

Management's Discussion and Analysis of

GREEN RISE CAPITAL CORPORATION

For the three and nine months ended September 30, 2019

(Canadian Dollars)

MANAGEMENT'S DISCUSSION AND ANALYSIS

This following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") of Green Rise Capital Corporation ("Green Rise" or the "Company") provides a discussion and analysis of the financial condition and results of operations to enable a reader to assess the financial condition of the Company as at September 30, 2019, and results of operations for the three- and nine-month periods ended September 30, 2019.

The MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements ("financial statements") as of September 30, 2019 of Green Rise and the audited consolidated financial statements of Bull Market Farms Inc. and the notes to those statements as at and for the year ended December 31, 2018. The accompanying financial statements have been prepared by and are the responsibility of Green Rise's management. The financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

All amounts in this discussion are expressed in millions of Canadian dollars (CAD), unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A constitute "forward-looking information" and "forward-looking statements". All statements other than statements of historical fact contained in this MD&A. Such statements can, in some cases, be identified by the use of forward-looking terminology such as "expect," "likely", "may," "will," "should," "intend," or "anticipate," "potential," "proposed," "estimate" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. The forward-looking statements included in this MD&A are made only as of the date of this MD&A and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

Forward-looking statements in this MD&A are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. Management provides forward-looking statements because it believes they provide useful information to readers when considering their investment objectives and cautions readers that the information may not be appropriate for other purposes.

Some of the risks which could affect future results and could cause results to differ materially from those expressed in the forward-looking statements contained herein include:

- expansion of facilities
- changes in laws, regulations and guidelines
- legislative or regulatory reform and compliance
- competition
- environmental regulations and risks
- limited operating history
- risks inherent in an agricultural business
- reliance on a single location
- retention and acquisition of skilled personnel

- negative consumer perception
- product liability
- insurance coverage
- regulatory or agency proceedings, investigations and audits
- litigation
- constraints on marketing products
- fraudulent or illegal activity by the Company’s employees, contractors and consultants
- information technology systems and cyber-attacks
- breaches of security and risks related to breaches of applicable privacy laws
- access to capital
- estimates or judgments relating to critical accounting policies

In addition to the factors set out above and those identified in this MD&A under “Risks and Uncertainties”, other factors not currently viewed as material could cause actual results to differ materially from those described in the forward-looking statements. Although the Company has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors and risks that cause actions, events or results not to be anticipated, estimated or intended. Accordingly, readers should not place any undue reliance on forward-looking statements.

OVERVIEW OF GREEN RISE CAPITAL CORPORATION

Green Rise Capital Corporation was incorporated under the Business Corporations Act (Ontario) on June 9, 2017 and was classified as a Capital Pool Company, as defined in the Policy 2.4 of the TSX Venture Exchange (the “Exchange”). The principal business of the Company was the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction (“QT”).

On September 30, 2019, the Company completed its previously announced QT with Bull Market Farms Inc. (“Bull Market”) (the “Transaction”) under the policies of the Exchange. In 2018, Bull Market acquired its farm with an existing 51-acre producing greenhouse and is a grower of greenhouse fresh produce located in Leamington, Ontario. Currently the farm produces two types of tomatoes, beef stake and a varietal of medley cherry tomatoes. With this acquisition, the Company expects to be a “best-in-class” contract grower of greenhouse grown fresh produce.

In connection with the completion of the Transaction, the Company also closed a non-brokered private placement in the amount of \$3.67 million. These funds were released from escrow on September 30, 2019 and the Company issued 18,343,000 common shares.

The Transaction resulted in a reverse takeover (the “RTO Transaction”) of Green Rise by Bull Market. Accordingly, the current period and comparatives figures are reflective of Bull Market’s operating activities.

Highlights for 2019

- On September 30, 2019, the Company closed the Transaction with Bull Market Farms and raised \$3.67 million through a private placement offering
- The Company earned revenues of \$11.3 million and generated earnings from operations in the amount of \$1.6 million

- The Company generated \$4.0 of EBITDA and \$3.5 million of cash flow from operations
- Net loss for the third quarter amounted to \$1.2 million, which included a one time listing expense of \$2.3 million related to the closing of the Transaction

Overall Performance

SELECT QUARTERLY INFORMATION

The summary is set out in the following table. The amounts are derived from the financial statements prepared under IFRS.

| <i>(\$ thousands)</i> | Three months ended Sept. 30, 2019 | Three months ended Sept. 30, 2018 | Nine months ended Sept 30, 2019 | For the period from March 21, 2018 (date of incorporation) to Sept 30, 2018 |
|-----------------------|--|---|--|--|
| Total Revenue | 5,893 | 5,141 | 11,265 | 6,227 |
| Cost of Sales | 1,860 | 2,399 | 4,178 | 3,777 |
| Depreciation | 1,227 | 1,008 | 2,675 | 1,212 |
| SG&A | 2,040 | 371 | 3,056 | 473 |
| Net Earnings (Loss) | (1,496) | 674 | (1,153) | 4,697 |
| EBITDA | 1,993 | 2,371 | 4,031 | 1,977 |

Results for the nine-month period ended September 30, 2019

Revenue

Bull Market Farms generated revenue of \$11.3 million during the nine-month period ended September 30, 2019 compared to \$6.2 million in the previous year, an increase of approximately \$5.1 million. The increase is primarily attributable to the fact that the Company has operated the greenhouse fully for the second and third quarters in 2019 whereas in 2018, the farm was acquired mid-growing season. In addition, the Company planted a new variety of beef stake tomatoes, which improved yields by approximately 5% resulting in an increase in production over the comparable prior period.

Earnings from Operations

The Company generated \$1.6 million of earnings from operations compared to \$1.0 million in the prior period, an increase of \$0.6 million. As noted above, a significant portion of the increase in 2019 was attributable to the fact that the greenhouse was in operation for the full period. Management was also able to reduce the overall cost of sales through a number of initiatives, which included mechanization of a packing line and was able to reduce overall warehouse headcount. As a result, cost of sales was reduced to 37% of revenue compared to 61% in the prior year.

Selling, general and administrative (“SG&A”) expenses increased by \$2.6 million to \$3.1 million from \$0.5 million in the prior year. The largest impact related to an increase in management salaries. A number of key management were under contract of the previous owner of the greenhouse and had not fully transitioned to Bull Market until 2019. As a result, 2019 management salaries now reflect the team required to manage the current farm and any potential future acquisitions.

The Company was able to generate EBITDA of \$4.0 million compared to \$2.0 million in the prior year. The growth in EBITDA was a result of a longer operating period in 2019 (as noted above) as well as efficiencies gained in operations which resulted in lower production costs and higher yields.

Net Earnings (Loss)

Net Loss for the period amounted to \$1.2 million compared to earnings of \$4.7 million in the prior year. The current period net loss was impacted by a \$2.3 million listing expense as a result of completing the Transaction. The listing expense was predominately made up of non-cash charges and reflected the value of the equity retained by the original shareholders of Green Rise. In the prior year, net earnings was impacted by a non-cash bargain purchase gain of \$3.8 million. As a result, adjusted earnings in 2019 amounted to \$1.2 million, compared to \$0.9 million in 2018, a 33.3% increase year-over-year.

Significant Transactions*Reverse Takeover*

On September 30, 2019, the Company and Bull Market completed the RTO Transaction, whereby the shareholders of Bull Market held a majority of the outstanding common shares of the resulting issuer. The substance of the RTO Transaction is a reverse acquisition of a non-operating company. As a result, the RTO Transaction has been accounted for as a capital transaction with Bull Market being identified as the acquirer and the equity consideration being measured at fair value, using the acquisition method of accounting. The RTO Transaction has been accounted for in the consolidated financial statements as a continuation of the financial statements of Bull Market, together with a deemed issuance of shares equivalent to the shares held by the former shareholders of Green Rise.

Details of the RTO transaction are as follows:

| | |
|---|-----------------|
| Purchase Price Consideration Paid | (\$000s) |
| Fair value of common shares issued | 2,278 |
| Fair value of options | 15 |
| Fair value of warrants | 25 |
| Total | 2,318 |
| Net Identifiable Assets Acquired | |
| Cash | 208 |
| Sales tax receivable | 40 |
| Prepaid amounts | 222 |
| Accounts payable and accrued liabilities | (469) |
| Total net assets acquired | 1 |
| Consideration paid representing the cost of the RTO Transaction | 2,317 |

The Company has accounted for the RTO Transaction as an asset acquisition under the scope of IFRS 2 - Share Based Payments. Consideration consisted entirely of shares, options and warrants of the Company which were measured at the estimated fair value on the date of acquisition. As a result, the Company recognized \$2.3 million as a listing expense in the statement of earnings (loss) and comprehensive earnings (loss).

As part of the RTO Transaction, the outstanding Bull Market shares were exchanged for Green Rise shares on the basis of 315,789.47 Green Rise shares for each Bull Market share outstanding. Based on the definitive agreement, a total of 30.0 million Green Rise Shares were issued to existing Bull Market shareholders.

2018 Acquisition

On June 15, 2018, Bull Market purchased a greenhouse property and accompanying land for a purchase price of \$26.5 million. The purchase price was funded through a payment of \$20.0 million, a payable of \$1.5 million and promissory notes to the seller in the amount of \$5.0 million. The promissory notes have interest terms of 5.5% (monthly compounding) with annual interest payments only. The promissory notes have a three-year term with an option to extend the term for one year in certain circumstances. As a result, the transaction resulted in a bargain purchase as follows:

| Purchase Price Consideration Paid | (\$000s) |
|--|-----------------|
| Total consideration | 21,521 |
| Promissory note | 5,000 |
| Purchase price | 26,521 |
| Assets acquired | |
| Property, plant and equipment | 29,612 |
| Bearer plant | 1,075 |
| Biological assets | 871 |
| Deferred income tax liability | (1,285) |
| | 30,273 |
| Bargain purchase gain | 3,752 |

In accordance with the acquisition method of accounting, the purchase price has been allocated to the underlying assets acquired, based primarily on their estimated fair values at the date of acquisition. The Company used a combination of a direct comparison approach and a discounted cash flow model (net present value of expected future cash flows) to determine the fair value of the assets acquired.

Summary of quarterly results

| <i>(\$ thousands)</i> | September 30, 2019 | June 30, 2019 | March 31, 2019 | December 31, 2018 | September 30, 2018 | June 30, 2018 | March 31, 2018 |
|--------------------------|-----------------------|------------------|-------------------|----------------------|-----------------------|------------------|-------------------|
| Revenues | 5,893 | 5,321 | 141 | 2,097 | 5,141 | 1,085 | - |
| Earnings from operations | 559 | 1,737 | (812) | 329 | 1,066 | 599 | - |
| Net earnings (loss) | (1,496) | 1,474 | (1,131) | (1,041) | 674 | 4,021 | - |
| Basic and diluted eps | (0.05) | 0.05 | (0.04) | (0.03) | 0.02 | 0.13 | - |
| Total assets | 34,048 | 32,387 | 30,720 | 30,456 | 32,481 | 32,341 | - |
| Total liabilities | 24,219 | 28,388 | 28,196 | 26,801 | 27,785 | 28,319 | - |
| Shareholders' equity | 9,829 | 3,999 | 2,524 | 3,655 | 4,696 | 4,022 | - |

Seasonality

The nature of the food production business is predictably seasonal. Currently, the Company's growing season allows for saleable product between the months of April and November. Accordingly, it is expected that Q2 and Q3 will be the Company's strongest quarters.

Results for the three month period ended September 30, 2019

Third quarter revenue increased by 15.7% and amounted to \$5.9 million, compared to \$5.1 million in the prior year. The increase in revenue was a result of a 5% improvement in yields from beef steak tomatoes largely attributable to a better variety of seeds used in the current year.

Cost of sales was reduced by 20.8% to \$1.9 million compared to \$2.4 million in the prior year quarter as a result of improved operating efficiencies such as the implementation of mechanized packing lines and reduced headcount in the warehouse facility.

The Company's SG&A costs increased during the quarter to \$2.0 million from \$0.4 million compared to the prior year quarter as a result of increased management salaries of approximately \$1.7 million. In the prior year, the farm acquisition occurred in mid-June 2018 and as a result, a number of the key management team were under contract to the previous owner of the business and had not fully transitioned to Bull Market. This transition occurred in 2019 and as a result, management salaries are now reflective of the required team to manage the current farm and any potential future acquisitions.

The Company generated \$2.0 million of EBITDA in the quarter compared to \$2.4 million in the prior year, representing a decrease of 16.7%. As noted above, the main contributor for the reduction in EBITDA was higher salaries in the quarter, offset by increased revenue and reduced operating costs as a result of operating efficiencies.

The net loss for the quarter amounted to \$1.5 million, compared to earnings of \$0.7 million in the prior quarter. The current period included a listing fee related to the Transaction, which amounted to \$2.3 million. The listing fee was predominately a non-cash charge and reflected the value of the original Green Rise shareholders equity prior to the RTO Transaction. Adjusted earnings for the quarter amounted to \$0.8 million which is approximately 21.6% higher than the prior year's quarter. The increase in adjusted earnings is a result of the improved operating efficiencies which resulted in lower costs and improved production yields, increasing overall revenues and profitability.

LIQUIDITY AND CAPITAL RESOURCES

Financial Condition Review

| <i>(\$ thousands)</i> | September 30, 2019 | December 31, 2018 |
|--|-------------------------------|----------------------|
| Cash | 3,404 | 762 |
| Working Capital (deficit) ¹ | 2,669 | (3,012) |
| Total Assets | 34,048 | 30,456 |
| Total Liabilities | 24,219 | 26,801 |
| Net Equity | 9,829 | 3,655 |

1. Working capital is the net of all current assets and liabilities, including loans from shareholders in the amount of \$NIL (2018 - \$3,002).

As at September 30, 2019, the Company had cash of \$3.4 million, current liabilities of \$2.9 million and working capital of \$2.7 million.

Cash increased by \$2.6 million during the period. This is the result of a \$3.5 million increase in operating cash flow and \$3.5 million of net cash received from the private placement, offset by debt repayments in the amount of \$0.7 million, the repayment of \$1.5 million of shareholder loans and further reduced by \$2.4 million of investments in property, plant and equipment and bearer plants.

Trade receivables increased during the period to \$1.1 million from \$0.4 million at the end of 2018. The increase was expected since the operations were in peak growing season. This compares to year-end, when the greenhouse was in care and maintenance mode while being prepared for the next growing season. The amount receivable was from the Company's sole customer and was collected subsequent to quarter-end.

Trade payables increased to \$2.0 million at the end of the quarter compared to \$0.5 million at the end of 2018. The increase was expected since the operations were in peak growing season, compared to year-end when the greenhouse was in care and maintenance mode while being prepared for the next growing season.

CAPITAL MANAGEMENT

The Company manages its capital structure and adjusts it based on the funds available in order to support the development of management's planned business activities. The Board of Directors does not establish quantitative return on capital criteria for management, but instead relies on the expertise of management to sustain future development of the business.

Management expects to generate sufficient cash flows from operations to meet its debt servicing, principal payment, and working capital requirements over both the short and long-term through increased profitability and strong management of working capital and capital expenditures. The Company regularly reviews all of its assets to ensure appropriate returns on investment are being achieved and fit with the Company's long-term strategic objectives.

In the definition of capital, the Company includes equity, comprised of share capital, contributed surplus and retained earnings.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

As at September 30, 2019 the payments due by period are set out in the following table:

| <i>(\$000s)</i> | Total | Less than 1 Year | 1 – 5 Years | After 5 Years |
|------------------|---------------|-------------------------|--------------------|----------------------|
| Trade Payables | 1,956 | 1,956 | - | - |
| Promissory Note | 5,000 | - | 5,000 | - |
| Mortgage Payable | 16,412 | 230 | 4,555 | 11,627 |
| Total | 23,368 | 2,186 | 9,555 | 11,627 |

COMMITMENTS

The Company has entered into an agreement with a customer for a 10-year period to supply produce at prevailing market prices.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off balance sheet arrangements.

TRANSACTIONS BETWEEN RELATED PARTIES AND KEY MANAGEMENT COMPENSATION

Key management personnel are those persons having authority for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and members of its board of directors. For the nine months ended September 30, 2019 the Company paid \$803 in compensation to key members of management (2018 – \$58).

Shareholder loans were extinguished as part of the RTO Transaction through a cash payment of \$1,502 and through a conversion of \$1,500 into equity.

RISKS AND UNCERTAINTIES

There are a number of risk factors that could cause future results to differ materially from those described herein. Additional risks and uncertainties, including those that the Company does not know about or that it currently deems immaterial, could also adversely affect the Company's business and results of operations.

CRITICAL ACCOUNTING JUDGMENT AND ESTIMATION UNCERTAINTIES

Areas where critical accounting estimates and judgements have the most significant effect on the amounts recognized in the financial statements include:

- Estimated useful lives of property, plant and equipment

Management estimates the useful lives of property, plant and equipment based on the period during which the assets are expected to be available for use. The amounts and timing of recording expenses for depreciation of property, plant and equipment for any period are affected by these estimated useful lives. The estimates are reviewed at least annual and are updated if expectations change as a result of physical wear and tear, technical or commercial obsolescence and legal or other limits to use. It is possible that changes in these factors may cause significant changes in the estimated useful lives of the Company's property, plant, and equipment in the future.

- Estimated fair value of biological asset

The fair value of the biological asset is derived using a discounted cash flow model. Management estimates the sales price of the produce on the vine by utilizing expected production and sales prices in the following period and estimates the costs to sell and complete by projecting yields, crop, packaging and transportation costs. The estimated costs are

subject to fluctuations based on the timing and prevailing growing conditions and market conditions.

- Bearer plants

The classification of bearer plants is a significant judgement. Expenditures for bearer plants are recorded in investing activities on the cash flow statements. Bearer plant depreciation is based on the estimated yield profile of the plants over their life. The amounts of timing of recorded expense for depreciation of bearer plants for any period are affected by the estimate of useful lives.

NEW ACCOUNTING PRONOUNCEMENTS

In 2016, the IASB issued IFRS 16, Leases (IFRS 16), which requires lessees to recognize assets and liabilities for most leases. Application of the standard is mandatory for annual periods beginning on or after January 1, 2019, with early adoption permitted. IFRS 16 specifies how an entity will recognize, measure, present and disclose leases. The standard provides a single lease accounting model, requiring lessees to recognize assets and liabilities for most leases on its balance sheet, as well as corresponding depreciation and interest expense. Lessors continue to classify as operating or finance with IFRS 16's approach to accounting substantially unchanged. The Company adopted the standard on January 1, 2019. The adoption of IFRS 16 by the Company is expected to result in no material changes as the company has entered into a transaction as a lessor and has accounted for the rental income accordingly.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that material information is gathered and reported to senior management to permit timely decisions regarding public disclosure. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Venture issuers are not required to provide representations in their annual and interim filings relating to the establishment and maintenance of DC&P and ICFR as defined in National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"). In particular, the Chief Executive Officer and Chief Financial Officer are not required to make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

For Q3 of fiscal 2019, the financial period during which the Company acquired Bull Market, the Company is not required to certify the design and evaluation of its DC&P over Bull Market and has not completed such an evaluation. The inherent limitations on the ability of the Certifying Officers to design and implement on a cost-effective basis DC&P in the first financial period following the Company's acquisition of Bull Market may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

OUTSTANDING SHARE DATA

As at the date of this MD&A, the following total shares were outstanding:

| | |
|--|------------|
| Common shares outstanding September 30, 2019 | 59,731,000 |
| Warrants exercised | 123,795 |
| Common shares outstanding November 25, 2019 | 59,854,795 |

APPROVAL

The Board of Directors of the Company has approved the disclosure in this MD&A on November 25, 2019.

NON-IFRS MEASURES*EBITDA*

The Company utilizes EBITDA (defined as earnings before interest, depreciation, amortization, net unrealized gains and losses on biological assets, income taxes and nonrecurring expenses such as listing expenses and bargain purchase gains) to measure its financial performance. EBITDA is not a recognized measure under IFRS; however, management believes that EBITDA is a useful supplemental measure to net earnings as this measure provides readers with an indication of earnings available for investment prior to debt service, capital expenditures, and income taxes, as well as provide an indication of recurring earnings compared to prior periods. The Company calculates EBITDA as follows:

| <i>(\$ thousands)</i> | Three Months Ended | | Nine Months Ended | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | September 30, 2019 | September 30, 2018 | September 30, 2019 | September 30, 2018 |
| Net earnings (loss) | \$(1,496) | \$674 | \$(1,153) | \$4,697 |
| Additions (Deductions) | | | | |
| Depreciation | 1,227 | 1,008 | 2,675 | 1,212 |
| Net change in fair value of biological assets | 207 | 297 | (226) | (189) |
| Interest expense | 238 | 279 | 763 | 300 |
| Deferred income tax expense (recovery) | (500) | 113 | (345) | (291) |
| Listing expense | 2,317 | - | 2,317 | - |
| Bargain purchase gain | - | - | - | (3,752) |
| EBITDA | \$1,993 | \$2,371 | \$4,031 | \$1,977 |

Adjusted Earnings

The Company utilizes adjusted earnings (defined as net earnings before nonrecurring expenses such as listing expenses and bargain purchase gains) to measure its financial performance. Adjusted earnings are not recognized measures under IFRS; however, management believes that adjusted earnings is a useful supplemental measure to net earnings as these measures provide readers with an indication of recurring earnings compared to prior periods. The Company calculates adjusted earnings as follows:

| <i>(\$ thousands)</i> | Three Months Ended | | Nine Months Ended | |
|-------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | September 30, 2019 | September 30, 2018 | September 30, 2019 | September 30, 2018 |
| Net earnings (loss) | \$(1,496) | \$674 | \$(1,153) | \$4,697 |
| Listing expense | 2,317 | - | 2,317 | - |
| Bargain purchase gain | - | - | - | (3,752) |
| Adjusted net earnings (loss) | \$821 | \$674 | \$1,164 | \$945 |