corp. for $250,000.

8. CONVERTIBLE DEBENTURE RECEIVABLE

On September 25, 2019, the Company purchased 2,500 convertible debentures of ICC International Cannabis Corp. ("ICC") at a price of $1,000 per debenture for a total of $2,500,000. Each debenture is comprised of a $1,000 principal amount unsecured senior convertible debenture maturing in 24 months, and bears interest at 8% per annum. Each debenture is convertible into that number of common shares in the capital of ICC that is equal to a 15% discount of the shares calculated by using the volume weighted average closing share price of ICC on the 30 days prior to receiving notice of conversion from the holders of the debentures.

During the period ended December 31, 2019, the Company received $100,000 as a deferred interest income payment from ICC. As at December 31, 2019, the Company recognized $53,151 of interest income on the convertible debentures and $46,849 remains as deferred interest income.

9. CONVERTIBLE DEBENTURE PAYABLE

On November 20, 2019, the Company entered into an unsecured loan agreement with a private arm's length company whereby the Company can borrow up to $600,000 until March 20, 2020 (the "Maturity Date"). The loan is unsecured and bears interest at 8% per annum. The lender has the option to convert all or any portion of the principal amount of the loan, accrued interest and fees outstanding into common shares of the Company at any time before the maturity date of the loan payable, at the maximum allowable discount. The issuance of common shares is subject to Board approval, Canadian Securities ("CSE") approval, and is subject to the rules and policies of the CSE. As at December 31, 2019, the Company had borrowed $400,000 from the lender and accrued interest payable of $3,222 on the loan.

The conversion feature of the loan meets the definition of a derivative liability instrument because the exercise price of the conversion feature is not fixed and the number of potential common shares are not fixed.
Under IFRS 9, the entire loan is valued as fair value through profit or loss. Any change in fair value is recognized in profit or loss with the exception that the change in fair value that is attributable to change in

credit risk is presented in other comprehensive income. The fair value of the loan is determined to be $403,222 at December 31, 2019, resulting in no gain or loss for the period ended December 31, 2019.

10. SHARE CAPITAL

(a) Authorized

Unlimited common shares with no par value.

(b) Issued and fully paid

During the year ended June 30, 2019, the Company approved a forward stock split ("Stock Split") of its issued share capital on a one old for two new basis. The Stock Split has been reflected retroactively. As at December 31, 2019, the Company had 312,379,370 (December 31, 2018 – 308,937,370) shares issued and outstanding.

Six month period ended December 31, 2019

The Company issued 1,922,000 common shares pursuant to the exercise of share options for gross proceeds of $310,520. The Company reclassified $258,470 from share-based payments reserves to share capital.

An additional 1,520,000 common shares were issued pursuant to the exercise of warrants for gross proceeds of $81,500.

Six month period ended December 31, 2018

On August 21, 2018, the Company issued 59,360,424 Units ("Units") pursuant to a private placement at a price of $0.0575 per Unit for gross proceeds of $3,413,224. Each Unit consist of one common share and one share purchase warrant; each share purchase warrant is exercisable at $0.075 per share for five years.

On August 21, 2018, the Company issued 26,625,000 Units ("Units") pursuant to the conversion of the principal portion of the Company's outstanding convertible debentures. Each Unit consists of one common share and one share purchase warrant; each share purchase warrant is exercisable at $0.05 per share until June 16, 2021.

(c) Common share purchase warrants

A continuity schedule of the Company's share purchase warrants is as follows:

	Number of share purchase warrants #	Weighted average exercise price $
Outstanding, June 30, 2019	147,296,425	0.35
Cancelled	(129,594,300)	0.36
Exercised	(1,520,000)	(0.05)
Outstanding, December 31, 2019	16,182,125	0.34

During the six month period ended December 31, 2019, the Company granted warrant holders the option to exchange their warrants in the Company into warrants of AgraFlora on a one-to-one basis subject to a 12 month hold period expiring July 17, 2020. The new AgraFlora warrants will continue to expire on their current expiry date. As a result of this transaction 129,594,300 warrants of the Company were cancelled.

10. SHARE CAPITAL (CONTINUED)

(c) Common share purchase warrants (continued)

As of December 31, 2019, the Company had share purchase warrants outstanding and exercisable to acquire common shares of the Company as follows:

Expiry date	Exercise Price $	Number of warrants
December 5, 2020	0.65	7,420,127
June 16, 2021	0.05	2,100,000
August 21, 2023	0.075	6,661,998
		16,182,125

(d) Share option plan

The Company has implemented a rolling stock option plan ("Plan") whereby a maximum of 10% of the issued shares will be reserved for issuance under the Plan. The Board may, from time to time, designate any director, officer, employee or consultant of the Company or of any affiliates to whom options shall be granted and the number of shares to be optioned based on:

(i) The number of shares in respect of which options, including prior options, may be outstanding at any time should not exceed 10% of the outstanding shares at that time. In any twelve-month period, no one may receive options or prior options exceeding 5% of the outstanding shares. In any twelve-month period, the total number of options granted to all insiders of the Company may not exceed 10% of the outstanding shares. In any twelve-month period, no one consultant may receive options or prior options on a number of shares that taken together exceeds 2% of the outstanding shares, except as permitted by the policies of the CSE Exchange. Options issued to consultants performing investor relations activities must vest in stages over a minimum period of twelve months with no more than 25% of the options vesting in any three-month period.

(ii) The option price will be decided by the Board and shall not be less than the fair market value of the shares.

(iii) The option term will be such period as may be determined by the Board, but subject to the policies of the Exchange, presently restricted to ten years. The Board may, with the permission of the holder of the option, cancel any outstanding options.

On October 8, 2019, the Company granted 50,000 share options to a consultant of the Company with an exercise price of $0.10 per share option expiring October 8, 2024. The estimated fair value of the share options was $4,572, measured using the Black-Scholes Option Pricing Model with the following assumptions: share price - $0.10; exercise price - $0.10; expected life – 5 years; volatility – 152.47%; dividend yield - $0; and risk-free-rate – 1.29%.

On September 20, 2018, the Company granted 3,564,112 share options to various consultants of the Company with an exercise price of $0.16 with a term of 10 years. The estimated fair value of the share options was $479,137, measured using the Black-Scholes Option Pricing Model with the following assumptions: share price - $0.14; exercise price - $0.16; expected life – 10 years, volatility – 128.77%, dividend yield - $0; and risk-free rate – 2.42%. A continuity schedule of the Company's share options is as follows:

10. SHARE CAPITAL (CONTINUED)

(d) Share option plan (continued)

	Number of share purchase options #	Weighted average exercise price $
Outstanding, June 30, 2019	20,054,112	0.30
Cancelled	(6,040,000)	(0.33)
Exercised	(1,922,000)	(0.16)
Granted	50,000	0.10
Outstanding and exercisable, December 31, 2019	12,142,112	0.31

As of December 31, 2019, the Company had share options outstanding and exercisable to acquire common shares of the Company as follows:

Expiry date	Exercise Price $	Number of options
March 6, 2024	0.45	1,000,000
May 17, 2024	0.325	9,250,000
October 8, 2024	0.10	50,000
September 20, 2028	0.16	1,842,112
		12,142,112

During the six month period ended December 31, 2019, the Company granted share option holders the option to exchange their share options in the Company into share options of AgraFlora on a one-to-one basis subject to a 12 month hold period expiring July 17, 2020. The new AgraFlora share options will continue to expire on their current expiry date. As a result of this transaction 6,040,000 share options of the Company were cancelled.

When the Company issues share options, it records a share-based compensation in the period in which the options are granted and/or vested. The expense is estimated using the following assumptions:

- The expected volatility is based on an average of historical prices of the Company.
- The risk-free interest rate is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the expected life of the stock options.
- The Company used historical data to estimate option exercise, forfeiture and employee termination within the valuation model.
- The Company has not paid and does not anticipate paying dividends on its common shares. Companies are required to utilize an estimated forfeiture rate when calculating the expense for the reporting period.
- Based on the best estimate, management applied the estimated forfeiture rate of 0% in determining the share-based compensation.

11. RELATED PARTY TRANSACTIONS

Included in accounts payable and accrued liabilities is $84,057 (June 30, 2019 - $62,899) payable to officers, directors, and companies controlled by officers and directors. Amounts due to related parties have no stated terms of interest and/or repayment.

Key management personnel include the directors and officers of the Company. Key management compensation consists of the following:

	December 31, 2019 $	December 31, 2018 $
Management and administrative fees paid or accrued to a company controlled by the former CFO	-	12,208
Consulting fees paid or accrued to a Director and the former President	7,500	9,221
Management and administrative fees paid to a company controlled by a former director	-	7,500
Professional and Accounting fees paid or accrued to a company controlled by a Director of the Company	118,750	-
Management fees paid or accrued to a company jointly controlled by a Director and Officer of the Company	5,775	-
Consulting fees paid or accrued to a company controlled by a Director and Officer of the Company	30,000	10,000
Consulting fees paid or accrued to a company controlled by a Director of the Company	30,000	10,000

12. SEGMENTED DISCLOSURE

Management has determined that the Company operates in one dominant industry segment, which involves taking early equity and/or debt positions. Substantially all of the Company's operations are located in Canada.

13. SUBSEQUENT EVENT

On January 8, 2020, the Company distributed an aggregate of 116,036,417 AgraFlora common shares to the Company's shareholders on record as at January 6, 2020 in the form of a return of capital. The AgraFlora shares were distributed on a pro-rata basis.

APPENDIX B

ORGANIC FLOWER INVESTMENTS GROUP INC.

Management's Discussion & Analysis
for the nine month period ended March 31, 2020

Organic Flower Investments Group Inc.

Management Discussion and Analysis
For the six month period ended December 31, 2019
(Expressed in Canadian Dollars)

The following management's discussion and analysis ("**MD&A**") for Organic Flower Investments Group Inc. was prepared by management based on information available as at February 26, 2020. This MD&A should be reviewed in conjunction with the condensed interim consolidated financial statements (the "**Financial Statements**") and notes thereto, for the six month period ended December 31, 2019 prepared in accordance with International Financial Reporting Standards. The Company's condensed interim consolidated financial statements are filed on SEDAR and available for review at www.sedar.com.

As used in this MD&A, the terms "we", "us", "our", "Organic Flower" and the "Company" means Organic Flower Investments Group Inc., and our wholly-owned subsidiaries: Cubix Acquisitionco Inc. and Pleasant Shores Ventures Ltd.

The Company's presentation currency is the Canadian Dollar. Unless otherwise noted, all dollar amounts are expressed in Canadian Dollars and any references to common shares are to common shares in the capital of Organic Flower, unless the context clearly states otherwise.

Forward-Looking Information

Certain information in this MD&A and the documents incorporated by reference contain forward-looking information, which includes forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking statements are statements which relate to future events or our future performance, including our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", or "potential" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause the Company's or the industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. No assurance can be given that any of the events anticipated by the forward-looking information and statements will occur or, if they do occur, what benefits we will obtain from them. This MD&A contains forward-looking information and statements, which may include, but are not limited to: statements with respect to the financial and operating performance of the Company and its subsidiaries; investment objectives and strategies; business goals and strategies; forecast operating and financial results; planned capital expenditures; competitive advantages; business prospects and opportunities; proposed transactions and subsequent events; costs and timing of developmental new projects; our management's assessment of future plans and operations; our anticipated liquidity and various matters that may impact such liquidity; and requirements for additional capital.

While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgement regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested in this MD&A. These assumptions, which includes management's current expectations, estimates and assumptions about certain projects and the markets we operate in, the global economic environment, interest rates; our ability to generate sufficient cash flow from operations to meet our current and future obligations and other risks and uncertainties described from time to time in the filings we make with securities regulatory authorities; the impact of increasing competition; our ability to obtain qualified staff; currency, exchange and interest rates. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking information and statements, including, but not limited to: the failure of the Company to execute our business plans; general economic conditions as they affect us; risks associated with technology and its application to our business; changes in the applicable regulatory framework, including changes to tax and other laws or regulations, or changes associated with compliance; our ability to control our operating costs, general administrative and other expenses; other factors beyond our control; insufficient investor interest in our securities which may impact on our ability to raise additional financing as required; and those factors described in the section titled "Risk Factors" in this MD&A.

Forward-Looking Information (continued)

This forward-looking information is based on the estimates and opinions of our management at the time they are made. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Readers of this MD&A are cautioned not to rely on such forward-looking statements. The forward-looking information and statements contained in this MD&A are made as of February 26, 2020 and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law or applicable regulation.

Description of Business

The Company is an investment holding firm, which specializes in providing early-stage financing to private and public companies. Our management's primary objective is to identify and secure innovative investment opportunities, which will add to the equity value for our shareholders. Please refer to the listing statement filed with the CSE for a detailed discussion on our investment policy. Effective January 23, 2019, the Company's common shares commenced trading on the Canadian Securities Exchange and Frankfurt Stock Exchange under its existing symbol "SOW" and "2K6," respectively. The Company's common shares were voluntarily delisted from the TSX Venture Exchange.

Overall Performance

On December 6, 2018, the Company domiciled its operations to British Columbia, Canada. As at December 31, 2019, the Company had working capital of $40,409,214 compared to working capital of $120,709,490 at June 30, 2019. As at December 31, 2019, cash and cash equivalents was $268,167 compared to $252,022 at June 30, 2019. The Company posted a net loss and comprehensive loss of $78,196,867 for the six month period ended December 31, 2019 compared to $2,505,263 in the comparative period.

On November 20, 2019, the Company entered into an unsecured loan agreement with a private arm's length company whereby the Company can borrow up to $600,000 until March 20, 2020 (the "Maturity Date"). The loan is unsecured and bears interest at 8% per annum. The lender has the option to convert all or any portion of the principal amount of the loan, accrued interest and fees outstanding into common shares of the Company at any time before the maturity date of the loan payable, at the maximum allowable discount. The issuance of common shares is subject to Board approval, Canadian Securities ("CSE") approval, and is subject to the rules and policies of the CSE. As at December 31, 2019, the Company had borrowed $400,000 from the lender and accrued interest payable of $3,222 on the loan.

The condensed interim consolidated financial statements of the Company have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company has limited resources, no source of operating cash flow and if required, no assurances that sufficient funding will be available. The success of the Company's plans will depend on its ability to generate cash flows from its portfolio of investments.

Overall Performance (Continued)

Certain economic conditions are causing volatile natural resources prices and uncertainty in the cannabis space, which may negatively impact the Company's investments. Management cannot predict the timing or duration of the current economic situation or the strength of any subsequent industry recovery and cannot predict the extent to which the current volatility will impact the Company.

Corporate Highlights – Equity Transactions

During the six month period ended December 31, 2019, the Company issued 1,922,000 common shares pursuant to the exercise of share options for gross proceeds of $310,520. An additional 1,520,000 common shares were issued pursuant to the exercise of warrants for gross proceeds of $81,500.

On October 8, 2019, the Company granted 50,000 share options to a consultant of the Company with an exercise price of $0.10 per share option expiring October 8, 2024.

Corporate Highlights – Investments

The Company's principal investment, AgraFlora Organics International Inc. ("AgraFlora") continues to achieve numerous operational and licensing milestones. Current and prospective investors are encouraged to visit the AgraFlora corporate website at http://www.agraflora.com.

The Company continues to analyze and evaluate the performance of its portfolio of investments as a whole, taking into consideration certain tax, logistical and market considerations to best build shareholder value.

The continuity of the Company's investment is as follows:

	June 30, 2019	Additions	Disposals	Unrealized gain (losses)	December 31, 2019
Investment in public entities:	$	$	$	$	$
- Shares	339,940	124,104,922	-	(89,240,637)	35,204,225
- Warrants	81,605	615,526	-	-	697,131
Investment in private entities:					
- Shares	116,610,326	4,800,000	(116,610,326)	-	4,800,000
Investment in other:					
- Sextan, Tyche & Others	438	-	-	-	438
- Toronto WolfPack	3,487,367	-	(3,487,367)	-	-
Total	120,519,676	129,520,448	(120,097,693)	(89,240,637)	40,701,794

The fair value of investments in private entities at December 31, 2019 were estimated based on a Level 3 market approach.

AgraFlora Organics International Inc.
On July 11, 2019, the Company completed the sale of its downstream and product formulation investment portfolio (the "Assets") to AgraFlora Organics International Inc ("AgraFlora"). Pursuant to the terms of an executed Asset Purchase Agreement (the "Agreement"), AgraFlora issued 348,109,251 common shares with a fair value of $120,097,692.

Corporate Highlights – Investments (Continued)

AgraFlora Organics International Inc. (Continued)

With the reunification of Organic Flower's 20 per cent interest in PSC under a consolidated corporate banner, AgraFlora's interest in projected 2020-funded production from the Delta Greenhouse Complex is forecasted to be 175,000,000-grams of premium dried cannabis flower. ArgaFlora's low cost domestic cannabis production potential is further de-risked by a five year, 100,000,000-gram off-take agreement with ICC as well as an 25,000,000-gram per annum off-take agreement with Namaste Technologies Inc.; subject to approval of its cultivation and sales licences by Health Canada. Projected cannabis production from the Delta Greenhouse Complex, coupled with a previously announced revenue sharing and distribution arrangement with ICC will afford AgraFlora the opportunity to capture significant cash flows at both the upstream and downstream layers of the cannabis value chain; realizing material exposure to both the wholesale and eventual retail distribution of dried cannabis into high-value European patient populations.

As per the terms of the executed Agreement, the Company sold the following assets to AgraFlora:

- 100% interest in Delta Organic Cannabis (1180782 BC Ltd.)
- Exclusive Distribution Agreement dated May 8, 2019 between the Company and ICC
- Exclusive Sub-License Agreement dated May 30, 2019 between the Company and TF HoldCo.
- Exclusive Cannabis Supply, Packaging and Distribution agreement dated April 26, 2019 between the Company and 2459160 Ontario Ltd d/b/a Toronto WolfPack
- 80% of all issued and outstanding shares of CanaBeer
- 80% interest in the Edibles and Infusions and the JV with one of North America's largest and most storied manufacturer and distributor of chocolate and confectionary products.
- 80% of all issued and outstanding shares of Canada Corp
- 100% of all issued and outstanding shares of Canutra
- 80% of all issued and outstanding shares of CCTC
- 100% of all issued and outstanding shares of Trichome

Upon completion of the sale, the Company recorded a loss of $Nil on the transactions.

ICC International Cannabis Corp.
On May 8, 2019, the Company entered into an Exclusive Distribution Agreement with ICC. ICC would permit the Company access to its European distribution network, comprised of 80,000 retail outlets and pharmacies and grant the Company commercial rights for cannabis processing/finishing at its EU-GMP certified facilities. No consideration was received or issued for this agreement.

During the period ended December 31, 2019, the Company sold its Exclusive Distribution Agreement with ICC to AgraFlora.

Bee Vectoring Technologies International Inc
On October 23, 2019, the Company acquired 2,462,104 special warrants of Bee Vectoring Technologies International Inc. ("Bee Vectoring") for a total of 615,526. Each special warrant will be exercisable into one unit comprised of one common share and one additional share purchase warrant of Bee Vectoring which will be exercisable at $0.40 per warrant until April 23, 2021. The special warrants are subject to a 4 month hold period which will expire on February 24, 2020.

Investment in 2591046 Ontario Corp.
On October 23, 2019, the Company acquired 500,000 common shares of 2591046 Ontario Corp. for $250,000.

Toronto Wolfpack
On April 26, 2019, the Company entered into a Cannabis Supply, Packaging and Distribution Agreement with 2459160 Ontario Ltd. Toronto WolfPack., whereby Toronto WolfPack appoints the Company as its preferred supplier of goods. As a consideration, the Company issued 6,725,239 common shares of the Company with a fair value of $2,488,338.

On December 31, 2019, the Company received 1,500,000 units of Toronto WolfPack valued at $1,500,000 in exchange for management consulting services rendered. Each unit is comprised of one common share and one share purchase warrant which is exercisable at $1.15 per share for a period of five years.

During the period ended December 31, 2019, the Company sold the Cannabis Supply, Packaging and Distribution Agreement with Toronto WolfPack to AgraFlora.

The Company acquired 1,050,000 common shares of Toronto Wolfpack for $1,050,000 during the current period.

Investment in C3 Center Holding Inc.
On August 9, 2019, the Company acquired 2,666,667 common shares of C3 Center Holding Inc. for $2,000,000. C3 is Quebec's world-class cannabis center site where a portfolio of companies is being developed to create an ecosystem comprised within cultivation, extraction, food transformation, research and education collaborate to bring visionary ideas and standout products to market.

Discussion of Operations
The following is a breakdown of operations of the Company for the three and six month periods ended December 31, 2019 and 2018:

	For the 3 months ended		**For the 6 months ended**	
	December 31, 2019	December 31, 2018	**December 31, 2019**	December 31, 2018
Net investment gain (loss)				
Fair value loss change in investments	**$(42,321,431)**	$ (297,192)	**$(89,240,637)**	$ (708,868)
Gain (loss) on sale of investments	**-**	-	**10,684,665**	-
	(42,321,431)	(297,192)	**(78,555,972)**	(708,868)
Expenses				
Accretion of convertible debentures	**-**	-	**-**	(159,191)
Consulting	**(559,774)**	(15,250)	**(700,639)**	(15,250)
Management and administrative	**(1,575)**	(21,546)	**(5,775)**	(38,929)
Meals and entertainment	**(1,225)**	-	**(3,339)**	-
Filing and transfer fees	**(10,223)**	(46,207)	**(22,905)**	(65,714)
Foreign exchange loss	**-**	(2,808)	**(3,996)**	(2,808)
Office and other miscellaneous	**(30,315)**	(359)	**(42,415)**	(405)
Professional fees	**(70,532)**	(55,161)	**(252,944)**	(119,322)
Research and development	**(23,620)**	-	**(50,000)**	-
Salaries and wages	**(104,985)**	-	**(104,985)**	-
Share-based compensation	**(4,572)**	-	**(4,572)**	(479,137)
Interest expense	**(3,222)**	-	**(3,222)**	(28,996)
	(810,043)	(141,331)	**(1,194,792)**	(909,752)
Net loss for the period	**(43,131,474)**	(438,523)	**(79,750,764)**	(1,618,620)
Management consulting income	**1,500,000**	-	**1,500,000**	-
Interest income	**53,897**	-	**53,897**	-
Loss on conversion of convertible debenture payable	**-**	-	**-**	(886,643)
Net loss and comprehensive loss	**$(41,577,577)**	$ (438,523)	**$(78,196,867)**	$ (2,505,263)

Discussion of Operations (continued)

Six month period ended December 31, 2019 compared to the six month period ended December 31, 2018:

- Interest income of $53,897 (December 31, 2018 - $Nil) is primarily attributed to the $53,151 earned on the ICC convertible debentures.
- Management consulting income of $1,500,000 (December 31, 2018 - $Nil) was recognized on services rendered to Toronto WolfPack in relation to sales and distribution of Rugby Strength products. In exchange for the services provided, the Company received 1,500,000 units of Toronto Wolfpack.
- The Company's investments changed significantly since the comparative period. On July 11, 2019, the Company completed the transaction pursuant to an Asset Purchase Agreement with AgraFlora whereby the Company sold certain investments to AgraFlora. As consideration, the Company received 348,109,251 common shares of AgraFlora with a fair value of $120,097,692. During the six month period ended December 31, 2019, the Company recorded a loss on fair value of investments of $89,240,637 (December 31, 2018 - $708,868). The loss on fair value is comprised of an $89,221,748 decrease on the AgraFlora investment based on its market price at period end, an $18,885 decrease (December 31, 2018 – loss of $708,868) on Pinedale Energy, and a $4 decrease on Ultra Petroleum Corp.
- During the six month period ended December 31, 2019, the Company realized a $10,684,665 (December 31, 2018 - $Nil) gain on the sale of investments. This is represented by DOC's interest of AGRA, that was acquired by the Company.
- Accretion of convertible debentures of $Nil (December 31, 2018 - $159,191) was recognized as the Company accelerated the accretion upon conversion of the convertible debt earlier than the life of the debt. The interest on convertible debt was fully repaid and the convertible debt was fully converted during the fiscal year ended June 30, 2019.
- Consulting fees of $700,639 (December 31, 2018 - $15,250) were incurred as the Company required corporate and other consulting services as business activities increased.
- Professional fees increased $133,622, from $119,322 in the six month period ended December 31, 2018 to $252,944 during the six month period ended December 31, 2019. The Company incurred $100,000 for accounting, tax planning, due diligence, and legal services in relation to the completed Asset Purchase Agreement with AgraFlora on July 11, 2019. Professional fees in the comparative period were primarily attributed to legal and accounting fees for private placements, restructuring the Company's share capital, and the conversion of convertible debt.
- Filing and transfer agent fees decreased $42,809, to $22,905 in the current period, from $65,714 during the six month period ended December 31, 2018. The Company disseminated more press releases in the comparative period as a result of completing private placements and conversion of a convertible debenture.
- Salaries and wages of $104,985 (December 31, 2018 - $Nil) were incurred as a result of the Company hiring an employee.
- Research and development expense of $50,000 (December 31, 2018 - $Nil) was incurred to analyze and validate the stability and pheno profile of the Canadian Heirloom Strain through an indoor full cultivation cycle.
- The Company recognized $4,572 (December 31, 2018 - $479,137) on the grant of 50,000 (December 31, 2018 - 3,564,112) share options to various consultants of the Company.
- Interest expense decreased $25,774, to $3,222 from $28,996 during the six month period ended December 31, 2018. The Company borrowed $400,000 from a private arm's length company and accrued interest expense of $3,222 on the debt as at December 31, 2019. Interest expense in the comparative period was related to the conversion of a convertible debenture.
- On August 21, 2018, the Company converted $1,331,250 of convertible debt into units of the Company. The fair value of the common shares on the date of conversion was $3,727,500. The equity and liability portion of the convertible debt totaled $2,840,857 resulting in a loss on conversion of convertible debt of $Nil (December 31, 2018 - $886,643).

Discussion of Operations (continued)

During the three month period ended December 31, 2019, the Company incurred a net loss and comprehensive loss of $41,577,577 (December 31, 2018 - $438,523). The most significant change in expenditures during the three month period was the $42,321,431 fair value loss change in investments. The loss on fair value is comprised of a $42,226,999 decrease on the AgraFlora investment based on its market price at period end, a $94,425 decrease (December 31, 2018 – loss of $297,192) on Pinedale Energy, and a $7 decrease on Ultra Petroleum Corp.

The Company recognized management consulting income of $1,500,000 (December 31, 2018 - $Nil) on services rendered to Toronto WolfPack in relation to sales and distribution of Rugby Strength products. In exchange for the services provided, the Company received 1,500,000 units of Toronto Wolfpack.

Summary of Quarterly Results

The following table presents selected unaudited consolidated financial information for the previous eight quarters:

	2020		2019				2018	
Period Ending	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**
Net investment (loss) income	(42,321,431)	(36,234,541)	20,622,746	7,640,865	(297,192)	(411,676)	(1,123,111)	(707,446)
Net income (loss)	(41,577,577)	(36,619,290)	8,052,748	4,850,101	(438,523)	(2,221,071)	(1,215,173)	(797,411)
Basic income (loss) per Share	(0.13)	(0.12)	0.09	0.05	(0.00)	(0.05)	(0.18)	(0.12)
Diluted income (loss) per Share	(0.13)	(0.12)	0.07	0.04	(0.00)	(0.05)	(0.18)	(0.12)

The quarterly financial information for the 2020, 2019 and 2018 fiscal periods, are presented in accordance with IFRS.

Quarter-to-quarter performance is significantly affected by the valuation of the investments.

Liquidity

As at December 31, 2019, the Company had working capital of $40,409,214 (June 30, 2019 - $120,709,490). Cash and cash equivalents as at December 31, 2019 was $268,167 compared to $252,022 as at June 30, 2019. The $6,674,215 sale of 25,500,000 AgraFlora common shares were the primary source of operating cash flow. In addition, $310,520 was received from the exercise of share options, $81,500 from the exercise of warrants, and $400,000 was borrowed from a private arm's length company.

On September 25, 2019, the Company purchased 2,500 convertible unsecured subordinated debentures for a purchase price of $2,500,000. On October 23, 2019, the Company acquired 2,462,104 special warrants of Bee Vectoring Technologies International Inc. ("Bee Vectoring") for a total of $615,526.

The Company purchased 1,050,000 common shares of Toronto Wolfpack for $1,050,000, 2,666,667 common shares of C3 Center Holding Inc. for $2,000,000, and 500,000 common shares of 2591046 Ontario Corp. for $250,000 during the six month period ended December 31, 2019.

There can be no assurance that sufficient funding will be available in the future. Management does have the option to raise funds through the sale of Company investments, debt and or equity financing. The success of these plans will depend upon future events, and the Company's abilities to achieve profitability and positive cash flows is uncertain. These material uncertainties cast doubt upon the Company's ability to continue as a going concern.

Management monitors its cash resources and makes investment decisions based on the availability of funds.

Capital Resources

During the six month period ended December 31, 2019, the fair value loss in investments was $89,240,637 (December 31, 2018 - $708,868). The Company has no assurance that additional funding will be available to it for investment opportunities or future projects. There can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in a delay or indefinite postponement of further investment opportunities or future projects.

Operating Activities

Cash provided by operating activities during the six month period ended December 31, 2019 was $1,724,125 compared to cash used in operating activities of $7,759,598 during the comparative period ended December 31, 2018. During the six month period ended December 31, 2019, the Company received $6,674,215 from the sale of 25,500,000 AgraFlora common shares. The Company acquired 1,050,000 common shares of Toronto Wolfpack for $1,050,000 during the current period. On August 9, 2019, the Company acquired 2,666,667 common shares of C3 Center Holding Inc. for $2,000,000. On October 23, 2019, the Company purchased 500,000 common shares of 2591046 Ontario Corp. for $250,000. On the same day, the Company acquired 2,462,104 special warrants of Bee Vectoring Technologies International Inc. for a total of $615,526.

Financing Activities

Cash provided by financing activities was $792,020 (December 31, 2018 - $8,242,688) for the six month period ended December 31, 2019. The Company received net proceeds from exercised share options and warrants of $310,520 (December 31, 2018 - $63,000) and $81,500 (December 31, 2018 - $124,594), respectively. An additional $400,000 was received from an unsecured loan agreement with a private arm's length entity during the six month period ended December 31, 2019. In the comparative period, the Company completed private placements for net proceeds of $8,491,124. The Company paid $436,030 in accrued interest on the convertible debt in the comparative period.

Investing Activities

During the six month period ended December 31, 2019, the Company's net cash used in investing activities was $2,500,000 (December 31, 2018 - $Nil). On September 25, 2019, the Company purchased 2,500 convertible unsecured subordinated debentures of ICC for $2,500,000.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet financing arrangements.

Transactions with Related Parties

The Directors and Executive Officers of the Company are as follows:

John Martin	Director
Theo van der Linde	Director
Joel Dumaresq	CEO, CFO and Director
Brendan Purdy	Director

The following is a summary of related party transactions that occurred during the six month period ended December 31, 2019 that have not otherwise been disclosed:

a) Included in accounts payable and accrued liabilities is $84,057 (December 31, 2018 - $62,899) payable to officers, directors and companies controlled by officers and directors. Amounts due to related parties have no stated terms of interest and/or repayment.

Key management personnel include the directors and officers of the Company. Key management compensation consists of the following:

	December 31, 2019 $	December 31, 2018 $
Management and administrative fees paid or accrued to a company controlled by the former CFO	-	12,208
Consulting fees paid or accrued to a Director and the former President	7,500	9,221
Management and administrative fees paid to a company controlled by a former director	-	7,500
Professional and Accounting fees paid or accrued to a company controlled by a Director of the Company	118,750	-
Management fees paid or accrued to a company jointly controlled by a Director and Officer of the Company	5,775	-
Consulting fees paid or accrued to a company controlled by a Director and Officer of the Company	30,000	10,000
Consulting fees paid or accrued to a company controlled by a Director of the Company	30,000	10,000

There were no post-employment benefits, termination benefits or other long-term benefits paid to key management personnel for the six month period ended December 31, 2019 and 2018.

Significant Accounting Policies

The significant accounting policies used by the Company are disclosed in Note 3 of our audited annual Financial Statements for the year ended June 30, 2019 and in our condensed interim consolidated financial statements for the six month period ended December 31, 2019. The company adopted the following accounting policies as of December 31, 2019:

IFRS 16 – Leases

The Company adopted IFRS 16, Leases, on July 1, 2019. All leases result in the lessee obtaining the right to use an asset at the start of the lease and, if lease payments are made over time, also obtaining financing. Accordingly, from the perspective of the lessee, IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 Leases and, instead, introduces a single lessee accounting model. When applying that model, a lessee is required to recognize assets and liabilities. A lessor continues to classify its leases as operating leases or finance leases, and accounts for those two types of leases differently. There was no material impact on the Company's financial statements upon adoption of this standard.

Financial Instruments and Other Instruments

Fair Value of Financial Instruments

Classification and fair value of financial instruments:

Classification

The Company classifies its financial instruments into categories as follows: cash and cash equivalents, investments, convertible debentures, as financial assets at FVTPL; accounts payable and accrued liabilities, and loan payable as other financial liabilities.

Fair value

Cash and cash equivalents, investments, consisting of marketable securities, and convertible debentures are carried at fair market value based on quoted market prices in an active market. The carrying values of accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these financial instruments.

Convertible debentures are valued under Level 3 of the fair value hierarchy which was based on similar debt for comparable companies. Subsequent measurement is carried at amortized cost. As at December 31, 2019, the principal and accrued interest is $2,500,000 (December 31, 2018 - $Nil).

The Company's measurement of the fair value of financial instruments as at December 31, 2019 and June 30, 2019 in accordance with the fair value hierarchy is as follows:

	Total	Level 1	Level 2	Level 3
December 31, 2019				
Cash and cash equivalents	$ 268,167	$ 268,167	$ -	$ -
Investments	$ 40,701,794	$ 35,204,224	$ 697,131	$ 4,800,439
Convertible debenture receivable	$ 2,500,000	$ -	$ -	$ 2,500,000
Accounts payable	$ 60,268	$ 60,268	$ -	$ -
Convertible debenture payable	$ 403,222	$ -	$ -	$ 403,222
June 30, 2019				
Cash and cash equivalents	$ 252,022	$ 252,022	$	$
Investments	$ 120,519,676	$ 340,379	$ 81,605	$ 120,097,692
Accounts payable	$ 46,065	$ 46,065	$	$

FINANCIAL RISK MANAGEMENT

(a) Overview

The Company has exposure to the following risks from its use of financial instruments:

- Market risk;
- Credit risk; and
- Liquidity risk.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Market risk (continued)

(i) Interest rate risk

The Company's cash and cash equivalents are held in bank accounts, which have nominal interest rates attached to them; therefore, fluctuations in market interest rates would not have a material impact on their fair values as at December 31, 2019 and December 31, 2018.

At December 31, 2019, the Company has 2,500 unsecured subordinated debentures of ICC with an aggregate principal amount of 8% interest and maturity date of September 25, 2021 valued at $2,500,000. The Company's management does not anticipate changes in market rates of interest for these convertible debentures.

(ii) Foreign currency risk

The Company is exposed to financial risk related to the fluctuation of foreign exchange rates. The Company's functional currency is the Canadian Dollar and the condensed interim consolidated financial statements are presented in Canadian Dollars. The Company is not exposed to significant foreign currency risk.

(ii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk and foreign currency risk. The Company holds certain marketable securities that will fluctuate in value as a result of fluctuations in current market prices of those securities. Furthermore, as the Company's marketable securities are resource exploration and cannabis companies, market values will fluctuate subject to the price of cannabis and its derivatives, commodity prices, economic cycles and political events. Based upon the Company's investment portfolio at December 31, 2019, a 96% (June 30, 2019 - 140%) increase or decrease in the market price of the securities held would result in an increase/decrease to net income (loss) and comprehensive income (loss) of approximately $27,795,410 (June 30, 2019 - $48,400,000).

(c) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its payment obligations. The Company's exposure to credit risk is limited to its cash balances. The risk exposure is limited to the carrying amounts at the statement of financial position dates.

The Company's cash and cash equivalents balances are held in accounts at a major Canadian financial institution. The credit risk associated with cash is mitigated, as cash is held at major institutions with high credit ratings.

FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company assesses its liquidity risk by forecasting cash flows required by operations and anticipated financing activities.

The Company has a cash and cash equivalents balance at December 31, 2019, of $268,167 (June 30, 2019 - $252,022) and investments with a fair value of $40,701,794 (June 30, 2019 - $120,519,676). At December 31, 2019, the Company has accounts payable and accrued liabilities of $177,461 (June 30, 2019 - $128,341). As at December 31, 2019, the Company has working capital of $40,409,214 (June 30, 2019 - $120,709,490). The Company relies upon financing to maintain sufficient working capital. There is no assurance that such financing will be available on terms and conditions acceptable to the Company.

The Company's accounts payable and accrued liabilities, are due in the short-term (0 to 3 months).

Hedges

The Company does not apply hedge accounting.

Legal Matters

The Company is not currently, or at any time during our most recently completed financial year, been a party to any material legal proceedings or regulatory actions.

Business Risks and Uncertainties

Certain risks and uncertainties that could cause the Company's actual results to materially differ from our current expectations include, but are not limited to:

Going Concern

As at December 31, 2019, the Company has an accumulated deficit of $97,192,103 (June 30, 2019 - $18,995,236). The Company's resources improved during the current period as a result of receiving $6,674,215 from the sale of 25,500,000 AgraFlora common shares. However, no source of operating cash flow exists and there is no assurance that sufficient funding will be available in the future. Management has the option to raise funds through a combination of equity and/or debt financing, along with a sale of investments. The success of these plans will depend upon the ability of the Company to generate cash flows from its portfolio investments.

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

Sector Specific Investment Risks

The Company seeks a high return on investment opportunities on its cannabis, mining and natural resource sectors ("Sectors"). Thus, the Company is exposed to investment risks relating to these Sectors which is generally more volatile than the overall market. Investing in these Sectors can be speculative in nature and the value of the Company's investments may be subject to significant fluctuations. Such businesses entail a degree of risk, regardless of the skill and experience of the corporation's management. The assets, earnings and share values of corporations involved in the cannabis, mining and natural resources are subject to risks associated with the world prices of various cannabis related products, natural resource, forces of nature, economic cycles, commodity prices, exchange rates, royalty and taxation changes and political events. Government restrictions, such as price regulations, production quotas, royalties and environmental protection, can also be factors.

FINANCIAL RISK MANAGEMENT (CONTINUED)

Regulatory Risks

The Company's investment in the cannabis sector operate in a new industry which is highly regulated, highly competitive and evolving rapidly. As such, new risks may emerge, and management may not be able to predict all such risks or be able to predict how such risks may result in actual results differing from the results contained in any forward-looking statements. The Company's investments incur ongoing costs and obligations related to regulatory compliance. Failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions of operations. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company's investment and, therefore, on the Company's prospective returns.

The industry is subject to extensive controls and regulations, which may significantly affect the financial condition of market participants. The marketability of any product may be affected by numerous factors that are beyond the control of the Company which cannot be predicted, such as changes to government regulations, including those relating to taxes and other government levies which may be imposed. Changes in government levies, including taxes, could reduce the Company's earnings and could make future capital investments or the Company's operations uneconomic. The industry is also subject to numerous legal challenges, which may significantly affect the financial condition of market participants and which cannot be reliably predicted.

Change in Law, Regulations and Guidelines

The Company's investments are subject to a variety of laws, regulations and guidelines relating to marketing, acquisition, manufacture, management, transportation, storage, sale and disposal of cannabis pharmaceuticals and cannabis pharmaceutical related products but also laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. Changes to such laws, regulations and guidelines may cause adverse effects to the Company's investments in the cannabis pharmaceutical sector.

Jurisdictions Outside of Canada

The Company intends to invest into early-stage global cannabis related Company's with operations and business that may be outside of Canada's jurisdiction. There can be no assurance that any market for the Company's Investment Partners products will develop in any such foreign jurisdiction. The Company may face new or unexpected risks or significantly increase its exposure to one or more existing risk factors, including economic instability, changes in laws and regulations and the effects of competition. These factors may limit the Company's capability to successfully invest in foreign cannabis pharmaceutical entities and may have a material adverse effect on the Company's business, financial condition and results of operations.

Political and Economic Instability

The Company may be affected by possible political or economic instability. The risks include, but are not limited to, terrorism, military repression, extreme fluctuations in currency exchange rates and high rates of inflation. Changes in medicine and agriculture development or investment policies or shifts in political attitude in certain countries may adversely affect the Company's business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, distribution, price controls, export controls, income taxes, expropriation of property, maintenance of assets, environmental legislation, land use, land claims of local people and water use. The effect of these factors cannot be accurately predicted.

FINANCIAL RISK MANAGEMENT (CONTINUED)

Limited Operating History

The Company has limited operating history as an investment company, and has had limited success investing in mining and cannabis sectors. The Company and its business prospects must be viewed against the background of the risks, expenses and problems frequently encountered by companies in the early stages of their development, particularly companies in new and rapidly evolving markets such as the cannabis sectors. There is no certainty that the Company will be able to operate profitably.

Additional Requirements for Capital

Substantial additional financing may be required if the Company is to be successful in developing a diversified and material portfolio of investments. No assurances can be given that the Company will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company, if at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated investments.

Key Personnel

The Company is dependent upon the continued availability and commitment of its management, whose contributions to immediate and future operations are of significant importance. The loss of any such management could negatively affect the Company's business operations. From time to time, the Company will also need to identify and retain additional skilled management to efficiently operate its business. Recruiting and retaining qualified personnel is critical to the Company's success and there can be no assurance of its ability to attract and retain such personnel. If it is not successful in attracting and training qualified personnel, the Company's ability to execute its business model and growth strategy could be affected, which could have a material and adverse impact on its profitability, results of operations and financial condition.

Lack of Control or significant influence over Companies in which the Company Invests

In certain cases, the Company invests or may invest in securities of companies that the Company does not control or influence. These investments will be subject to the risk that the company in which the investment is made may make business, financial or management decisions with which the Company does not agree or that the majority stakeholders or management of the company may take risks or otherwise act in a manner that does not serve the Company's interests. If any of the foregoing were to occur, the values of investments by the Company could decrease and the Company's financial condition and cash flow could suffer as a result.

Due Diligence

The due diligence process undertaken by the Company in connection with investments that it makes or wishes to make may not reveal all relevant facts in connection with an investment. Before making investments, the Company will conduct due diligence investigations that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence investigations, the Company may be required to evaluate important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisors, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence investigations and making an assessment regarding an investment, the Company will rely on resources available, including information provided by the target of the investment and, in some circumstances, third party investigations. The due diligence investigations that are carried out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such investigation will not necessarily result in the investment being successful.

FINANCIAL RISK MANAGEMENT (CONTINUED)

Fluctuations in the Value of the Company and the Common Shares

The net asset value of the Company and market value of its common shares will fluctuate with changes in the market value of the Company's investments. Such changes in value may occur as the result of various factors, including general economic and market conditions, the performance of corporations whose securities are part of the Company's investment portfolio and changes in interest rates which may affect the value of interest-bearing securities owned by the Company. There can be no assurance that shareholders will realize any gains from their investment in the Company and may lose their entire investment.

Need to Manage Growth

The Company could experience rapid growth in revenues, personnel, complexity of administration and in other areas. There can be no assurance that the Company will be able to manage the impact that growth could place on the Company's administrative infrastructure, systems and controls. If the Company is unable to manage future growth effectively, the Company's business, operations and operating results and financial condition may be materially adversely affected.

Subsequent Event

On January 8, 2020, the Company distributed an aggregate of 116,036,417 AgraFlora common shares to the Company's shareholders on record as at January 6, 2020 in the form of a return of capital. The AgraFlora shares were distributed on a pro-rata basis.

Outstanding Share Data

The Company's shares are traded on the CSE under the symbol "SOW," OTC under the symbol "QILFF" and on the Frankfurt Stock Exchange under the symbol "2K6."

As of as of the date of this MD&A, the Company has the following securities outstanding:

Class of Shares	Number Issued
Common	312,379,370

There are 12,142,112 share options and 16,182,125 warrants outstanding and no common shares held in escrow or subject to pooling.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses is provided in the Company's condensed interim consolidated statement of loss and comprehensive loss and note disclosures contained in its consolidated financial statements for the year ended June 30, 2019. These consolidated financial statements are available on SEDAR - Site accessed through www.sedar.com.

Additional Information

Additional information relating to our Company, including periodic quarterly and audited financial reports, is available on SEDAR at www.sedar.com.