

Unaudited Condensed Interim Consolidated Financial Statements of

GREEN RISE FOODS INC.

(Previously known as Green Rise Capital Corporation)

For the three and nine-months ended September 30, 2020

(Canadian Dollars)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(unaudited)

<i>(thousands)</i>	September 30, 2020	December 31, 2019
Assets		
Current Assets:		
Cash	\$ 2,666	\$ 2,919
Trade and other receivables	1,823	482
Inventory	209	148
Bearer plants (note 4)	375	-
Biological assets (note 4)	279	-
Other	177	102
	5,529	3,651
Property, plant and equipment	27,660	28,253
Total Assets	\$ 33,189	\$ 31,904
Liabilities		
Current Liabilities		
Trade payables	\$ 1,500	\$ 840
Current portion of long-term debt (note 6)	953	920
Current portion of lease obligation (note 5)	81	14
	2,534	1,774
Promissory Note	5,000	5,000
Lease obligation (note 5)	419	77
Long-term debt (note 6)	14,535	15,268
Deferred income tax liability	1,808	1,016
Total Liabilities	24,296	23,135
Equity		
Share Capital (note 8)	4,042	5,828
Contributed Surplus (note 9)	1,553	1,521
Retained Earnings	3,298	1,420
Total Equity	8,893	8,769
Total Liabilities and Equity	\$ 33,189	\$ 31,904

Approved by the Board of Directors

Director

Director

Commitments Note 13

Subsequent Event Note 14

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

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME / (LOSS) AND COMPREHENSIVE INCOME / (LOSS)

For the three and nine-months ended September 30, 2020 and 2019

(unaudited)

<i>(thousands, except share and per share amounts)</i>	Three-months ended September 30, 2020	Three-months ended September 30, 2019	Nine-months ended September 30, 2020	Nine-months Ended September 30, 2019
Revenue (note 10)	\$ 6,633	\$ 5,893	\$ 12,586	\$ 11,265
Cost of sales (note 11)	(4,001)	(4,383)	(8,003)	(8,544)
Gross income	2,632	1,510	4,583	2,721
Selling, general and administrative expenses (note 11)	(683)	(951)	(1,143)	(1,139)
Income from operations	1,949	559	3,440	1,582
Interest expense	(229)	(238)	(696)	(763)
Listing expense	-	(2,317)	-	(2,317)
Income (loss) before income taxes	1,720	(1,996)	2,744	(1,498)
Deferred income tax (expense) recovery	(501)	500	(866)	345
Net income (loss) and comprehensive income (loss) for the period	1,219	(1,496)	1,878	(1,153)
Basic and diluted income (loss) per share	\$ 0.02	\$ (0.05)	\$ 0.03	\$ (0.04)
Weighted average number of common shares outstanding	54,199,854	30,330,000	57,983,781	30,110,000

Certain amounts have been reclassified in the comparative period to conform to the current period presentation

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

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the nine-months ended September 30, 2020 and 2019

(unaudited)

<i>(thousands except share amounts)</i>	Number of shares	Share capital (\$)	Contributed Surplus (\$)	Retained earnings (\$)	Total Shareholders' equity (\$)
Balance, December 31, 2019	59,896,535	\$ 5,828	\$ 1,521	\$ 1,420	\$ 8,769
Options vested		-	32	-	32
Shares purchased for cancellation	(14,974,133)	(1,647)	-	-	(1,647)
Costs related to shares purchased for cancellation	-	(139)	-	-	(139)
Net income for the period		-	-	1,878	1,878
Balance, September 30, 2020	44,922,402	\$ 4,042	\$ 1,553	\$ 3,298	\$ 8,893

	Number of shares	Share capital (\$)	Contributed Surplus (\$)	Retained earnings (\$)	Total Shareholders' equity (\$)
Balance, December 31, 2018	11,388,690	\$ -	\$ -	\$ 3,655	\$ 3,655
Shares issued	18,343,000	3,669	-	-	3,669
Share issue costs	-	(160)	-	-	(160)
Warrants exercised	164,845	41	(25)	-	16
Shares and options deemed issued related to the RTO Transaction (note 3)	30,000,000	2,278	40	-	2,318
Options granted	-	-	6	-	6
Extinguishment of shareholder loan	-	-	1,500	-	1,500
Net loss for the period		-	-	(1,153)	(1,153)
Balance, September 30, 2019	59,896,535	\$ 5,828	\$ 1,521	\$ 2,502	\$ 9,851

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

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the nine-months ended September 30, 2020 and 2019

(unaudited)

<i>(thousands)</i>	September 30, 2020	September 30, 2019
Cash provided by (used in):		
Operating activities:		
Net income (loss) for the period	\$ 1,878	\$ (1,153)
Adjustments for:		
Depreciation of property, plant and equipment and bearer plants	2,831	2,675
Biological asset gain (note 4)	(279)	(226)
Stock based compensation	32	-
Listing expense	-	2,317
Deferred income tax liability	791	(345)
Net changes in non-cash working capital		
Trade and other receivables	(1,341)	(678)
Inventory	(61)	(192)
Other assets	(75)	(108)
Trade payables	660	1,240
Net cash inflow from operating activities	4,436	3,530
Investing activities:		
Costs incurred on bearer plants (note 4)	(2,074)	(1,954)
Cash acquired from RTO transaction	-	208
Acquisition of property, plant and equipment	(61)	(421)
Net cash outflow from investing activities	(2,135)	(2,167)
Financing activities:		
Repayment of shareholder loan (note 7)	-	(1,502)
Repayment of long-term debt (note 6)	(700)	(673)
Repurchase of common shares	(1,786)	-
Share issuance, net	-	3,454
Finance lease payments	(68)	-
Net cash inflow (outflow) from financing activities	(2,554)	1,279
Change in cash during the period	(253)	2,642
Cash - Beginning of period	2,919	762
Cash - End of period	\$ 2,666	\$ 3,404

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine-months ended September 30, 2020 and 2019.

(Tabular amounts in thousands)

1. Nature of operations

Green Rise Foods Inc. ("Green Rise" or "the Company") is focused on becoming a contract grower of greenhouse grown fresh produce in North America. Through a qualifying transaction the Company acquired its first greenhouse farm and expects to expand by acquisition.

On September 30, 2019, Bull Market Farms Inc. ("Bull Market") and Green Rise completed a reverse takeover transaction (the "RTO Transaction"), providing for the acquisition by Green Rise of all of the issued and outstanding common shares of Bull Market. Pursuant to a Securities Exchange Agreement, all common shares of Bull Market were exchanged for common shares of Green Rise, and Bull Market became a wholly owned subsidiary of Green Rise, which is continuing with the business of Bull Market. As a result, the consolidated statements of financial position are presented as a continuance of Bull Market and the comparative figures presented in the consolidated financial statements are those of Bull Market. See Note 4 for details. The Company's common shares are listed on the Toronto Venture Stock Exchange (the "TSX-V") under the trading symbol "GRF.V". The TSX-V approved the transaction on October 4, 2019.

The address of the Company's registered office is 47 Colborne Street, Suite 301, Toronto, Ontario, M5E 1P8, Canada.

The seasonal operation consists of the growing, packaging and the sale of produce to one customer.

2. Basis of preparation

Statement of Compliance

These financial statements of the Company have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* and follow the same accounting policies and methods of application as the Company's audited annual consolidated financial statements and related notes for the year ended December 31, 2019 ("the 2019 financial statements"). These financial statements do not contain all the disclosures required by International Financial Reporting Standards ("IFRS") and accordingly, should be read in conjunction with the 2019 financial statements.

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expense. Interim results are not necessarily indicative of the results expected for the financial year. Actual annual results may differ from interim estimates. The critical judgments and significant estimates made by management applied in the preparation of these financial statements are consistent with those applied and disclosed in the 2019 financial statements.

The consolidated financial statements were authorized for issue by the Board of Directors on Tuesday, November 3, 2020.

Basis of Consolidation

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date control ceases. See Note 3 regarding the basis of consolidation subsequent to the RTO Transaction.

These consolidated financial statements include the accounts of the Company and the wholly owned subsidiary, Bull Market Farms Inc. All intercompany balances, transactions, unrealized gains and losses resulting from intercompany transaction have been eliminated on consolidation.

Basis of Measurement

The consolidated financial statements have been prepared on an historical cost basis, except for biological assets, which are measured at fair value, and inventory, which is measured at the lower of cost and net realizable value.

Balance sheet items are classified as current if receipt or payment is due within twelve months. Otherwise they are presented as non-current.

These consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency. The Company's operations consist of a single reporting segment, growing and selling produce in Canada. This segment is reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The CODM is responsible for allocating resources and assessing performance of the operating segment.

On January 30, 2020, the World Health Organization declared the coronavirus outbreak ("COVID-19") a "Public Health emergency of International Concern", and on March 11, 2020 declared COVID-19 a pandemic. The impact of COVID-19 could negatively impact the Company's operations, suppliers or other vendors and customer base. The operations for the Company's services could be negatively impacted by the regional and global outbreak of COVID-19, including stop-work orders for an unknown period of time. Any quarantines, labor shortages or other disruptions to the Company's operations, or those of its customers, may adversely impact the Company's revenues, ability to provide its services and operating results. In addition, a significant outbreak of epidemic, pandemic or contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, including the geographical area in which the Company operates, resulting in an economic downturn that could affect demand for its services. As of the date of approval of these financial statements, the Company's operations have been classified as an essential service and there has been no disruption to the current operating activities. The extent to which COVID-19 impacts the Company's future results will depend on further developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and actions taken to contain COVID-19 or its impact, among others.

3. Reverse takeover transaction

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 (50.1%). The substance of the RTO Transaction is a reverse acquisition of a non-operating company. The transaction does not constitute a business combination as the Company does not meet the definition of a business under IFRS 3 – Business Combinations. As a result, the RTO Transaction has been accounted for as a capital transaction with Bull Market being identified as the accounting 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. The operating results of Green Rise have been consolidated from October 1, 2019, the period subsequent to the close of the RTO transaction.

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	(\$000s)
Cash	208
Other assets	262
Accounts payable and accrued liabilities	(469)
Total net assets acquired	1
Consideration paid representing the Listing expense	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.

1. The fair value of the common shares issued to former Green Rise shareholders was determined to be \$2,278 based on the fair value of common shares issued through Concurrent Financing (see note 11), which closed on September 30, 2019.
2. The estimated fair value of the previously issued 100,000 stock options, based on the Black-Scholes valuation model amounted to \$15. The amount was based on the following assumptions – current stock price \$0.20, expected dividend yield – 0%, expected volatility – 100%, risk free rate – 1.43% and an expected life of three years.
3. The estimated fair value of the previously issued 168,310 warrants, based on the Black-Scholes valuation model amounted to \$25. The value was based on the following assumptions – current stock price \$0.20, expected dividend yield – 0%, expected volatility – 100%, risk free rate – 1.43% and an expected life of three years.

4. Bearer plants

A reconciliation of beginning and ending balance of bearer plant assets is as follows:

(\$000s)	September 30, 2020
Bearer plants – beginning of the period	-
Additions	2,074
Depreciation of bearer plants	1,699
Bearer plants – end of the period	375

Biological Assets

The growing cycle for each harvest is approximately six weeks.

The change in carrying value of the Company's biological assets are as follows:

(\$000s)	September 30, 2019
Biological assets – beginning of the period	-
Net realized and unrealized gains due to biological asset transformation	279
Biological assets – end of the period	279

In determining the carrying amount of biological assets, which are measured at fair value less costs to sell, the following significant unobservable inputs, all of which are classified as Level 3 on the fair value hierarchy, are used by management as part of this model:

- Selling price and yield – determined using the actual selling price per pound and yield in the following period; and
- Post-harvest costs – calculated as the harvesting and overhead costs for the six weeks following period, consisting of the cost of direct and indirect materials and labor related to packaging.

5. Lease obligations

(\$000s)	September 30, 2020	December 31, 2019
Lease obligation – beginning of the period	91	-
Arising during the year	477	93
Lease payments	(68)	(2)
Less: Current portion	(81)	(14)
Long term lease obligation – end of the year	419	77

The lease payments are discounted using the interest rate implicit in the lease, or if that cannot be determined, the Company's incremental borrowing rate, which is 5.5%.

6. Long-term debt

<i>(\$000s)</i>	<i>September 30, 2020</i>	<i>December 31, 2019</i>
Mortgage payable		
Mortgage payable	15,488	16,188
Less: Current portion	953	920
Long-term portion	14,535	15,268

In 2018, Bull Market entered a mortgage in the amount of \$17,500 for a term of five years. The mortgage bears interest of 3.99% per annum with monthly payments of \$129 representing blended payments of interest and principal.

The Company has a credit facility of up to \$2,000. As at September 30, 2020 there were no amounts drawn on this facility. The facility must be repaid by the end of a fiscal year, is repayable on demand and carries an interest rate of bank prime plus 1% per annum.

7. Related party transactions

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 three and nine-months ended September 30, 2020 the Company paid \$86 thousand and \$224 thousand in compensation to key members of management (2019 – \$1,018 thousand and \$1,062 thousand for the three and nine-months ended September 30, 2019).

In 2019, Shareholder loans of \$3.0 million were extinguished as part of the RTO Transaction through a cash payment of \$1.5 million and \$1.5 million settled as a capital contribution to the Company and recorded as contributed surplus.

8. Share capital

	Number of Shares	Amount (\$000s)
Common shares:		
Common Shares, December 31, 2019	59,896,535	5,828
Shares repurchased for cancellation (i)	(14,974,133)	(1,647)
Costs related to shares repurchased for cancellation	-	(139)
Common Shares September 30, 2020	44,922,402	4,042

- i. On August 27, 2020, the Company repurchased 14,974,133 of its common shares at a cost of \$1,786.

	Number of Shares	Amount (\$000s)
Common shares:		
Common Shares, December 31, 2018	11,388,690	-
Shares issued by private placement (i)	18,343,000	3,669
Issuance pursuant to the reverse takeover transaction (ii)	30,000,000	2,278
Share issue costs, net	-	(160)
Shares issued on exercise of warrants (iii)	164,845	41
Common Shares December 31, 2019	59,896,535	5,828

- i. On August 20, 2019, the Company announced that it closed a non-brokered private placement of subscription receipts for gross proceeds of \$3,669. The subscription receipts were issued in connection with the previously announced proposed acquisition of Bull Market Farms and were held in escrow until the escrow release conditions were met, which occurred on September 30, 2019. Accordingly, each subscription receipt was exchanged into one common share of the Company, resulting in the issuance of 18,343,000 common shares.
- ii. On September 30, 2019 pursuant to 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, resulting in the existing holders of Bull Market Shares becoming holders of Green Rise Shares post-Transaction. Based on the Definitive Agreement, a total of 30,000,000 shares were issued to existing Bull Market Shareholders.
- iii. During the fourth quarter, 164,485 warrants were exercised for net cash proceeds of \$16, resulting in the issuance of 164,485 additional shares (see also Note 9 – Contributed Surplus).

9. Contributed surplus

On September 30, 2019, the former shareholders of Bull Market settled \$1,500 of shareholder loans by way of a capital contribution which has been recorded as a component of Contributed Surplus.

As part of the RTO consideration, the Company was required to revalue the previously issued stock options and warrants by Green Rise. These amounts have been reflected as part of the purchase acquisition price (see Note 3).

Shared Based Compensation

The share purchase options previously issued were valued at \$0.15 per option and are fully exercisable (see Note 3).

	Number of Options	Value (\$)	Weighted Average Exercise Price
Balance, December 31, 2019	500,000	\$63	\$0.18
Issued during the current fiscal year	2,050,000	430	0.24
Balance at September 30, 2020	2,550,000	\$493	\$0.23

Stock Option Plan

The Company has implemented a rolling stock option plan as it reserves a maximum of 10% of the issued and outstanding common shares of the Company for issuance under the Stock Option Plan. Options granted shall vest one third on each anniversary date and are exercisable for a period of up to ten years.

On August 28, 2020 the Company issued 2,050,000 stock options to directors, officers and employees of the Company. The estimated fair value of the stock options was based on a Black-Scholes valuation model and amounted to \$430. The following assumptions were used - stock price \$0.32, expected dividend yield -0%, expected volatility -75%, risk free rate -0.17% and an expected life of five years. As a result, the Company recorded stock based compensation expense of \$32 during the year (2019 -NIL). Volatility was estimated based upon historical price observations over the expected term of the options.

In 2019, the Company issued 400,000 stock options to directors of the Company. The estimated fair value of the stock options was based on a Black-Scholes valuation model and amounted to \$48. The following assumptions were used – stock price \$0.20, expected dividend yield – 0%, expected volatility – 75%, risk free rate – 1.45% and an expected life of five years. As a result, the Company recorded stock-based compensation expense of \$6 during the year (2018 – NIL). Volatility was estimated based upon historical price observations over the expected term of the options.

Exercise prices	Stock options outstanding		Stock options exercisable	
	Stock options outstanding	Weighted average remaining contractual life (years)	Stock options exercisable	Weighted average exercise price (\$/option)
\$0.10 - \$0.20	500,000	9.6	100,000	\$0.10
\$0.24	2,050,000	4.9	0	\$0.24

Warrants

The previously issued share purchase warrants were re-valued at \$0.15 per warrant and are fully exercisable (see Note 3).

	Number	Value (\$)
Warrants:		
Warrants, December 31, 2018	-	-
Issuance pursuant to the RTO Transaction	168,310	25
Warrants converted	164,845	(25)
Warrants, September 30, 2020 December 31, 2019	3,465	-

All warrants were exercisable on issuance, as there are no vesting conditions attached. The fair value of the shares issued on exercise of the 164,845 warrants in 2019 was \$0.20 per share.

10. Revenue

<i>(\$000s)</i>	Three-months ended September 30, 2020	Three-months ended September 30, 2020	Nine-months ended September 30, 2020	Nine-months ended September 30, 2019
Sales of tomatoes	\$6,492	\$5,752	\$12,163	\$10,842
Rent ¹	141	141	423	423
Total	6,663	5,893	12,586	11,265

- 1) The Company leased a portion of the greenhouse space to its sole customer for a three-year period, with an optional two-year extension. The lease is expected to expire no later than June 2022. The annual lease payments are fixed at \$563 per year.

11. Expenses by nature

The following table outlines the Company's significant expenses by nature:

<i>(\$000s)</i>	Three-months ended September 30, 2020	Three-months ended September 30, 2019	Nine-months ended September 30, 2020	Nine-months ended September 30, 2019
Cost of sales				
Raw materials and consumables used	\$779	\$1,044	\$2,447	\$2,439
Labour	1,470	1,788	2,755	3,346
Depreciation	1,270	1,227	2,831	2,675
Net realized and unrealized (gain) loss on change in fair value of biological assets (note 4)	418	207	(279)	(226)
Repairs and maintenance	64	117	249	310
Total	\$4,001	\$4,383	\$8,003	\$8,544

Certain amounts have been reclassified in the comparative period to conform to the current period presentation

<i>(\$000s)</i>	Three-months ended September 30, 2020	Three-months ended September 30, 2019	Nine-months ended September 30, 2020	Nine-months ended September 30, 2019
Selling, general and administrative expenses				
Salaries	\$200	\$827	\$312	\$887
Marketing board fees	-	-	44	52
Insurance	42	43	98	51
Professional services	363	8	445	31
Other	78	73	244	118
Total	\$683	\$951	\$1,143	\$1,139

Certain amounts have been reclassified in the comparative period to conform to the current period presentation

12. Financial instruments

The Company's financial assets and financial liabilities have been classified into categories that determine their basis of measurement. These amounts are initially recognized at fair value and subsequently are measured at amortized cost. The fair value of these amounts approximates their carrying values. All other assets and liabilities are determined using Level 3 of the fair value hierarchy.

Fair values of financial instruments are determined by valuation methods depending on the hierarchy levels as defined below:

- Level 1 – quoted market price in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted market prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. observed prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the assets or liabilities that are not based on observable market data.

Assets/Liabilities	Category	Measurement	September 30, 2020	December 31, 2019
Cash	Financial Asset	Amortized cost	2,666	2,919
Trade receivables	Financial Asset	Amortized cost	1,445	81
Trade payables	Financial liabilities	Amortized cost	1,500	840
Promissory note	Financial liabilities	Amortized cost	5,000	5,000
Long-term debt	Financial liabilities	Amortized cost	15,488	16,188

Management of financial risk

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk and interest rate risk.

Credit risk

The exposure to credit risk arises through the failure of a customer or another third party to meet its contractual obligations to the Company. The Company believes its maximum exposure to credit risk as at September 30, 2020 is the carrying value of its cash and trade receivables. The Company's trade receivable is from one customer representing the entire balance and has been collected in full subsequent to quarter end.

Liquidity risk

Liquidity risk is the risk the Company will not be able to meet its obligations as they fall due. It is the Company's intention to meet its obligations through the collection of current accounts receivable and cash from sales. The Company has in place a planning and forecasting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company is exposed to risks related to seasonality as there is limited revenue from January through March. If the current resources and cash generated from operations is insufficient to satisfy its obligations, the Company has an undrawn credit facility of \$2,000 of which no amounts were drawn as at September 30, 2020. The Company ensures there is sufficient available capital to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its cash holdings.

All current liabilities are expected to be settled within one year.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's loans have fixed rates of interest and are therefore subject to the risk of changes in fair value if the prevailing interest rate were to increase or decrease.

Management of capital risk

The Company's objectives when managing capital are to safeguard its assets and maintain a competitive cost structure, continue as a going concern, and provide returns to its shareholders. In addition, the Company works with all relevant stakeholders to ensure the safety of its operations and employees and to remain in compliance with all environmental regulations.

13. Commitments and contingencies

As at September 30, 2020 the payments due by period are set out in the following table:

(\$000s)	Total	Less than 1 Year	1 – 5 Years	After 5 Years
Trade payables	1,500	1,500	-	-
Promissory note	5,000	-	5,000	-
Lease obligations	500	81	419	-
Mortgage payable	15,488	953	5,190	9,345
Total	22,488	2,534	10,609	9,345

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

The Company has entered into office and equipment leases for a period of five years. The annual net lease payments are approximately \$76 per year.

Contingencies

The Company may be involved in legal proceedings from time to time arising in the ordinary course of business. Contingencies will be accrued when the outcome is probable, and the amount can be reasonably estimated. Based on the Company's knowledge of events at September 30, 2020, no such matters were identified.

14. Subsequent Events

On October 16, 2020 the Company announced the completion of its name change to Green Rise Foods Inc. from Green Rise Capital Corporation. The Company received shareholder approval for this name change at its annual general and special meeting of shareholders held on July 8, 2020 and received approval from the TSX Venture Exchange on October 15, 2020.