UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15b-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report: September 30, 2020

Commission File Number:

Red White & Bloom Brands Inc.
(Exact name of registrant as specified in its charter)

N/A
(Translation of Registrant's name into English)

810-789 West Pender Street
Vancouver, British Columbia, Canada, V6C 1H2
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F. Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): Yes ☐ No ☒

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): Yes ☐ No ☒

Indicate by check mark whether the registrant by furnishing the information contained in this Form 6-K is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934: Yes ☐ No ☒

Explanatory Note

Safe Harbor Statement

This Form 6-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 about the registrant and its business. Forward-looking statements are statements that are not historical facts and may be identified by the use of forward-looking terminology, including the words "believes," "expects," "intends," "may," "will," "should" or comparable terminology. Such forward-looking statements are based upon the current beliefs and expectations of the registrant's management and are subject to risks and uncertainties which could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements are not guarantees of future performance and actual results of operations, financial condition and liquidity, and developments in the industry may differ materially from those made in or suggested by the forward-looking statements contained in this Form 6-K. These forward-looking statements are subject to numerous risks, uncertainties and assumptions. The forward-looking statements in this Form 6-K speak only as of the date of this report and might not occur in light of these risks, uncertainties, and assumptions. The registrant undertakes no obligation and disclaims any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Exhibits

The following exhibits are included in this Form 6-K:

99.1	Amended and restated condensed interim consolidated financial statements for the three and six month periods ended June 30, 2020 and June 30, 2019
99.2	Amended and restated Management's Discussion and Analysis for the three and six month periods ended June 30, 2020 and June 30, 2019
99.3	CEO Certification
99.4	CFO Certification

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

By: /s/ Theo van der Linde

Theo van der Linde
Chief Financial Officer

Date: November 18, 2020

Amended and Restated

Red White & Bloom Brands Inc.
(Formerly Tidal Royalty Corp.)

Condensed Interim Consolidated Financial Statements
For the Three and Six Month Periods Ended June 30, 2020 and 2019
(Unaudited - Expressed in Canadian dollars)

Red White & Bloom Brands Inc.
(Formerly Tidal Royalty Corp.)

For the Three and Six Month Periods Ended June 30, 2020 and 2019

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

To the Shareholders of Red White & Bloom Brands Inc.:

Management is responsible for the preparation and presentation of the accompanying condensed interim consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the condensed interim consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of the condensed interim consolidated financial statements.

The Board of Directors (the "Board") is responsible for overseeing management in the performance of its financial reporting responsibilities. The Board has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Board is also responsible for recommending the appointment of the Company's external auditors.

September 17, 2020

/s/ Michael Marchese

Michael Marchese, Director

/s/ Brad Rogers

Brad Rogers, Director

Red White & Bloom Brands Inc.
(Formerly Tidal Royalty Corp.)
Condensed Interim Consolidated Statements of Financial Position
As at June 30, 2020 (Unaudited) and December 31, 2019 (Audited)
(Expressed in Canadian dollars)

		June 30,2020	December 31,2019
ASSETS	Notes	**$**	$
Current assets			
Cash		**2,599,154**	1,378,687
Prepaid expenses		**447,755**	124,140
Accounts receivable	7	**2,196,476**	1,463,388
Biological assets	8	**8,635,812**	-
Inventory	9	**12,022,264**	-
Loans receivable	11	**44,852,544**	36,504,397
		70,754,005	39,470,612
Non-current assets			
Property, plant and equipment	10	**83,361,192**	10,847
Deposits	11, 21	**381,345**	12,530,659
Loans receivable	11	**45,310,060**	36,419,594
Call option	11	**19,828,224**	19,547,757
Right-of-use assets		**67,092**	-
Intangible assets	12	**21,978,000**	-
		170,925,913	68,508,857
Total assets		**241,679,918**	107,979,469
LIABILITIES AND SHAREHOLDERS’ EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	17	**6,803,649**	1,334,370
Contingent liabilities	6	**14,889,600**	-
Convertible debentures	13	**-**	17,597,600
Current loan payable	14	**1,095,706**	-
Lease liabilities		**71,531**	-
Credit facility	14	**-**	36,610,075
		22,860,486	55,542,045
Non-current liabilities			
Credit facility	14	**67,799,300**	-
Loan payable	14	**1,441,118**	-
Total liabilities		**92,100,904**	55,542,045
Shareholders’ equity			
Common shares	15	**104,174,967**	61,366,160
Convertible series I preferred shares	15	**3,664,799**	-
Convertible series II preferred shares	15	**63,399,626**	-
Contributed surplus	15	**11,380,862**	5,748,889
Cumulative translation adjustment		**1,922,925**	-
Deficit		**(34,964,165)**	(14,677,625)
Total shareholders’ equity		**149,579,014**	52,437,424
Total liabilities and shareholders’ equity		**241,679,918**	107,979,469

Approved and authorized for issuance on behalf of the Board of Directors on September 17, 2020 by:

/s/ Michael Marchese — *Michael Marchese, Director*

/s/ Brad Rogers — *Brad Rogers, Director*

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

Red White & Bloom Brands Inc.
(Formerly Tidal Royalty Corp.)
Condensed Interim Consolidated Statements of Comprehensive Loss
For the three and six month periods ended June 30, 2020 and 2019
(Unaudited)
(Expressed in Canadian dollars)

	Notes	**Three months ended June 30, 2020**	Three months ended June 30, 2019	**Six months ended June 30, 2020**	Six months ended June 30, 2019
		$	$	$	$
Sales		**1,512,050**	-	1,512,050	-
Cost of Sales		**272,745**	-	272,745	-
Gross profit before fair value adjustments		**1,239,305**	-	1,239,305	-
Unrealized gain on changes in fair value of biological assets	8	**(8,274,760)**	-	(8,274,760)	-
Gross profit		**9,514,065**	-	9,514,065	-
Expenses					
Commissions	14	**52,134**	2,404,888	**2,021,062**	2,404,888
Interest expense	14	**2,080,625**	-	**4,042,577**	-
Share-based compensation	15	**153,153**	967,280	**1,275,228**	2,425,730
Consulting fees	17	**434,256**	-	**755,744**	-
Marketing		**628,422**	-	**900,652**	174,025
Professional fees		**572,577**	-	**830,144**	-
Salaries and wages	17	**536,781**	-	**740,963**	-
General and administration		**609,575**	1,203,601	**639,298**	1,637,946
Depreciation	10	**1,321,184**	-	**1,322,246**	-
Foreign exchange loss (gain)		**3,724,549**	1,593,599	**(4,380,521)**	1,741,600
		10,133,256	6,343,393	**8,147,393**	8,384,189
(Income) loss before other items		**599,191**	6,343,393	**(1,366,672)**	8,384,189
Other expenses (income)					
Interest income	11	**(1,194,523)**	(1,165,818)	**(2,344,483)**	(1,864,340)
Accretion of loans receivable	11	**(758,603)**	(464,230)	**(1,440,946)**	(1,124,015)
Management fees	7	**-**	-	**(425,610)**	-
Loss (gain) on revaluation of call option	11	**(58,246)**	839,937	**1,420,001**	2,008,403
Gain on disposal	10	**(149,947)**	-	**(149,947)**	-
Write off of deposit	21	**1,853,059**	-	**1,853,059**	-
Revaluation of investment		**(91,143)**	-	**(91,143)**	-
Listing expense	5	**22,832,281**	-	**22,832,281**	-
		22,432,878	(790,111)	**21,653,212**	(979,952)
Net loss for the period		**23,032,069**	5,553,282	**20,286,540**	7,404,237
Translation adjustment on consolidation of foreign subsidiaries		**1,922,925**	-	**1,922,925**	-
Net loss and comprehensive loss for the period		**24,954,994**	5,553,282	**22,209,465**	7,404,237
Net loss per share, basic and diluted		**0.20**	0.07	**0.18**	0.10
Weighted average shares outstanding		**123,933,850**	80,962,182	**123,497,344**	76,993,071

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

Red White & Bloom Brands Inc.
(Formerly Tidal Royalty Corp.)
Condensed Interim Consolidated Statements of Changes in Equity
For the six month period ended June 30, 2020 and 2019
(Unaudited)
(Expressed in Canadian dollars)

	Convertible series I preferred shares		Convertible series II preferred shares		Common shares		Subscriptions receivable	Contributed surplus	Translation adjustment	Deficit	Total
	#	$	#	$	#	$	$	$	$	$	$
Balance, December 31, 2018	**-**	**-**	**-**	**-**	**74,222,182**	**35,111,680**	**(125,000)**	**1,952,794**	**-**	**(2,163,725)**	**34,775,749**
Shares issued, net	-	-	-	-	6,740,000	10,083,646	125,000	-	-	-	10,208,846
Share-based compensation	-	-	-	-	-	-	-	2,425,730	-	-	2,425,730
Net loss for the period	-	-	-	-	-	-	-	-	-	(6,519,849)	(6,519,849)
Balance, June 30, 2019	**-**	**-**	**-**	**-**	**80,962,182**	**45,195,326**	**-**	**4,378,524**	**-**	**(8,683,574)**	**40,890,276**
Balance, December 31, 2019	**-**	**-**	**-**	**-**	**84,211,770**	**61,366,160**	**-**	**5,748,889**	**-**	**(14,677,625)**	**52,437,424**
Shares issued for acquisition	-	-	-	-	17,133,579	37,693,874	-	-	-	-	37,693,874
Preferred shares issued on RTO	-	-	101,345,349	51,089,073	-	(51,089,073)	-	-	-	-	-
Deemed shares issued	3,181,250	3,664,799	-	-	23,464,462	27,031,060	-	-	-	-	30,695,859
Replacement warrants issued	-	-	-	-	-	-	-	133,476	-	-	133,476
Replacement options issued	-	-	-	-	-	-	-	133,826	-	-	133,826
Shares issued for asset acquisition	-	-	-	-	15,300,000	16,983,000	-	-	-	-	16,983,000
Warrants issued for asset acquisition	-	-	-	-	-	-	-	4,995,000	-	-	4,995,000
Finders' shares issued	-	-	7,381,000	8,646,842	7,381,000	8,119,100	-	-	-	-	16,765,942
Share-based compensation	-	-	-	-	-	-	-	1,275,228	-	-	1,275,228
Shares issued	-	-	2,339,200	3,555,584	2,339,200	2,292,416	-	-	-	-	5,848,000
Warrants exercised	-	-	-	-	616,875	588,930	-	(95,430)	-	-	493,500
Stock options exercised	-	-	975,000	108,127	975,000	1,189,500	-	(810,127)	-	-	487,500
Currency translation adjustment	-	-	-	-	-	-	-	-	1,922,925	-	1,922,925
Net loss for the period	-	-	-	-	-	-	-	-	-	(20,286,540)	(20,286,540)
Balance, June 30, 2020	**3,181,250**	**3,664,799**	**112,040,549**	**63,399,626**	**151,421,886**	**104,174,967**	**-**	**11,380,862**	**1,922,925**	**(34,964,165)**	**149,579,014**

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

Red White & Bloom Brands Inc.
(Formerly Tidal Royalty Corp.)
Condensed Interim Consolidated Statements of Cash Flows
For the six month period ended June 30, 2020 and 2019
(Unaudited)
(Expressed in Canadian dollars)

	Notes	**2020**	2019
		$	$
Operating activities			
Net loss for the period		**(20,286,540)**	(7,404,237)
Items not affecting cash:			
Share-based compensation	15	**1,275,228**	2,425,730
Accrued interest receivable	11	**(2,334,483)**	(1,864,340)
Accretion of loans receivable	11	**(1,440,946)**	(1,124,015)
Unrealized foreign exchange (gain) loss		**335,405**	(180,347)
Revaluation of call option	11	**1,420,001**	2,008,403
Fair value adjustment on biological assets	8	**(8,274,760)**	-
Depreciation	10	**1,322,246**	-
Listing expense	5	**22,832,281**	-
Write off of deposit	21	**1,853,059**	-
Interest on lease		**2,665**	-
Gain on disposal of property, plant and equipment	10	**(149,947)**	-
Changes in non-cash operating working capital:			
Prepaid expenses		**470,923**	(3,126,371)
Accounts receivable	7	**(406,345)**	(129,639)
Accounts payable and accrued liabilities	15	**(3,639,512)**	316,723
Biological assets	8	**(1,183,493)**	-
Inventory	9	**(546,110)**	-
Deposits		**38,905**	-
Net cash used in operating activities		**(8,771,423)**	(9,078,093)
Investing activities			
Disposition of property, plant and equipment	10	**770,684**	-
Acquisition of Mid-American Growers, Inc.	6	**(22,155,328)**	-
Purchase of equipment	8	**-**	(10,713)
Loans receivable	11	**(268,218)**	(74,500,074)
Net cash used in investing activities		**(21,652,862)**	(74,510,787)
Financing activities			
Issuance of share capital, net	15	**-**	10,208,646
Exercise of warrants	15	**493,500**	-
Exercise of stock options	15	**487,500**	-
Reverse takeover transaction	5	**1,772,141**	-
Convertible debentures	13	**-**	15,000,000
Lease payments		**(49,253)**	-
Credit facility	14	**28,880,864**	36,422,647
Net cash provided by financing activities		**31,584,752**	61,631,293
Decrease in cash		**1,220,467**	(21,245,428)
Cash, beginning of the period		**1,378,687**	24,377,286
Cash, end of the period		**2,599,154**	2,419,699

Supplemental disclosure of cash flow information (Note 19)

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

1. Background and Nature of Operations

Red White & Bloom Brands Inc. (formerly Tidal Royalty Corp.) (the "Company" or "RWB") was incorporated on March 12, 1980 pursuant to the *Business Corporations Act* (British Columbia).

The Company's head office and registered office is located at Suite 810 – 789 West Pender Street, Vancouver, British Columbia, V6C 1H2.

On April 24, 2020, Tidal Royalty Corp. ("Tidal") and a private Ontario company named MichiCann Medical Inc. ("MichiCann") completed an amalgamation structured as a three-corned amalgamation whereby MichiCann was amalgamated with a newly incorporated subsidiary of Tidal, forming the Company.

Immediately prior to the amalgamation, Tidal completed a consolidation of the Tidal common shares on the basis of one post- consolidated Tidal share for every sixteen pre-consolidation Tidal common shares and changed its name from "Tidal Royalty Corp." to "Red White & Bloom Brands Inc.". The shares of Tidal were exchanged for shares of MichiCann on a 2:1 basis. Due to the terms of the exchange ratio, the previous shareholders of MichiCann acquired a controlling interest in Tidal and as such, the amalgamation has been accounted for as a reverse takeover transaction with MichiCann being the resulting issuer for financial reporting purposes.

The amalgamation resulted in all the issued and outstanding shares of MichiCann being exchange for one common share and one convertible series II preferred share of the Company. Holders of MichiCann common share purchase warrants and MichiCann stock options received one replacement warrant or stock option, as applicable, with each exercisable for units consisting of one common share and one convertible series II preferred share.

All convertible series II preferred shares are convertible into common shares, on a one for one basis, at any time between seven months and twenty-four months after their initial issuance date.

An aggregate of 101,345,349 common shares, 101,345,349 convertible series II preferred shares, 595,430 share purchase warrants and 7,962,679 stock options were issued to the former holders of MichiCann common shares, MichiCann warrants and MichiCann stock options, respectively. Refer to Note 5 for further details on the amalgamation.

Certain shareholders have entered into voluntary escrow and/or escrow and leak out agreements totaling 36,844,823 common shares and the underlying shares for 3,000,000Options. The escrow agreements carry various release terms between 6 and 18 months.

As a result of the completion of this transaction, the former holders ofMichiCann common shares now hold approximately 82.25% of the issued and outstanding common shares and former holders of Tidal shares now hold 17.75% of the common shares, in each case, on a non-diluted basis. A new board and new management assumed control of the Company on June 5, 2020, the shares of the Company resumed trading on the Canadian Securities Exchange under the new trading symbol "RWB".

Prior to the amalgamation, Tidal's primary business was investing in conventional equity, debt and other forms of investments in private and public companies in Canada and the United States.

PharmaCo Inc. Agreements

On January 4, 2019, MichiCann entered into a put/call option agreement (the "Put/Call Option Agreement") with PharmaCo Inc. ("PharmaCo") and its shareholders ("PharmaCo Shareholders") pursuant to which the PharmaCo Shareholders granted MichiCann the call right to acquire 100% of the issued and outstanding shares of PharmaCo from the PharmaCo Shareholders, and MichiCann granted all of the PharmaCo Shareholders the put right to sell 100% of the issued and outstanding shares of PharmaCo to MichiCann, in exchange for the issuance of 37,000,000 MichiCann common shares in aggregate (subject to standard anti-dilution protections) subject to all state and local regulatory approvals including the approval of the Medical Marihuana Licensing Board and/or the Bureau of Medical Marihuana Regulation within the Department of Licensing and Regulatory Affairs (“LARA”) in the State of Michigan. Each PharmaCo Shareholder shall have the right, but not the obligation, as its sole direction, to sell to MichiCann all, but not less than all, of the PharmaCo common shares held by it. As at June 30, 2020, the call option was determined to have a fair value of $19,828,224 (December 31, 2019 - $19,547,757) using level 3 inputs of the fair value hierarchy.

On January 4, 2019, MichiCann entered into a debenture purchase agreement (the “Debenture Purchase Agreement”) with PharmaCo pursuant to which MichiCann agreed to purchase up to $114,734,209 United States dollars (“USD”) of an 8% senior secured convertible debenture of PharmaCo (the “Opco Debenture”). The Opco Debenture is secured by all real and personal property and interests in the real and personal property of PharmaCo, whether now owned or subsequently acquired. The Opco Debenture has a maturity date of January 4, 2023 (the “Maturity Date”).

The principal amount of the Opco Debenture is convertible into common shares of PharmaCo at a conversion price equal to the then outstanding balance of the Opco Debenture divided by the total number of PharmaCo common shares then outstanding (the “Conversion Shares”). The principal amount and accrued interest of the Opco Debenture outstanding is convertible at any time on or prior to the earlier of the business day immediately preceding: (i) the Maturity Date; and (ii) the date that is 30 days after the Company received LARA’s written approval of the Holder Application (application seeking permission to convert the Opco Debenture and own the Conversion Shares).

Notwithstanding the foregoing, the conversion of the Opco Debenture is subject to PharmaCo and MichiCann having obtained all required permits from governmental authorities in connection with MichiCann’s ownership of PharmaCo common shares, including, without limitation, all required cannabis licenses or related permits issued by LARA (but excluding any permit or other requirement which arises or may arise under any excluded law).

2. Going Concern

These condensed interim consolidated financial statements have been prepared under the assumption of a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at June 30, 2020, the Company’s working capital was $47,893,519 (December 31, 2019 – working capital deficiency of $16,071,433) and has accumulated losses of $34,964,165 (December 31, 2019 - $14,677,625) since inception. The Company’s operations are mainly funded with debt and equity financing, which is dependent upon many external factors and may be difficult to raise when required. The Company may not have sufficient cash to fund the acquisition and development of assets therefore will require additional funding, which if not raised, may result in the delay, postponement or curtailment of some of its activities.

These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company’s ability to continue as a going concern. These condensed interim consolidated financial statements do not include adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. If the going concern assumption were not appropriate for these condensed interim consolidated financial statements then adjustments would be necessary to the carrying values of assets and liabilities, the reported expenses and the condensed interim statements of financial position classifications used. Such adjustments could be material.

(Expressed in Canadian dollars)

COVID-19

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

3. Basis of presentation

(a) Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB") using accounting principles consistent with International Financial Reporting Standards ("IFRS") as issued by the IASB. These condensed interim consolidated financial statements do not include all of the information required for full annual consolidated financial statements. These condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2019.

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on September 17, 2020.

(b) Basis of Presentation

These condensed interim consolidated financial statements have been prepared on a historical cost basis except for biological assets and certain financial assets classified as fair value through profit or loss, which are measured at fair value, as detailed in Note 16. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

(c) Basis of Consolidation

Subsidiaries are entities controller by the Company. Control exists when the Company has the power, directly and indirectly, to govern the financial and operating policies of an entity and be exposed to the variable returns from its activities. The financial statements of subsidiaries are included in the condensed interim consolidated financial statements from the date that control commences until the date that control ceases. All inter-company transactions, balances, income and expenses are eliminated in full upon consolidation. These condensed interim consolidated financial statements include the accounts of the following active entities:

Name of Subsidiary	Jurisdiction	Percentage Ownership
Mid-American Growers, Inc.	Illinois, USA	100%
Mid-American Cultivation LLC	Illinois, USA	100%
1251881 B.C. Ltd.	British Columbia, Canada	100%
Tidal Royalty Corp.	British Columbia, Canada	100%
Royalty USA Corp.	Delaware, USA	100%
RLTY Development Orange LLC	Massachusetts, USA	100%

RLTY Development Springfield LLC	Massachusetts, USA	100%

(d) Functional and Presentation Currency

The Company's functional currency, as determined by management, is the Canadian dollar. Management has determined that the functional currency of its Canadian subsidiaries is the Canadian dollar and the functional currency of its United States subsidiaries is the United States dollar. These condensed interim financial statements are presented in Canadian dollars unless otherwise specified.

4. Significant Accounting Policies

The following outlines use of estimates and judgements in the preparation of these condensed interim consolidated financial statements, and significant accounting policies of the Company which have not been included in the Company's annual audited consolidated financial statements for the year ended December 31, 2019:

(a) Use of Estimates and Judgments

The preparation of these condensed interim consolidated 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, revenues and expenses. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In preparing these condensed interim consolidated financial statements, management has made significant assumptions which are applied in determining the fair values of the various instruments at the reporting date. Should any of the assumptions be incorrect, it would result in a material adjustment to the carrying amount of certain assets and liabilities.

Other significant assumptions about the future and other sources of estimation uncertainty that management has made as at the condensed interim statement of financial position date that could result in a material adjustment to the carrying amount of assets and liabilities in the event that actual results differ from assumptions made, related to, but are not limited to, the following:

Valuation of the Fair Value Less cost to Sell of Biological Assets

Biological assets, consisting of hemp plants and agricultural produce, are measured at fair value less costs to sell up to the point of harvest. The determination of the fair values of the biological assets requires the Company to make assumptions with respect to how market participants would estimate fair value, including selling value, costs of sale and costs to completion.

Share-based Compensation

The Company provides compensation benefits to its consultants, directors and officers through a stock option plan. The fair value of each option award is estimated using the Black-Scholes option pricing model which utilizes subjective assumptions such as expected price volatility and expected life of the option. Share-based compensation expense also utilizes subjective assumptions on forfeiture rate. Changes in these input assumptions can significantly affect the fair value estimate.

Convertible Debentures

In accordance with the substance of the contractual arrangement, convertible debentures are compound financial instruments that are accounted for separately by their components: a financial liability and an equity instrument. The fair value of any derivative feature embedded in the compound financial instrument (other than the equity component, such as an equity conversion feature) is presented as a liability instrument. The identification of convertible debenture components is based on interpretations of the substance of the contractual arrangement and therefore requires judgment from management. The separation of the components affects the initial recognition of the convertible debenture at issuance and the subsequent recognition of interest on the liability component. The determination of the fair value of the liability component is also based on a number of assumptions, including contractual future cash flows, discount factors and the presence of any derivative financial instruments.

Derivative Financial Instruments

A derivative is a financial instrument whose value is based on an underlying asset or set of assets. TheCompany has determined that its call option represents a derivative financial instrument and as such has been measured at fair value in accordance with level 3 of the fair value hierarchy. Accordingly, the fair value of derivative financial instruments was determined using inputs that are not based on observable market data and therefore requires judgment from management.

Convertible Preferred Share Units

The Company issues convertible preferred share units consisting of one common share and one series II convertible preferred shares. The fair value of the unit is determined using the value of goods or services received. The fair value is separated between the common share and preferred share component using the relative fair value of each instrument on the issuance date. The separation of the components is based on the conversion rate of the preferred shares, which requires management to estimate the amount of time that will lapse between the initial issuance of the preferred share and its conversion date.

Assessment of the Transactions as an Asset Acquisition or Business Combination

Management has had to apply judgment relating to acquisitions with respect to whether the acquisition was a business combination or an asset acquisition. Management applied a three-element process to determine whether a business or an asset was purchased, considering inputs, processes and outputs of each acquisition in order to reach a conclusion.

Determination of Purchase Price Allocations and Contingent Consideration

Judgements are made in determining the fair value of assets and liabilities, including the valuation of separately identifiable intangibles acquired as part of an acquisition. Further, estimates are made in determining the value of contingent consideration payments that should be recorded as part of the consideration on the date of acquisition and changes in contingent consideration payable in subsequent reporting periods, if any. Contingent consideration payments are generally based on acquired businesses achieving certain performance targets. The estimates are based on management's best assessment of the related inputs used in the valuation models, such as future cash flows and discount rates. Future performance results that differ from management's estimates could result in changes to liabilities recorded, which are recorded as they arise through profit or loss.

Loans Receivable

Management applies judgment in the assessment of the collectability of the loans and interest receivable.

Going Concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

(b) Property, plant and equipment

Property, plant and equipment is recorded at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation, based on the estimated useful lives of the assets, is provided using the following methods:

Computer software	3 years	Straight-line
Office furniture and equipment	3 years	Straight-line
Machinery and equipment	5 years	Straight-line
Building and improvements	30 years	Straight-line

Property, plant and equipment acquired during the period but not placed into use are not depreciated until they are placed into use.

(c) Share capital

Common Shares

Common shares are classified as equity. Transaction costs directly attributable to the issuance of common shares and share options are recognized as a reduction from equity.

Equity units

Proceeds received on the issuance of units, consisting of common shares and warrants, are allocated first to common shares based on the comparable issuance price of common shares issued without warrants. Any excess of proceeds is allocated to warrants. Transaction costs directly attributable to the issuance of units are recognized as a reduction from equity.

(d) Foreign currency translation

Transactions in foreign currencies are initially recorded in the functional currency at the rate in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the spot rate of exchange in effect at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. All exchange differences are recorded in profit and loss.

The financial statements of subsidiaries that have a functional currency other than the Canadian dollar were translated into Canadian dollars as follows: assets and liabilities – at the closing rate at the date of the statements of financial position, and income and expenses – at the average rate for the period. All resulting changes are recognized in other comprehensive income (loss) as foreign currency translation adjustments.

(e) Biological assets

While the Company's biological assets are within the scope of IAS 41 *Agriculture*, the direct and indirect costs of biological assets are determined using an approach similar to the capitalization criteria outlined in IAS 2 *Inventories*. They include the direct cost of seeds and growing materials as well as other direct costs such as utilities and supplies used in the growing process. Indirect labour for individuals involved in the growing and quality control process is also included, as well as depreciation on production equipment and overhead costs. Direct and indirect costs of biological assets are capitalized based on standard costing as they are incurred and they are all subsequently recorded within the line item 'cost of sales' in profit or loss in the period that the related product is sold. The variance between amount capitalized based on standard costing and actual costs is recorded within the line item 'cost of sales' in profit or loss in the period that related costs are incurred. Unrealized fair value gains/losses on growth of biological assets are recorded in a separate line on the face of the consolidated statements of comprehensive loss. Biological assets are measured at their fair value less costs to sell on the consolidated statements of financial position.

(f) Inventory

The direct and indirect costs of inventory initially include the fair value of the biological asset at the time of harvest. They also include subsequent costs such as materials, labour and depreciation expense on equipment involved in packaging, labeling and inspection. All direct and indirect costs related to inventory are capitalized as they are incurred and they are subsequently recorded within 'cost of sales' in profit or loss at the time hemp is sold, except for realized fair value amounts included in inventory sold which are recorded as a separate line on the face of the consolidated statements of comprehensive loss. Inventory is measured at lower of cost or net realizable value on the consolidated statements of financial position.

(g) Revenue recognition

The Company follows the following steps for accounting for revenue from contracts with customers:

(1) Identify the contract with customer
(2) Identify the performance obligation(s)
(3) Determine the transaction price
(4) Allocate the transaction price to the performance obligation(s)
(5) Recognize revenue when/as performance obligations(s) are satisfied

Revenue from the direct sale of hemp to customers for a fixed price is recognized when theCompany transfers control of the goods to the customer at the point of sale and customer has paid for the goods.

(h) Intangible assets

The Company's intangible assets include licensed intellectual property acquired with the acquisition of 1251881 B.C. Ltd. (Note 6). Intangible assets acquired are recorded at cost less accumulated amortization and any impairment losses. Intangible assets are assessed for indicators of impairment at each reporting date, or more frequently if changes in circumstances indicate that the carrying value may be impaired. Amortization for intangible assets with finite lives is calculated on a straight-line basis over the life of the asset less its residual value. The Company's amortization policy for intangible assets with finite lives is as follows:

Licensed IP	5 years	Straight-line

5. Reverse Takeover

On May 8, 2019, Tidal and MichiCann entered into aBusiness Combination Agreement (the "Combination Agreement"). The Combination Agreement was structured as a three-cornered amalgamation whereby MichiCann was combined with a newly incorporated subsidiary of Tidal, forming the Company. The amalgamation resulted in all the issued and outstanding shares of Tidal and MichiCann being exchanged for common shares and convertible series II preferred shares of the Company.

The amalgamation was considered a reverse takeover as the legal acquiree's former shareholders control the consolidated entity after completion of the amalgamation. Consequently, the legal acquiree is the accounting acquirer and the historical financial results presented in these condensed interim consolidated financial statements are those of MichiCann.

At the time of the amalgamation, Tidal's assets consisted primarily of cash and receivables and it did not have any processes capable of generating outputs; therefore, Tidal did not meet the definition of a business. Accordingly, as Tidal did not qualify as a business in accordance with IFRS 3 *Business Combinations,* the amalgamation did not constitute a business combination; however, by analogy it has been accounted for as a reverse takeover. Therefore, MichiCann, the legal subsidiary, has been treated as the accounting parent company, and Tidal, the legal parent, has been treated as the accounting subsidiary.

Upon completion of the amalgamation 375,431,661 Tidal common shares and 50,900,000 Tidal preferred shares were consolidated into 23,464,462 common shares and 3,181,250 convertible series I preferred shares of the Company on the basis of one post-consolidation share for every sixteen pre-consolidation shares. The fair value of these shares of $27,031,060 and $3,664,800, respectively was based on an estimated fair value of $1.152 per share as at the transaction date as per the trading price of Tidal on April 24, 2020. In addition, the post-consolidation 1,186,711 Tidal common share purchase warrants and 1,799,110 Tidal stock options were fair valued on the acquisition date, determined using a Black-Scholes option pricing model, and included in the consideration paid by the Company.

In connection with the amalgamation, the Company issued 7,381,000 common shares and 7,381,000 convertible series II preferred shares as finder's fees to a third-party. The fair value of these shares of $8,119,100 and $8,646,842, respectively was based on an estimated fair value of $1.10 per share as per the trading price of RWB common shares following the amalgamation, adjusted for any conversion ratios.

(Expressed in Canadian dollars)

As the acquisition was not considered a business combination, the excess of consideration paid over the net assets acquired together with any transaction costs incurred for the amalgamation is expensed as a transaction in accordance with IFRS 2 *Share-Based Payments*.

Common shares of MichiCann deemed issued	$	27,031,060
Preferred shares of MichiCann deemed issued		3,664,799
Transaction costs – common shares		8,119,100
Transaction costs – convertible series II preferred shares		8,646,842
Fair value of Tidal warrants		133,476
Fair value of Tidal stock options		133,825
Total consideration paid		47,729,102
Cash and cash equivalents		1,772,141
Sales tax receivable		132,876
Prepaid expenses		794,538
Promissory note receivable		4,330,715
Right-of-use asset		111,820
Convertible loan receivable		18,418,437
Investments		347,750
Accounts payable		(893,337)
Lease liability		(118,119)
Net identifiable assets acquired		24,896,821
Total transaction expense	**$**	**22,832,281**

The Company uses the Black-Scholes option pricing model to determine the fair value of the replacement warrants and stock options granted with the following weighted average assumptions:

Expected life in years	2.28
Volatility	100%
Risk-free rate	0.36%
Dividend yield	0.00%

6. Acquisitions

During the period ended June 30, 2020, theCompany completed the following acquisitions:

Mid-American Growers, Inc.

On April 24, 2020, the Company acquired 100% of the issued and outstanding shares of Mid-American Growers, Inc. (“MAG”). MAG is a company that cultivates and sells hemp-based products throughout North American. Under the terms of the agreement, the Company paid $33,316,284 in cash and issued 17,133,579 common shares with a fair value of $37,693,874. Included in the agreement is a milestone payment of 2,640,000 common shares should the MAG sellers reasonably assist the Company in receiving a commercial cultivation license for its facility in Illinois (the “Milestone Event”). There is an additional milestone payment of USD $5,000,0000 should the Milestone Event be completed during calendar year 2020.Concurrently, the Company entered an earn-out agreement with the sellers of MAG whereby the Company will pay a 23% commission on hemp product sales during the period of April 1, 2020 to March 31, 2021. This has been accounted for as contingent consideration payable and added to the purchase price.

(Expressed in Canadian dollars)

Concurrent with the closing of the MAG acquisition, MichiCann's wholly owned subsidiary, RWB Illinois, Inc. acquired an additional 142 acres of land located in Illinois, together with the buildings, plant facilities, structures, building systems fixtures and improvements located thereon and related personal property and intangibles (together with the MAG owned property, the "Illinois Facility") for USD $2,000,000 pursuant to a real estate purchase agreement made and entered into as of January 10, 2020 between RWB, VW Properties LLC, as seller, and each of the MAG Sellers. The USD $2,000,000 paid to purchase the additional land has been included in the consideration to acquire the issued and outstanding shares of MAG.

The acquisition of MAG was accounted for as a business combination. The consideration and net identifiable assets acquired were recorded in the accounts of the Company at its fair value as follows:

Cash (Note 11(f))	$	33,316,284
Common shares issued		37,693,874
Contingent consideration – earn-out		9,658,500
Contingent consideration – milestone		5,231,100
Total consideration paid		85,899,758
Cash		555,856
Accounts receivable		193,867
Inventory		4,153,076
Biological asset		6,500,637
Property, plant and equipment		85,248,600
Accounts payable		(2,042,473)
Other payables		(8,709,805)
Net identifiable assets acquired	$	85,899,758

Since the acquisition of MAG on April 24, 2020, MAG has generated revenues of $1,512,050 and incurred a net loss of $1,004,470.

<u>1251881 B.C. Ltd.</u>

On June 10, 2020, the Company acquired 100% of the issued and outstanding shares of 1251881 B.C. Ltd. Under the terms of the agreement, the Company issued 13,500,000 common shares and 4,500,000 special warrants as consideration. The special warrants are automatically convertible into 4,500,000 common shares of the Company should the volume weighted average price of the Company's common shares be less than $1.50 for the first 180 days following the acquisition date.

At the time of the acquisition, 12151881 B.C. Ltd.'s assets consisted solely of intangible assets and it did not have any processes capable of generating outputs; therefore 12151881 B.C. Ltd. did not meet the definition of a business and the acquisition was accounted for as an asset acquisition. The consideration paid and net identifiable assets acquired were recorded in the accounts of the Company at its fair value determined as follows:

Common shares	$	14,985,000
Fair value of special warrants issued		4,995,000
Transaction costs		1,998,000
Total consideration paid		21,978,000
Intangible assets		21,978,000
Net identifiable assets acquired	$	21,978,000

(Expressed in Canadian dollars)

The transaction costs comprise 1,800,000 common shares of theCompany issued to a finder with a fair value of $1,998,000.

Immediately prior to the acquisition, 1251881 B.C Ltd. entered into (i) a retail license agreement with High Times Retail Licensing, LLC (”HT”) whereby 1251881 B.C. Ltd was granted the right to use certain intellectual property associated with retail dispensary and local delivery services for cannabis products, cannabis accessories and merchandise in the States of Michigan, Illinois and Florida; and (ii) a product licensing agreement with HT whereby 1251881 B.C. Ltd. was granted an exclusive license to use certain intellectual property related to the commercialization of cannabis products in Michigan, Illinois and Florida and CBD products nationally carrying HT brands.

Concurrently, the Company entered into a definitive agreement (the "Licensing Agreement") to acquire the licensing rights for the branding of High Times dispensaries and High Times cannabis-based CBD and THC products in the States of Michigan, Illinois and Florida and branding of High Times hemp derived CBD products nationally in the United States carrying the Culture brand.

Under the terms of the Licensing Agreement, the Company has acquired the rights to exclusively brand both medical and recreational dispensaries and cannabis products within the States of Michigan, Illinois and Florida. The Licensing Agreement includes the Company securing the rights from High Times to Culture for the branding of CBD and whole hemp flower products nationally in the United States.

7. Accounts Receivable

Accounts receivable is comprised of:

	June 30, 2020 $	**December 31, 2019 $**
Trade receivables	1,746,018	1,111,637
Sales tax receivable	450,458	351,751
Total accounts receivable	2,196,476	1,463,388

Trade receivables include management fees charged to PharmaCo and other receivables. During the period ended June 30, 2020, $425,610 in management fees were charged to PharmaCo.

Sales tax receivable represents input tax credits arising from sales tax levied on the supply of goods purchased or services provided in Canada.

(Expressed in Canadian dollars)

8. Biological Assets

The Company measures its biological assets at their fair value less costs to sell. This is determined using a model which estimates the expected harvest yield in grams for plants currently being cultivated, and then adjusts that amount for the expected selling price per gram and also for any additional costs to be incurred, such as post-harvest costs.

The following significant unobservable inputs, all of which are classified as level 3 on the fair value hierarchy, were used by management as part of this model:

- Estimated selling price – calculated as the weighted average historical selling price for all strains of hemp sold by the Company, which is expected to approximate future selling prices
- Stage of growth – represents the weighted average number of weeks out of the 15 week growing cycle that biological assets have reached as of the measurement date
- Yield by plant – represents the expected number of grams of finished hemp inventory which are expected to be obtained from each harvested hemp plant
- Wastage – represents the weighted average percentage of biological assets which are expected to fail to mature into hemp plants that can be harvested
- Post-harvest costs – calculated as the cost per gram of harvested hemp to complete the sale of hemp plants post harvest, consisting of the cost of direct and indirect materials and labour related to labelling and packaging

The following table quantifies each significant unobservable input, and also provides the impact a 10% increase/decrease in each input would have on the fair value of biological assets.

	June 30, 2020	10% Change as at June 30, 2020
Estimated selling price	$0.45 per gram	$ 1,285,688
Stage of growth	9 Weeks	$ 227,381
Average yield by plant	115 grams	$ 887,121
Wastage	1%	$ 8,937
Post-harvest costs	$0.03 per gram	$ 314,337

The Company accretes fair value on a straight line basis according to stage of growth. As a result, a hemp plant that is 50% through its 15 week growing cycle would be ascribed approximately 50% of its harvest date expected fair value (subject to wastage adjustments).

The Company's biological assets consist of approximately 670,000 plants as at June 30, 2020. The continuity of biological assets is as follows:

Carrying amount, December 31, 2019	$ -
Acquired from MAG acquisition	6,500,637
Fair value adjustment	8,274,760
Transferred to inventory upon harvest	(6,139,585)
Carrying amount, June 30, 2020	$ 8,635,812

The Company's estimates, by their nature, are subject to changes that could result from volatility of market prices, unanticipated regulatory changes, harvest yields, loss of crops, changes in estimates and other uncontrollable factors that could significantly affect the future fair value of biological assets.

These estimates include the following assumptions:

(a) Selling prices are determined by estimating the Company's expected average selling price and mix of product strains;

(b) Cost incurred and remaining costs to complete were estimated by calculating the average production costs up to the point of harvest over the total production period;

(c) The percentage of costs incurred for each stage of plant growth;

(d) The stage of plant growth at which point of harvest is determined;

(e) Costs to sell and other fulfillment costs were determined by estimating the Company's average cost per pound; and

(f) Expected yields of harvested plants are estimated and risk adjusted at each stage of growth.

9. Inventory

The Company's inventory of dry hemp is internally produced inventory. The Company's inventory is comprised of the following items:

	June 30, 2020 $	December 31, 2019 $
Finished goods	1,343,835	-
Work in process	8,317,113	-
Raw materials, supplies and consumables	2,361,316	-
	12,022,264	-

(Expressed in Canadian dollars)

10. Property, Plant and Equipment

The changes in the Company's property, plant and equipment for the period ended June 30, 2020 are as follows:

	Land	Building and improvements	Machinery and equipment	Office furniture and equipment	Total
Cost					
Balance, December 31, 2019	-	-	-	12,745	12,745
Acquired from MAG acquisition	2,392,511	82,559,032	297,057	-	85,248,600
Disposal	-	(620,737)	-	-	(620,737)
Balance, June 30, 2020	2,392,511	81,938,295	297,057	12,745	84,640,608
Accumulated depreciation					
Balance, December 31, 2019	-	-	-	1,898	1,898
Change for the period	-	1,265,492	9,902	2,124	1,277,518
Balance, June 30, 2020	-	1,265,492	9,902	4,022	1,279,416
Carrying value					
December 31, 2019	-	-	-	10,847	10,847
June 30, 2020	2,392,511	80,672,803	287,155	8,723	83,361,192

11. Loans Receivable

(a) Debenture with PharmaCo

During the year ended December 31, 2018, theCompany advanced a series of funds, totalling $5,700,400, to PharmaCo, an arms-length party, in the form of a debenture. The debenture was non-interest bearing, unsecured and is due on demand. On January 4, 2019, the debenture totalling $5,700,400 was transferred into the Opco Debenture, which is discussed below.

(b) Debt settlement on behalf of PharmaCo

During the year ended December 31, 2018, theCompany issued 4,810,000 common shares to a third-party as consideration to settle $4,810,000 owed by PharmaCo to the third-party.

During the period ended June 30, 2020, theCompany issued 2,339,200 common shares and 2,339,200 convertible series II preferred shares to a third-party as consideration to settle $5,848,000 owed by PharmaCo to a third-party.

The amount due from PharmaCo to theCompany of $10,658,000 (December 31, 2019 - $4,810,000) is non-interest bearing, unsecured and has no fixed terms of repayment. This debenture is included in current loans receivable as of June 30, 2020.

(c) Opco Debenture

On January 4, 2019, theCompany entered a Debenture Purchase Agreement with PharmaCo. Under the terms of this agreement, the Company will advance a principal amount of up to USD $114,734,209. As of December 31, 2019, the Company has advanced $53,217,122 (December 31, 2019 - $48,502,029) plus the $5,700,400 debenture that was transferred to the Opco Debenture for a total advance of $58,917,522 (December 31, 2019 - $54,202,429). The Opco Debenture earns interest at 8% per annum and is secured by all real and personal property and interests in the real and personal property of PharmaCo, whether now owned or subsequently acquired. The Opco Debenture including all accrued interest has a maturity date of January 4, 2023. As of June 30, 2020, there is $6,220,762 (December 31, 2019 - $3,832,577) of accrued interest relating to the Opco Debenture.

Concurrent with the Opco Debenture, the Company entered a Put/Call Option Agreement with PharmaCo, as described in Note 1. Both the Opco Debenture and the call option are financial instruments measured at fair value through profit or loss. As at June 30, 2020, the fair value of the Opco Debenture was determined to be $37,648,352 (December 31, 2019 - $30,246,853) and the fair value of the call option was determined to be $19,828,224 (December 31, 2019 - $19,547,757). During the period ended June 30, 2020, the Company recorded a revaluation of call option of $1,420,001 (2019 - $2,008,403). Subsequent to period-end, the Company exercised the Put/Call Option, as further discussed in Note 22.

During the period ended June 30, 2020, the Company recorded accretion income of $1,440,946 (2019 - $1,124,015) on the Opco Debenture. As of June 30, 2020, the value of the Opco Debenture of $39,089,298 (December 31, 2019 - $32,587,017) is included in non-current loans receivable.

(d) Promissory note with PharmaCo

On June 7, 2019, the Company entered a Promissory Note Agreement (“Promissory Note”) with PharmaCo. Under the terms of this agreement, the Company advanced a principal amount of $30,648,517. The Promissory Note is non-interest bearing, unsecured, and matured on January 2, 2020. On January 2, 2020, the Company entered a Promissory Note Extension Agreement with PharmaCo. The Promissory Note is non-interest bearing, unsecured, and matures on January 2, 2021. The funds advanced under the Promissory Note were received from the Bridging Finance Inc. under the credit facility (Note 14). The Promissory Note is included in current loans receivable as of June 30, 2020.

(e) Other amounts with PharmaCo

During the period ended June 30, 2020, $696,890 (2019 - $nil) of expenditures were paid by PharmaCo on behalf of the Company. The cumulative value of these advances of $696,890 (December 31, 2019 - $912,328 owing to the Company) are non-interest bearing, unsecured, and have no fixed terms of repayment and are included in current loans receivable as of June 30, 2020.

(f) Other amounts with Mid-American Growers

During the year ended December 31, 2019, $10,605,100 was paid to MAG as a deposit for the acquisition of MAG and the Illinois Facility and is included in deposits. During the period ended June 30, 2020, the Company completed the acquisition of MAG (Note 6) and this amount is included in the consideration paid.

(Expressed in Canadian dollars)

12. Intangible Assets

The changes in the Company's intangible assets for the period ended June 30, 2020 are as follows:

Balance, December 31, 2019	$	-
Acquired from 1251881 B.C. Ltd. acquisition		21,978,000
Balance, June 30, 2020	$	21,978,000

The Company's intangible assets consist of Licensed IP acquired with the acquisition of 1251881 B.C. Ltd. on June 10, 2020 (Note 6).

13. Convertible Debentures

A continuity of the liability portion of the convertible debentures is as follows:

Balance, December 31, 2018	$	-
Issuance of convertible debentures		17,650,000
Revaluation of foreign currency balances		(52,400)
Balance, December 31, 2019		17,597,600
Issuance of convertible debentures		-
Revaluation of foreign currency balances		820,837
Cancellation		(18,418,437)
Balance, June 30, 2020	$	-

14. Non-Current Liabilities

Credit Facility

On January 10, 2020, the credit facility was amended (the "Amended Facility") pursuant to an amended and restated agreement between the Lender, the Company (as guarantor) and PharmaCo, RWB Illinois, Inc. and MAG (collectively as borrowers).

The Amended Facility increased the facility Limit to USD $49,750,000 in the aggregate of which USD $27,000,000 was to refinance the existing facility and USD $22,750,000 was used to complete the MAG acquisition (Note 6) and for general corporate and operating purposes.

The obligations under the Amended Facility are due and payable on the earlier of:

(a) the termination date (being July 10, 2021 subject to the right of the Borrowers to extend the termination date by paying a 1% fee for two additional six-month periods for a total of 30 months); and

(b) the acceleration date (being the earlier of the date of an insolvency event or that a demand notice is delivered pursuant to the terms of the Amended Facility).

In respect of the advance made by the Lender to the Borrowers under the Facility, the Borrowers agreed to pay the Lender:

(a) Interest at the prime rate plus 12% per annum calculated and compounded monthly, payable monthly in arrears on the last day of each month; and

(b) A work fee equal to $1,492,500 (paid by the Company).

Loan Payable

The Company's loan payable consists of a loan with a commercial lender acquired with the acquisition of Mid-American Growers, Inc. (Note 6). The principal of USD $1,676,000 bears interest at 1% per annum. The Company is required to make monthly repayments of USD $89,335 until April 6, 2022 at which point the loan will be fully repaid. As of June 30, 2020, $1,095,706 of the loan is payable within 12 months and is classified as a current liability on the condensed interim statements of financial position. The remaining $1,441,118 payable is classified as a non-current liability.

15. Share Capital

Authorized Share Capital

Unlimited number of common shares without par value.

Unlimited number of convertible series I preferred shares without par value, participating, each share convertible into one common share by the holder, and non-voting.

Unlimited number of convertible series II preferred shares without par value, participating, each share convertible into one common share by the holder, and voting. The holder receives 5% additional common shares for each 12-month period up to 24 months.

Common Shares

On April 24, 2020, the Company issued 17,133,579 common shares to MAG Sellers on closing of the MAG acquisition (Note 6).

On April 24, 2020, as a result of the completion of the reverse takeover transaction, the Company issued 23,464,462 common shares to holders of Tidal common shares (Note 5).

On April 24, 2020, as a result of the completion of the reverse takeover transaction, the Company issued 7,381,000 common shares to finders (Note 5).

On April 30, 2020, the Company issued 429,375 common shares pursuant to the exercise of 429,375 warrants for gross proceeds of $343,500.

On May 25, 2020, the Company issued 187,500 common shares pursuant to the exercise of 187,500 warrants for gross proceeds of $150,000.

On June 8, 2020, the Company issued 975,000 common shares pursuant to the exercise of 975,000 stock options for gross proceeds of $487,500.

On June 10, 2020, the Company issued 13,500,000 common shares pursuant to High Times Licensing Agreement (Note 6).

On June 10, 2020, the Company issued 1,800,000 common shares to finder pursuant to High Times Licensing Agreement (Note 6).

(Expressed in Canadian dollars)

On June 30, 2020, the Company issued 2,339,200 common shares to investor to settle outstanding advances of $5,848,000 (Note 11(b)).

Convertible Series I Preferred Shares

On April 24, 2020, as a result of the completion of the reverse takeover transaction, the Company issued 3,181,250 convertible series I preferred shares to Tidal shareholders (Note 5).

Convertible Series II Preferred Shares

On April 24, 2020, the Company issued 101,345,349 to holders of MichiCann convertible series II preferred shares pursuant to Amended Agreement of the reverse takeover transaction (Note 5).

On April 24, 2020, as a result of the completion of the reverse takeover transaction, the Company issued 7,381,000 convertible series II preferred shares to finders (Note 5).

On June 8, 2020, the Company issued 975,000 convertible series II preferred shares pursuant to the exercise of 975,000 stock options for gross proceeds of $487,500.

On June 30, 2020, the Company issued 2,339,200 convertible series II preferred shares to investor to settle outstanding advances of $5,848,000 (Note 11(b)).

Warrants

During the year ended December 31, 2018, the Company issued 595,430 finders' warrants with an exercise price of $1.00 per common share of the Company for a period of two years. During the six months ended June 30, 2020, the Company issued 1,186,711 warrants related to the reverse takeover transaction (Note 5) and 4,500,000 special warrants related to the 1251881 B.C. Ltd. acquisition (Note 6). No warrants were issued during the six months ended 2019.

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance at December 31, 2018	595,430	$ 1.00
Issued	-	-
Exercised	-	-
Cancelled	-	-
Balance at December 31, 2019	595,430	$ 1.00
Issued	5,686,711	0.42
Exercised	(616,875)	(0.80)
Cancelled	(569,836)	(3.35)
Balance at June 30, 2020	5,095,340	$ 0.12

(Expressed in Canadian dollars)

The following warrants were outstanding and exercisable at June 30, 2020:

Issue Date	Expiry Date	Exercise Price	Number of Warrants Outstanding	Number of Warrants Exercisable
December 19, 2018	December 19, 2020	$ 1.00	595,340	595,340
June 10, 2020	December 6, 2020	$ 0.00	4,500,000	-
			5,095,340	595,340

Options

On January 11, 2020, the Company granted 100,000 stock options to an employee of the Company. These options vested 100% on January 11, 2020.

On January 11, 2020, the Company granted 271,429 stock options to an employee of the Company. These options vest 12.5% on April 11, 2020, 12.5% on July 11, 2020, 12.5% on October 11, 2020, 12.5% on January 11, 2021, 12.5% on April 11, 2021, 12.5% on July 11, 2021, 12.5% on October 11, 2021 and the remaining 12.5% on January 11, 2022.

On April 1, 2020, the Company granted 161,250 stock options to employees of the Company. These options vest 8.3% on July 1, 2020, 8.3% on October 1, 2020, 8.3% on January 1, 2021, 8.3% on April 1, 2021, 8.3% on July 1, 2021, 8.3% on October 1, 2021, 8.3% on January 1, 2022, 8.3% on April 1, 2022, 8.3% on July 1, 2022, 8.3% on October 1, 2022, 8.3% on January 1, 2023 and 8.3% on April 1, 2023. These stock options have an exercise price of $1.00 and expire on April 1, 2025.

The options granted during the period ended June 30, 2020 have a fair value of $1,789,891 (2019 - $1,997,115) estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	2020	2019
Risk-free interest rate	0.59%	2.27%
Expected term (in years)	4.04	5.00
Estimated dividend yield	0%	0%
Estimated volatility	100.00%	100.00%

During the six months ended June 30, 2020, the Company recognized $1,275,228 (2019 - $2,425,730) in share-based compensation under graded vesting.

Options transactions and the number of options outstanding are summarized are as follows:

	Number of Stock Options	Weighted Average Exercise Price
Balance at December 31, 2018	4,500,000	$ 0.50
Granted	2,930,000	1.26
Exercised	-	-
Cancelled	-	-
Balance at December 31, 2019	7,430,000	$ 0.80
Granted	2,331,789	4.36
Exercised	(975,000)	0.50
Cancelled	(187,500)	1.00
Balance at June 30, 2020	8,599,289	$ 1.79

(Expressed in Canadian dollars)

The following options were outstanding and exercisable at June 30, 2020:

Grant Date	Expiry Date	Exercise Price	Number of Options Outstanding	Number of Options Exercisable
June 22, 2018	June 22, 2023	$5.28	468,045	468,045
September 14, 2018	September 14, 2023	USD $3.84	6,250	5,469
October 1, 2018	October 1, 2023	$0.50	3,525,000	2,400,000
December 12, 2018	December 12, 2023	USD $1.84	45,000	33,750
January 15, 2019	January 15, 2024	$1.00	500,000	500,000
January 15, 2019	January 15, 2024	$2.50	600,000	600,000
February 1, 2019	February 1, 2024	$1.00	400,000	250,000
April 1, 2019	April 1, 2024	$1.00	400,000	300,000
April 15, 2019	April 15, 2024	$1.00	12,500	4,250
April 26, 2019	April 26, 2024	$5.44	1,279,815	1,279,815
April 29, 2019	April 29, 2024	$1.00	500,000	500,000
May 13, 2019	May 13, 2024	$1.00	175,000	109,375
May 21, 2019	May 21, 2024	$1.00	30,000	18,750
November 13, 2019	November 13, 2024	$1.00	100,000	16,667
November 22, 2019	November 22, 2024	$1.00	25,000	4,167
January 11, 2020	January 11, 2025	$1.00	371,429	133,929
April 1, 2020	April 1, 2025	$1.00	161,250	-
Balance at June 30, 2020			8,599,289	6,624,217

16. Financial Instruments and Risks

(a) Fair Value

Assets and liabilities measured at fair value on a recurring basis were presented on theCompany's condensed interim statements of financial position as at June 30, 2020 and December 31, 2019 as follows:

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance $
June 30, 2020				
Cash	2,599,154	-	-	2,599,154
Accounts receivable	2,196,476	-	-	2,196,476

(Expressed in Canadian dollars)

Loans receivable	90,162,604	-	-	90,162,604
Refundable deposits	340,700	-	-	340,700
Call option	-	-	19,828,224	19,828,224
Total	95,298,934	-	19,828,224	115,127,158
Accounts payable and accrued liabilities	6,803,649	-	-	6,803,649
Credit facility	67,799,300	-	-	67,799,300
Loan payable	2,536,824	-	-	2,536,824
Total	77,139,773	-	-	77,139,773
December 31, 2019				
Cash	1,378,687	-	-	1,378,687
Accounts receivable	1,463,388	-	-	1,463,388
Loans receivable	72,923,991	-	-	72,923,991
Refundable deposits	10,605,100	-	-	10,605,100
Call option	-	-	19,547,757	19,547,757
Total	86,371,166	-	19,547,757	105,918,923
Accounts payable and accrued liabilities	1,334,370	-	-	1,334,370
Convertible debentures	17,597,600	-	-	17,597,600
Credit facility	36,610,075	-	-	36,610,075
Total	55,542,045	-	-	55,542,045

The fair values of other financial instruments, which include accounts payable and accrued liabilities, loans receivable, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash, accounts receivable and loans receivable. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. Deposits held with these institutions may exceed the amount of insurance provided on such deposits. The Company is exposed to significant credit risk on its loans receivable. The carrying amount of financial assets represents the maximum credit exposure.

(c) Foreign Exchange Risk

The Company has cash and loans receivable denominated in United States dollars and, as a consequence, the financial results of the Company's operations as reported in Canadian dollars are subject to changes in the value of the Canadian dollar relative to the US dollar. Therefore, exchange rate movements in the United States dollar can have a significant impact on the Company's operating results due to the translation of monetary assets.

At June 30, 2020, a 5% (2019 – 4%) strengthening (weakening) of the Canadian dollar against the US dollar would have increased (decreased) the Company's net income/loss by approximately $368,000 (2019 - $2,064,000).

(d) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest earned on cash is at nominal interest rates, and therefore the Company does not consider interest rate risk for cash to be significant.

As at June 30, 2020, the interest rate on loans receivable and convertible debentures is fixed based on the contracts in place. As such, the Company is exposed to interest rate risk to the extent as stated on these financial assets and liabilities.

(e) Liquidity Risk

Liquidity risk is the risk that theCompany will not be able to meet its financial obligations as they fall due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities.

As at June 30, 2020, theCompany had a cash balance of $2,599,154 (December 31, 2019 - $1,378,687) available to apply against short-term business requirements and current liabilities of $22,860,486 (December 31, 2019 - $55,542,045). All of the liabilities presented as accounts payable and accrued liabilities are due within 90 days of June 30, 2020.

(Expressed in Canadian dollars)

17. Related Party Transactions

The following is a summary of related party transactions that occurred during the six months ended June 30, 2020:

(a) Included in accounts payable and accrued liabilities is $605,906 (December 31, 2019 - $377,157) payable to officers and a director of the Company. Amounts due to related parties have no stated terms of interest and/or repayment and are unsecured.

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

	June 30, 2020 $	June 30, 2019 $
Consulting fees paid or accrued to a company controlled by the director of the Company	98,850	27,000
Salary paid to management of the Company	248,812	-
Share-based compensation	115,913	301,745

There were no post-employment benefits, termination benefits or. other long-term benefits paid to key management personnel for the six months ended June 30, 2020 and 2019

18. Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash, convertible debentures and equity, comprised of issued share capital.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances. There were no changes to the Company's approach to capital management during the six months ended June 30, 2020.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains the same for the periods presented.

19. Supplemental Disclosure of Cash Flow Information

		2020		2019
Additional Information				
Share issuance costs in accounts payable	$	-	$	45,340
Shares issued for loans receivable	$	5,848,000	$	-
Shares issued for intangible asset	$	16,983,000	$	-
Warrants issued for intangible asset	$	4,995,000	$	-
Cash consideration on acquisition included in deposits	$	10,605,100	$	-
Interest paid	$	3,915,943	$	3,540,353
Taxes paid	$	-	$	-

20. Segmented Information

The Company has one operating segment, being the cultivation and sale of hemp, located in United States.

The Company currently has an investment in one company in the cannabis industry and operates in United States.

21. Proposed Transactions

On July 25, 2019, the Company entered a LOI with Kings Garden Inc. ("Kings Garden") pursuant to which the Company will acquire all of the issued and outstanding shares of Kings Garden.

During the period ended June 30, 2020, the Company determine it would no longer pursue the acquisition of Kings Garden. As such, the $1,853,059 deposit advanced to Kings Garden under the terms of this LOI has been written off and is recorded in net loss.

22. Subsequent Events

Letter of intent with Platinum Vape

On July 21, 2020, the Company entered a letter of intent ("LOI") with various entities operating under the Platinum Vape umbrella ("PV"). On August 31, 2020, the LOI was superseded by a securities purchase agreement ("Securities Purchase Agreement"). Under the terms of the Securities Purchase Agreement, the Company will acquire all of the issued and outstanding shares of PV for consideration is as follows:

- USD $7,000,000 in cash paid on closing;
- USD $13,000,000 in cash paid 120 days after the closing date;
- A USD $15,000,000 convertible promissory note with a term of three years that may be converted into common shares of the Company at a price of USD $0.57 per common share. The convertiblepromissory note shall be secured by the PV assets and ownership interests therein; and
- Cash or common shares of the Company with the equivalent value of USD $25,000,000 payable based on achievement of the following milestones during the 12-month period immediately following the closing:
  - USD $7,500,000 paid on PV achieving revenue of USD $80,000,000;
  - USD $7,500,000 paid on PV achieving revenue of USD $90,000,000; and
  - USD $10,000,000 paid on PV achieving revenue of USD $100,000,000.

On September 14, 2020, the Company closed the Securities Purchase Agreement. The transaction will be treated as a business combination as PV is deemed to be a business in accordance with IFRS 3. The assets and liabilities of PV cannot be disclosed at this time because the Company is still in the process of completing the closing balance sheet and the valuation of the assets and liabilities acquired.

Notice of exercise for PharmaCo

On July 24, 2020, the Company provided notice to PharmaCo its intention to exercise its option to acquire all of the outstanding common shares of PharmaCo ("PharmaCo Common Shares"). As consideration for the PharmaCo Common Shares, the Company will issue 37,000,000 common share and 37,000,000 convertible series II preferred shares. PharmaCo has processes capable of generating outputs; therefore, PharmaCo meets the definition of a business. Accordingly, as PharmaCo qualifies as a business in accordance with IFRS 3 *Business Combinations*, the acquisition will be accounted for as a business combination. TheCompany is in the process of assessing the financial implications of the business combination. The acquisition is subject to approval of the regulatory authorities.

Growing and sales agreement with 39 Industries, LLC

On July 24, 2020, the Company entered a growing and sales agreement ("G&S Agreement") with 39 Industries, LLC ("39 Hemp"). Under the terms of the G&S Agreement 39 Hemp with provide deliveries of Purple Goliath Hemp Seeds (the "Seeds") throughout 2020 to 2022. TheCompany will cultivate the seeds and harvest and process or leave unprocessed the resulting hemp plants from the Seeds.

Partnership agreement with Avicanna Inc.

On August 11, 2020, the Company entered a distribution agreement with Avicanna Inc. ("Avicanna"). Under the terms of the distribution agreement, the Company will obtain the right to be the exclusive distributor of Avicanna's 'Pura H&W' branded cosmetic products and also have the right to purchase Avicanna's cosmetic products for distribution. As consideration for the distribution agreement, the Company shall pay Avicanna an upfront licensing fee of $250,000 along with minimum purchase requirements as follows:

- Year 2: 50,000 units
- Year 3: 100,000 units
- Year 4: 120,000 units
- Year 5: 160,000 units

Bought deal financing agreement

On August 25, 2020, the Company entered into an underwriting agreement with PI Financial Corp. andEight Capital (the "Underwriters") to act as co-lead underwriters, on behalf of a syndicate of underwriters, pursuant to which the underwriters will purchase, on a bought-deal basis, units of the Company. Under the terms of the underwriting agreement, the Company will sell 29,000,000 units at a price of $0.75 per unit for aggregate gross proceeds of $21,750,000. Each unit shall consist of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $1.00 per share for a period of 24 months.

In connection with the offering, the Company has granted the Underwriters an option, exercisable in whole or in part at any time for a period of 30 days following the closing date of the offering, to increase the offering by up to an additional 4,350,000 units for additional gross proceeds of up to $3,262,500 for total aggregate gross proceeds of $25,012,500, assuming the full exercise of the over-allotment option.

The Company has agreed to pay a cash commission of 6.0 per cent of the gross proceeds of the offering and will issue to the underwriters' compensation options equal to 6.0 per cent of the aggregate number of units sold under the offering. The compensation options will be exercisable into units of the company at a price per compensation option equal to the offering price for a period of 24 months from the closing of the offering.

Convertible debenture

On September 11, 2020, the Company issued a $10,000,000 principal amount convertible debenture to an arm's-length investor by way of a private placement. The convertible debenture bears interest at the rate of 5% per annum, is unsecured and matures on the date of closing of the Company's bought deal financing. The convertible debenture is automatically convertible into units of the Company at a price of $0.75 per unit should there be either a liquidation event or the bought deal financing terminates. Each units will consist of one common share of the Company and one common share purchase warrant. Each whole warrant is exercisable into one common share at a price of $1.00 per warrant for a period of 24 months from the date of issuance. If at any time prior to the expiry date, the weighted average trading price of the common shares exceeds $1.50 for a period of 10 consecutive trading days, the Company may provide written notice to the holder that the warrants will expire on the 30th days following the notice.

Red White & Bloom Brands Inc.

(Formerly Tidal Royalty Corp.)

Amended and Restated Management's Discussion and Analysis

For the Three and Six Month Periods Ended June 30, 2020

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The following management discussion and analysis ("MD&A") may contain "forward-looking information" within the meaning of Canadian securities legislation ("forward-looking statements"). These forward-looking statements are made as of the date of this MD&A and the Company (as defined herein) does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation. Forward-looking statements relate to future events or future performance and reflect Company management's expectations or beliefs regarding future events. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. In this document, certain forward-looking statements are identified by words including "may", "future", "expected", "intends" and "estimates". By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. The Company provides no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Certain forward-looking statements in this MD&A include, but are not limited to the following:

• the Company's expansion plans; and
• its expectations regarding production capacity and production yields

The above and other aspects of the Company's anticipated future operations are forward-looking in nature and, as a result, are subject to certain risks and uncertainties. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them as actual results may differ materially from the forward-looking statements. Such forward-looking statements are estimates reflecting the Company's best judgment based upon current information and involve a number of risks and uncertainties, and there can be no assurance that other factors will not affect the accuracy of such forward-looking statements. Such factors include but are not limited to the Company's ability to obtain the necessary financing and the general impact of financial market conditions, the yield from marihuana growing operations, product demand, changes in prices of required commodities, competition, government regulations and other risks.

For further information on the Company reference should be made to the Company's public filings which are available on SEDAR.

INTRODUCTION

The following MD&A of Red White & Bloom Brands Inc. (formerly Tidal Royalty Corp.) (the "Company" or "RWB") should be read in conjunction with the Company's condensed interim consolidated financial statements and notes thereto for the three and six month periods ended June 30, 2020 and 2019, which are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee.

This document is intended to assist the reader in better understanding operations and key financial results as of the date of this MD&A. The consolidated financial statements and this MD&A have been approved by its Board of Directors. This MD&A is dated September 17, 2020.

All dollar amounts referred to in this MD&A are expressed in Canadian dollars except where indicated otherwise.

DESCRIPTION OF BUSINESS

The Company was incorporated on March 12, 1980 pursuant to the *Business Corporations Act* (British Columbia).

The Company's head office and registered office is located at Suite 810 – 789 West Pender Street, Vancouver, British Columbia, V6C 1H2.

On April 24, 2020, Tidal Royalty Corp. ("Tidal") and a private Ontario company named MichiCann Medical Inc. ("MichiCann") completed an amalgamation structured as a three-corned amalgamation whereby MichiCann was amalgamated with a newly incorporated subsidiary of Tidal, forming the Company.

Immediately prior to the amalgamation, Tidal completed a consolidation of the Tidal common shares on the basis of one post-consolidation Tidal share for every sixteen pre-consolidation Tidal common shares and changed its name from "Tidal Royalty Corp." to "Red White & Bloom Brands Inc.". The post-consolidation common shares of Tidal were exchanged for shares of MichiCann on a 2:1 basis. Due to the terms of the exchange ratio, the previous shareholders of MichiCann acquired a controlling interest in Tidal and as such, the amalgamation has been accounted for as a reverse takeover transaction with MichiCann being the resulting issuer for financial reporting purposes.

The amalgamation resulted in all the issued and outstanding shares of MichiCann being exchange for one common share and one convertible series II preferred share of the Company. Holders of MichiCann common share purchase warrants and MichiCann stock options received one replacement warrant or stock option, as applicable, with each exercisable for units consisting of one common share and one convertible series II preferred share.

All convertible series II preferred shares are convertible into common shares, on a one for one basis, at any time between seven months and twenty-four months after their initial issuance date.

An aggregate of 101,345,349 common shares, 101,345,349 convertible series II preferred shares, 595,430 share purchase warrants and 7,962,679 stock options were issued to the former holders of MichiCann common shares, MichiCann warrants and MichiCann stock options, respectively. Refer to Note 5 of the financial statements for further details on the amalgamation.

Certain shareholders have entered into voluntary escrow and/or escrow and leak out agreements totaling 36,844,823 common shares and the underlying shares for 3,000,000 options. The escrow agreements carry various release terms between 6 and 18 months.

As a result of the completion of this transaction, the former holders of MichiCann common shares now hold approximately 82.25% of the issued and outstanding common shares and former holders of Tidal shares now hold 17.75% of the common shares, in each case, on a non-diluted basis. A new board and new management assumed control of the Company on June 5, 2020, the shares of the Company resumed trading on the Canadian Securities Exchange under the new trading symbol "RWB".

Prior to the amalgamation, Tidal's primary business was investing in conventional equity, debt and other forms of investments in private and public companies in Canada and the United States.

RWB is an investment company with a focus on the United States cannabis industry. The Company's current investments are primarily in the investment in PharmaCo Inc. ("PharmaCo") which include the Debenture and its rights under the Put/Call Option Agreement (both described below) and the acquisition of Mid-American Growers Inc. ("MAG"), which completed on April 24, 2020 and is further described in the condensed interim consolidated financial statements for the three and six month periods ended June 30, 2020 and 2019.

The Company holds 8% senior secured convertible debenture (the "Debenture") and a put/call option agreement (the "Put/Call Option") to acquire all the issued and outstanding shares of its Michigan based investee PharmaCo, a private company incorporated under the laws of the State of Michigan. The Put/Call Option is subject to the Company completing the licensing requirements to operate in the State of Michigan. The Debenture is secured by all real and personal property and interests in the real and personal property of PharmaCo, whether now owned or subsequently acquired. The Debenture has a maturity date of January 4, 2023 unless the Debenture becomes due earlier.

PharmaCo was granted a Step 1 prequalification by the Medical Marihuana Licensing Board of the State of Michigan in October of 2018, and has been awarded multiple municipal approvals for grower permits (cultivation), manufacturing (including extraction and derivative manufacturing) and provisioning centers (dispensaries).

Since its prequalification was issued in October 2018, PharmaCo expanded its operations through the acquisition of multiple assets that cover cultivation, processing/manufacturing and provisioning centers throughout the state of Michigan.

PharmaCo has purchased three indoor cultivation facilities with a cumulative 110,000 square feet and 10 acres of outdoor cultivation. They control 2 locations for processing and currently operate 10 provisioning centers (dispensaries) as well as control an additional 8 dispensaries that have yet to be opened.

Plans are underway to roll out unified corporate branding to allow for even greater efficiency and scaling outside Michigan.

The Company closed the acquisition of MAG on April 24, 2020. MAG owns and operates a 3.6 million square foot facility in Granville, Illinois and holds both a hemp grower and hemp processing license with the state of Illinois.

Initial hemp crops are in the facility and the company intends to grow, process and sell various hemp and CBD products through this facility.

Lastly, the Company has a strategy of expanding to a limited number of additional states as the opportunity presents itself with the intent of only entering markets that allow for the operation at scale to try and maximize operational efficiencies generally only available to those businesses that operate at scale.

GOING CONCERN

As at June 30, 2020, the Company's working capital was $47,893,519 (December 31, 2019 – working capital deficiency of $16,071,433) and has accumulated losses of $34,964,165 (December 31, 2019 - $14,677,625) since inception. The Company's operations are mainly funded with debt and equity financing, which is dependent upon many external factors and may be difficult to raise when required. The Company may not have sufficient cash to fund the acquisition and development of assets therefore will require additional funding, which if not raised, may result in the delay, postponement or curtailment of some of its activities.

These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. If the going concern assumption were not appropriate, then adjustments would be necessary to the carrying values of assets and liabilities, the reported expenses and the statements of financial position classifications used. Such adjustments could be material.

COVID-19

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

PROPOSED TRANSACTION

On July 25, 2019, the Company entered a LOI with Kings Garden Inc. ("Kings Garden") pursuant to which the Company will acquire all of the issued and outstanding shares of Kings Garden.

During the period ended June 30, 2020, the Company determine it would no longer pursue the acquisition of Kings Garden. As such, the $1,853,059 deposit advanced to Kings Garden under the terms of this LOI has been written off and is recorded in net loss.

SELECTED QUARTERLY FINANCIAL INFORMATION

Selected Annual Information

The following selected financial information is derived from the audited consolidated financial statements of the Company:

	Years Ended December 31, (audited)		
	2019	2018	2017
Total revenues	$ -	$ -	$ -
Interest expense	3,540,353	-	-
Professional fees	1,952,329	53,522	2,442
Consulting fees	919,839	325,000	27,083
Salaries and wages	568,167	-	-
Net loss and comprehensive loss	12,513,900	2,131,039	32,686
Net loss per share – Basic & fully diluted	0.16	0.06	32,686
Totals assets	107,979,469	34,937,686	624,638
Total liabilities	55,542,045	161,937	586,373
Cash dividends declared per share	Nil	Nil	Nil

Selected Quarterly Information

	Quarters ended	
	June 30, 20	Mar 31, 20
Sales	$ 1,512,050	$ -
Cost of sales	272,745	-
Gross profit before fair value adjustments	1,239,305	-
Gross profit after fair value adjustment on biological assets	9,514,065	-
Interest expense	2,080,625	1,961,952
Professional fees	572,577	257,567
Consulting fees	434,256	321,488
Salaries and wages	536,781	204,182
Listing expense	22,832,281	-
Net comprehensive (income) loss	24,954,994	(2,745,529)
Net (income) loss per share – Basic & fully diluted	0.20	(0.03)
Total assets	241,679,918	141,780,222
Total liabilities	92,100,904	85,475,194
Cash dividends declared per share	Nil	Nil

RESULTS OF OPERATIONS

For the six months period ended June 30, 2020 compared to the six months period ended June 30, 2019.

As a result of MAG acquisition, the Company began generating revenue on April 24, 2020. However, the Company still relies on external financings to generate capital. As a result, the Company has continued to incur losses since the its inception including for the years ended December 31, 2019 and 2018.

The Company's ability to continue operations is dependent on management's ability to secure financing. Management is actively pursuing such additional sources of financing, and there can be no assurance it will be able to secure additional financing required for its operations. Accordingly, these factors indicate material uncertainties that may cause significant doubt as to the Company's ability to continue as a going concern. The Company is considering various financing options to fund its operations.

On August 19, 2020, the Company entered into an agreement with PI Financial Corp. and Eight Capital to act as co-lead underwriters, on behalf of a syndicate of underwriters, pursuant to which the underwriters will purchase, on a bought-deal basis, an aggregate of 20 million units of RWB at a price of 75 cents per unit for aggregate gross proceeds of $15-million. On August 21, 2020, RWB and a syndicate of underwriters agreed to increase the size of the offering to 33.35 million units of RWB at a price of 75 cents per unit for aggregate gross proceeds of $25 million.

During the six month period ended June 30, 2020, the Company incurred a net loss and comprehensive loss of $20,286,540 (2019 - $7,404,237). The increase in net loss and comprehensive loss of $12,882,303 was mainly attributable to the net effect of:

- Increase of $1,512,050 in sales, from $Nil in 2019 to $1,512,050 in 2020. The increase is related to hemp sales generated by MAG after the acquisition.
- Increase of $272,745 in cost of sales from $Nil in 2019 to $272,745 in 2020. The increase related to hemp sales generated by MAG after the acquisition.
- Increase of $8,274,760 in fair value adjustment on biological assets from $Nil in 2019 to $8,274,760. The increase in related to fair value adjustment on biological assets and harvested inventory.
- Decrease of $383,826 in commission from $2,404,888 to $2,021,062 in 2020 The expense is related to the bridge financing transaction which was amended on January 10, 2020.
- Increase of $4,042,577 in interest expense from $Nil in 2019 to $4,042,577 in 2020. The expense is related to interest on the credit facility.
- Decrease of $1,150,502 in share-based compensation from $2,425,730 to $1,275,228 in 2020. The expense is related to stock options issued to executives, consultants, officers and employees of the Company.
- Increase of $755,744 in consulting fees from $Nil in 2019 to $755,744 in 2020. The increase was to support management in its effort to build infrastructure necessary for the Company's growth.
- Increase of $726,617 in marketing from $174,025 in 2019 to $900,652 in 2020. The increase was to support increased marketing and investor relations activities.

- Increase of $830,144 in professional fees from $Nil in 2019 to $830,144 in 2020. The increase in professional fees resulting from significant increase in legal and other professional work related to the amalgamation agreement, negotiations and the reverse takeover transactions.
- Increase of $740,963 in salaries and wages from $Nil in 2019 to $740,963 in 2020 The increase was to support management in its effort to build infrastructure necessary for the Company's growth. Another cause of the increase is the increased number of employees as a result of MAG acquisition.
- Decrease of $998,648 in general and administration from $1,637,946 in 2019 to $639,298 in 2020.
- Increase of $1,322,246 in depreciation from $Nil in 2019 to $1,322,246 in 2020. The increase is related to increased depreciable property as a result of MAG acquisition.
- Increase of $6,122,121 in foreign exchange gain from loss of $1,741,600 in 2019 to gain of $4,380,521 in 2020
- Increase of $480,143 in interest income from $1,864,340 in 2019 to $2,344,483 in 2020. The income is related to accrued interest on the Debenture.
- Increase of $316,931 in accretion of loans receivable from $1,124,015 in 2019 to $1,440,946 in 2020. The income is related to accretion on the Debenture.
- Increase of $425,610 in management fees from $Nil in 2019 to $425,610 in 2020. The management fee is related to management fee charged to MAG.
- Decrease of $588,402 in loss on revaluation of call option from $2,008,403 in 2019 to $1,420,001 in 2020. The loss is related to revaluation of Put/Call option.
- Increase of $149,947 in gain on disposal from $Nil in 2019 to $149,947 in 2020
- Increase of $1,853,059 in write off of deposit from $Nil in 2019 to $1,853,059 in 2020. The write off is related to Company's decision not to pursue the acquisition of Kings Garden.
- Increase of $91,143 in revaluation of investment from $Nil in 2019 to $91,143 in 2020
- Increase of $22,832,281 in listing expense from $Nil in 2019 to $22,832,281 in 2020. The expense is related to listing expense resulted from the reverse takeover transaction.

The increase in overall expenses during the six months period ended June 30, 2020 is in line with management expectation.

BIOLOGICAL ASSETS

The Company measures its biological assets at their fair value less costs to sell. This is determined using a model which estimates the expected harvest yield in grams for plants currently being cultivated, and then adjusts that amount for the expected selling price per gram and also for any additional costs to be incurred, such as post-harvest costs.

The following significant unobservable inputs, all of which are classified as level 3 on the fair value hierarchy, were used by management as part of this model:

- Estimated selling price – calculated as the weighted average historical selling price for all strains of hemp sold by the Company, which is expected to approximate future selling prices
- Stage of growth – represents the weighted average number of weeks out of the 15 week growing cycle that biological assets have reached as of the measurement date
- Yield by plant – represents the expected number of grams of finished hemp inventory which are expected to be obtained from each harvested hemp plant

- Wastage – represents the weighted average percentage of biological assets which are expected to fail to mature into hemp plants that can be harvested
- Post-harvest costs – calculated as the cost per gram of harvested hemp to complete the sale of hemp plants post harvest, consisting of the cost of direct and indirect materials and labour related to labelling and packaging

The following table quantifies each significant unobservable input, and also provides the impact a 10% increase/decrease in each input would have on the fair value of biological assets.

	June 30, 2020	10% Change as at June 30, 2020
Estimated selling price	$0.45 per gram	$ 1,285,688
Stage of growth	9 Weeks	$ 227,381
Average yield by plant	115 grams	$ 887,121
Wastage	1%	$ 8,937
Post-harvest costs	$0.03 per gram	$ 314,337

The Company accretes fair value on a straight line basis according to stage of growth. As a result, a hemp plant that is 50% through its 15 week growing cycle would be ascribed approximately 50% of its harvest date expected fair value (subject to wastage adjustments).

The Company's biological assets consist of approximately 670,000 plants as at June 30, 2020. The continuity of biological assets is as follows:

Carrying amount, December 31, 2019	$ -
Acquired from MAG acquisition	6,500,637
Fair value adjustment	8,274,760
Transferred to inventory upon harvest	(6,139,585)
Carrying amount, June 30, 2020	$ 8,635,812

The Company's estimates, by their nature, are subject to changes that could result from volatility of market prices, unanticipated regulatory changes, harvest yields, loss of crops, changes in estimates and other uncontrollable factors that could significantly affect the future fair value of biological assets. These estimates include the following assumptions:

(a) Selling prices are determined by estimating the Company's expected average selling price and mix of product strains;
(b) Cost incurred and remaining costs to complete were estimated by calculating the average production costs up to the point of harvest over the total production period;
(c) The percentage of costs incurred for each stage of plant growth;
(d) The stage of plant growth at which point of harvest is determined;
(e) Costs to sell and other fulfillment costs were determined by estimating the Company's average cost per pound; and
(f) Expected yields of harvested plants are estimated and risk adjusted at each stage of growth.

LIQUIDITY AND CAPITAL RESOURCES

The Company has a history of operating losses and of negative cash flow from operations. The Company will remain reliant on capital markets for future funding to meet its ongoing obligations.

The Company's ability to continue operations is dependent on management's ability to secure additional financing. Management is actively pursuing such additional sources of financing, and there can be no assurance it will be able to secure additional financing required for its operations. Accordingly, these factors indicate material uncertainties that may cause significant doubt as to the Company's ability to continue as a going concern.

As at June 30, 2020, the Company had working capital of $47,893,519 (2019 - working capital deficiency of $16,071,433), consisting of cash in the amount of $2,599,154 (2019 - $1,378,687), prepaid expenses of $447,755 (2019 - $124,140), accounts receivable of $2,196,476 (2019 - $1,463,388), biological assets of $8,635,812 (2019 - $Nil), inventory of $12,022,264 (2019 - $Nil), current portion of loans receivable of $44,852,544 (2019 - $36,504,397), net of accounts payable and accrued liabilities of $6,803,649 (2019 - $1,334,370), contingent liabilities of $14,889,600 (2019 - $Nil), convertible debenture of $Nil (2019 - $17,597,600), lease liabilities of $71,531 (2019 - $Nil) and credit facility of $Nil (2019 - $36,610,075)

The Company believes that the current capital resources are not sufficient to pay overhead expenses for next twelve months and is currently seeking additional funding to fund its overhead expenses and its continuous search for other business opportunities. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

As at June 30, 2020, the shareholders' equity of $149,579,014 (2019 - $52,437,424) consisted of common shares of $104,174,967 (2019 - $61,366,160), convertible series I preferred shares of $3,664,799 (2019 - $Nil), convertible series II preferred shares of $63,399,626 (2019 - $Nil), contributed surplus of $11,380,862 (2019 - $5,748,889), cumulative translation adjustment of $1,922,925 (2019 - $Nil) and deficit of $34,964,165 (2019 - $14,677,625).

As at June 30, 2020, there is no commitment for capital expenditures.

CONTRACTUAL OBLIGATIONS

As of June 30, 2019, the Company lease for office space in Toronto expires on September 2, 2020. The Company's future total monthly rental payments for the leased premises is approximately $71,531.

OUTSTANDING SHARE DATA

a) Authorized Share Capital: unlimited common shares without par value.

b) Issued and Outstanding as at June 30, 2020;

    a. 151,421,866 common shares (2019 – 80,962,182),

    b. 3,181,250 convertible series I preferred shares (2019 – Nil)

    c. 112,040,549 convertible series II preferred shares (2019 – Nil)

Common Shares

On April 24, 2020, the Company issued 17,133,579 common shares to MAG Sellers on closing of the MAG acquisition.

On April 24, 2020, as a result of the completion of the reverse takeover transaction, the Company issued 23,464,462 common shares to holders of Tidal common shares.

On April 24, 2020, as a result of the completion of the reverse takeover transaction, the Company issued 7,381,000 common shares to finders.

On April 30, 2020, the Company issued 429,375 common shares pursuant to the exercise of 429,375 warrants for gross proceeds of $343,500.

On May 25, 2020, the Company issued 187,500 common shares pursuant to the exercise of 187,500 warrants for gross proceeds of $150,000.

On June 8, 2020, the Company issued 975,000 common shares pursuant to the exercise of 975,000 stock options for gross proceeds of $487,500.

On June 10, 2020, the Company issued 13,500,000 common shares pursuant to High Times Licensing Agreement.

On June 10, 2020, the Company issued 1,800,000 common shares to finder pursuant to High Times Licensing Agreement.

On June 30, 2020, the Company issued 2,339,200 common shares to investor to settle outstanding advances of $5,848,000.

Convertible Series I Preferred Shares

On April 24, 2020, as a result of the completion of the reverse takeover transaction, the Company issued 3,181,250 convertible series I preferred shares to Tidal shareholders.

Convertible Series II Preferred Shares

On April 24, 2020, the Company issued 101,345,349 to holders of MichiCann convertible series II preferred shares pursuant to Amended Agreement of the reverse takeover transaction.

On April 24, 2020, as a result of the completion of the reverse takeover transaction, the Company issued 7,381,000 convertible series II preferred shares to finders.

On June 8, 2020, the Company issued 975,000 convertible series II preferred shares pursuant to the exercise of 975,000 stock options for gross proceeds of $487,500.

On June 30, 2020, the Company issued 2,339,200 convertible series II preferred shares to investor to settle outstanding advances of $5,848,000 at a deemed price of $2,50 per unit.

Warrants

During the year ended December 31, 2018, the Company issued 595,430 finders' warrants with an exercise price of $1.00 per common share of the Company for a period of two years. During the six months ended June 30, 2020, the Company issued 1,186,711 warrants related to the reverse takeover transaction and 4,500,000 special warrants related to the 1251881 B.C. Ltd. acquisition. No warrants were issued during the six months ended 2019.

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance at December 31, 2018	595,430	$ 1.00
Issued	-	-
Exercised	-	-
Cancelled	-	-
Balance at December 31, 2019	595,430	$ 1.00
Issued	5,686,711	0.42
Exercised	(616,875)	(0.80)
Cancelled	(569,836)	(3,35)
Balance at June 30, 2020	5,095,340	$ 0.12

The following warrants were outstanding at June 30, 2020:

Issue Date	Expiry Date	Exercise Price	Number of Warrants Outstanding	Number of Warrants Exercisable
December 19, 2018	December 19, 2020	$ 1.00	595,340	595,340
June 10, 2020	December 6, 2020	$ 0.00	4,500,000	-
			5,095,340	595,340

Options

On January 11, 2020, the Company granted 100,000 stock options to an employee of the Company. These options vested 100% on January 11, 2020.

On January 11, 2020, the Company granted 271,429 stock options to an employee of the Company. These options vest 12.5% on April 11, 2020, 12.5% on July 11, 2020, 12.5% on October 11, 2020, 12.5% on January 11, 2021, 12.5% on April 11, 2021, 12.5% on July 11, 2021, 12.5% on October 11, 2021 and the remaining 12.5% on January 11, 2022.

On April 1, 2020, the Company granted 161,250 stock options to employees of the Company. These options vest 8.3% on July 1, 2020, 8.3% on October 1, 2020, 8.3% on January 1, 2021, 8.3% on April 1, 2021, 8.3% on July 1, 2021, 8.3% on October 1, 2021, 8.3% on January 1, 2022, 8.3% on April 1, 2022, 8.3% on July 1, 2022, 8.3% on October 1, 2022, 8.3% on January 1, 2023 and 8.3% on April 1, 2023. These stock options have an exercise price of $1.00 and expire on April 1, 2025.

The options granted during the period ended June 30, 2020 have a fair value of $1,789,891 (2019 - $1,997,115) estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	2020	2019
Risk-free interest rate	0.59%	2.27%
Expected term (in years)	4.04	5.00
Estimated dividend yield	0%	0%
Estimated volatility	100.00%	100.00%

During the six months ended June 30, 2020, the Company recognized $1,275,228 (2019 - $2,425,730) in share-based compensation under graded vesting.

Options transactions and the number of options outstanding are summarized are as follows:

	Number of Stock Options	Weighted Average Exercise Price
Balance at December 31, 2018	4,500,000	$ 0.50
Granted	2,930,000	1.26
Exercised	-	-
Cancelled	-	-
Balance at December 31, 2019	7,430,000	$ 0.80
Granted	2,331,789	4.36
Exercised	(975,000)	0.50
Cancelled	(187,500)	1.00
Balance at June 30, 2020	8,599,289	$ 1.79

The following options were outstanding and exercisable at June 30, 2020:

Grant Date	Expiry Date	Exercise Price	Number of Options Outstanding	Number of Options Exercisable
June 22, 2018	June 22, 2023	$5.28	468,045	468,045
September 14, 2018	September 14, 2023	USD $3.84	6,250	5,469
October 1, 2018	October 1, 2023	$0.50	3,525,000	2,400,000
December 12, 2018	December 12, 2023	USD $1.84	45,000	33,750
January 15, 2019	January 15, 2024	$1.00	500,000	500,000
January 15, 2019	January 15, 2024	$2.50	600,000	600,000
February 1, 2019	February 1, 2024	$1.00	400,000	250,000
April 1, 2019	April 1, 2024	$1.00	400,000	300,000
April 15, 2019	April 15, 2024	$1.00	12,500	4,250
April 26, 2019	April 26, 2024	$5.44	1,279,815	1,279,815
April 29, 2019	April 29, 2024	$1.00	500,000	500,000
May 13, 2019	May 13, 2024	$1.00	175,000	109,375
May 21, 2019	May 21, 2024	$1.00	30,000	18,750
November 13, 2019	November 13, 2024	$1.00	100,000	16,667
November 22, 2019	November 22, 2024	$1.00	25,000	4,167
January 11, 2020	January 11, 2025	$1.00	371,429	133,929
April 1, 2020	April 1, 2025	$1.00	161,250	-
Balance at June 30, 2020			8,599,289	6,624,217

FINANCIAL AND OTHER INSTRUMENTS

The Company's financial assets and liabilities consist of cash, accounts receivable, loans receivable, call option, accounts payables and accrued liabilities, convertible debentures, and bridge financing.

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's condensed interim statements of financial position as at June 30, 2020 and December 31, 2019 as follows:

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance $
June 30, 2020				
Cash	2,599,154	-	-	2,599,154
Accounts receivable	2,196,476	-	-	2,196,476
Loans receivable	90,162,604	-	-	90,162,604
Refundable deposits	340,700	-	-	340,700
Call option	-	-	19,828,224	19,828,224
Total	95,298,934	-	19,828,224	115,127,158
Accounts payable and accrued liabilities	6,803,649	-	-	6,803,649
Credit facility	67,799,300	-	-	67,799,300
Loan payable	2,536,824	-	-	2,536,824
Total	77,139,773	-	-	77,139,773

December 31, 2019				
Cash	1,378,687	-	-	1,378,687
Accounts receivable	1,463,388	-	-	1,463,388
Loans receivable	72,923,991	-	-	72,923,991
Refundable deposits	10,605,100	-	-	10,605,100
Call option	-	-	19,547,757	19,547,757
Total	86,371,166	-	19,547,757	105,918,923
Accounts payable and accrued liabilities	1,334,370	-	-	1,334,370
Convertible debentures	17,597,600	-	-	17,597,600
Credit facility	36,610,075	-	-	36,610,075
Total	55,542,045	-	-	55,542,045

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
- Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

On January 4, 2019, the Company entered a Put/Call Option Agreement with PharmaCo. The call option is financial instrument measured at fair value through profit or loss. As at June 30, 2020, the fair value of the call option was determined to be $19,828,224 (December 31, 2019 - $19,547,757). During the period ended June 30, 2020, the Company recorded revaluation of call option of $1,420,001 (2019 - $2,008,403).

The fair values of other financial instruments, which include accounts payable and accrued liabilities and loans receivable, approximate their carrying values due to the relatively short-term maturity of these instruments.

(a) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and loans receivable. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. Deposits held with these institutions may exceed the amount of insurance provided on such deposits. The Company is exposed to significant credit risk on its loans receivable. The carrying amount of financial assets represents the maximum credit exposure.

(b) Foreign Exchange Rate

The Company has cash and loans receivable denominated in US dollars and, as a consequence, the financial results of the Company's operations as reported in Canadian dollars are subject to changes in the value of the Canadian dollar relative to the US dollar. Therefore, exchange rate movements in the US dollar can have a significant impact on the Company's operating results due to the translation of monetary assets.

At June, 2020, a 5% (2019 – 4%) strengthening (weakening) of the Canadian dollar against the US dollar would have increased (decreased) the Company's net income/loss by approximately $368,000 (2019 - $2,064,000)

(c) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest earned on cash and cash equivalents is at nominal interest rates, and therefore the Company does not consider interest rate risk to be significant.

As at June 30, 2020, the interest rate on loans receivable and convertible debentures is fixed based on the contracts in place. As such, the Company is exposed to interest rate risk to the extent of these financial assets and liabilities.

(d) Liquidity Risk

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

As at June 30, 2020, the Company had a cash balance of $2,599,154 (December 31, 2019 - $1,378,687) available to apply against short-term business requirements and current liabilities of $22,860,486 (December 31, 2019 - $55,542,045). All of the liabilities presented as accounts payable and accrued liabilities are due within 90 days of June 30, 2020.

CREDIT FACILITY

On January 10, 2020, the existing facility was amended (the "Amended Facility") pursuant to an amended and restated agreement between the Lender, the Company (as guarantor) and PharmaCo, RWB Illinois, Inc. ("RWB") and MAG (collectively as borrowers).

The Amended Facility increased the facility limit to USD $49,750,000 in the aggregate of which USD $27,000,000 was to refinance the existing facility and USD $22,750,000 was used to complete the MAG acquisition and for general corporate and operating purposes.

The obligations under the Amended Facility are due and payable on the earlier of:

a) the termination date (being July 10, 2021 subject to the right of the Borrowers to extend the termination date by paying a 1% fee for two additional six-month periods for a total of 30 months); and

b) the acceleration date (being the earlier of the date of an insolvency event or that a demand notice is delivered pursuant to the terms of the Amended Facility).

In respect of the advance made by the Lender to the Borrowers under the Facility, the Borrowers agreed to pay the Lender:

a) Interest at the prime rate plus 12% per annum calculated and compounded monthly, payable monthly in arrears on the last day of each month; and

b) A work fee equal to $1,492,500 (the "Amended Work Fee") (paid by the Company)

LOAN PAYABLE

The Company's loan payable consists of a loan with a commercial lender acquired with the acquisition of Mid-American Growers, Inc. The principal of USD $1,676,000 bears interest at 1% per annum. The Company is required to make monthly repayments of USD $89,335 until April 6, 2022 at which point the loan will be fully repaid. As of June 30, 2020 $1,095,706 of the loan is payable within 12 months and is classified as a current liability on the condensed interim statements of financial position. The remaining $1,441,118 payable is classified as a non-current liability.

SIGNIFICANT ACCOUNTING POLICIES

The following outlines use of estimates and judgements in the preparation of these condensed interim consolidated financial statements, and significant accounting policies of the Company which have not been included in the Company's annual audited consolidated financial statements for the year ended December 31, 2019:

Biological assets

While the Company's biological assets are within the scope of IAS 41 Agriculture, the direct and indirect costs of biological assets are determined using an approach similar to the capitalization criteria outlined in IAS 2 Inventories. They include the direct cost of seeds and growing materials as well as other direct costs such as utilities and supplies used in the growing process. Indirect labour for individuals involved in the growing and quality control process is also included, as well as depreciation on production equipment and overhead costs. Direct and indirect costs of biological assets are capitalized based on standard costing as they are incurred and they are all subsequently recorded within the line item 'cost of sales' in profit or loss in the period that the related product is sold. The variance between amount capitalized based on standard costing and actual costs is recorded within the line item 'cost of sales' in profit or loss in the period that related costs are incurred. Unrealized fair value gains/losses on growth of biological assets are recorded in a separate line on the face of the consolidated statements of comprehensive loss. Biological assets are measured at their fair value less costs to sell on the consolidated statements of financial position.

Inventory
The direct and indirect costs of inventory initially include the fair value of the biological asset at the time of harvest. They also include subsequent costs such as materials, labour and depreciation expense on equipment involved in packaging, labeling and inspection. All direct and indirect costs related to inventory are capitalized as they are incurred and they are subsequently recorded within 'cost of sales' in profit or loss at the time hemp is sold, except for realized fair value amounts included in inventory sold which are recorded as a separate line on the face of the consolidated statements of comprehensive loss. Inventory is measured at lower of cost or net realizable value on the consolidated statements of financial position.

Revenue recognition
The Company follows the following steps for accounting for revenue from contracts with customers:

(1) Identify the contract with customer
(2) Identify the performance obligation(s)
(3) Determine the transaction price
(4) Allocate the transaction price to the performance obligation(s)
(5) Recognize revenue when/as performance obligations(s) are satisfied

Revenue from the direct sale of hemp to customers for a fixed price is recognized when the Company transfers control of the goods to the customer at the point of sale and customer has paid for the goods.

CRITICAL ACCOUNTING ESTIMATES

The preparation of consolidated financial statements requires the Company to select from possible alternative accounting principles, and to make estimates and assumptions that determine the reported amounts of assets and liabilities at the balance sheet date and reported costs and expenditures during the reporting period. Estimates and assumptions may be revised as new information is obtained, and are subject to change. The Company's accounting policies and estimates used in the preparation of the consolidated financial statements are considered appropriate in the circumstances, but are subject to judgments and uncertainties inherent in the financial reporting process. In preparing these MD&A, management has made significant assumptions regarding the circumstances and timing of the transactions contemplated therein, which could result in a material adjustment to the carrying amount of certain assets and liabilities if changes to the assumptions are made.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are consistent with those disclosed in the notes to the consolidated financial statements for the year ended December 31, 2019.

ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

IFRS 16 Leases

The Company adopted IFRS 16 Leases ("IFRS 16") effective January 1, 2019. This new standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both the lessee and the lessor. The new standard introduces a single lessee accounting model that requires the recognition of all assets and liabilities arising from a lease. The main features of the new standard are as follows:

- An entity identifies as a lease a contract that conveys the right to control the use of an identified asset for a period in exchange for consideration.
- A lessee recognizes an asset representing the right to use the leased asset, and a liability for its obligation to make lease payments. Exceptions are permitted for short-term leases and leases of low-value assets.
- A lease asset is initially measured at cost, and is then depreciated similarly to property, plant and equipment. A lease liability is initially measured at the present value of the unpaid lease payments.
- A lessee presents interest expense on a lease liability separately from depreciation of a lease asset in the statement of profit or loss and other comprehensive income.
- A lessor continues to classify its leases as operating leases or finance leases, and to account for them accordingly.
- A lessor provides enhanced disclosures about its risk exposure, particularly exposure to residual-value risk.

The new standard supersedes the requirements in IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases – Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The Company reviewed its operations and noted no material impact on the adoption of IFRS 16.

RELATED PARTY TRANSACTIONS

Key management compensation

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

	June 30, 2020 $	June 30, 2019 $
Consulting fees paid or accrued to a company controlled by the director of the Company	98,850	27,000
Salary paid to management of the company	248,812	-
Share-based compensation	115,913	301,745

i) $179,250 (June 30, 2019 - $Nil) of salaries were accrued to Brad Rogers, the Company's Chief Executive Officer.

ii) $69,562 (June 30, 2019 - $Nil) of salaries were paid to David Quinn, the Company's former Chief Financial Officer.

iii) $98,950 (June 30, 2019 - $27,000) of consulting fees, $17,850 was paid to Executive Management Solutions Ltd., a company controller by director of the Company, and $81,000 was accrued to Marchese Design Inc., a company controlled by a director of the Company.

There were no post-employment benefits, termination benefits or other long-term benefits paid to key management personnel for the six months ended June 30, 2020 and 2019.

Related party liabilities

The following amounts are included in accounts payable and accrued liabilities as at June 30, 2020 and December 31, 2019:

	June 30, 2020 $	December 31, 2019 $
Marchese Design Inc.	81,000	-
David Quinn	-	29,876
Brad Rogers	524,906	347,281
Total related party payables	605,906	377,157

Amounts due to related parties have no stated terms of interest and/or repayment, and are unsecured.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not enter into any off-balance sheet arrangements during the period.

OUTSTANDING SHARES DATA AS OF REPORT DATE:

Issued and outstanding common shares	151,921,886
Series I preferred shares	3,181,250
Series II preferred shares	112,540,549
Warrants outstanding	5,095,340
Stock options outstanding	8,336,789

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the consolidated financial statements, is the responsibility of Management. In the preparation of these statements estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying consolidated financial statements.

Risks

The investment in the common shares must be regarded as highly speculative due to the proposed nature of the Company's business and its present stage of operations.

There can be no assurance that an active and liquid market for the Company's common shares will develop and an investor may find it difficult to resell the common shares.

CONTROLS AND PROCEDURES

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's consolidated financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this MD&A.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and workload will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CEO of the financial reports.

OUTLOOK

Although current management has demonstrated its ability to raise funds in the past, with the current financial market conditions and global economic uncertainty, there can be no assurance they will be able to do so in the future. The financial results and discussion do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

SUBSEQUENT EVENTS

Letter of intent with Platinum Vape

On July 21, 2020, the Company entered a letter of intent ("LOI") with various entities operating under the Platinum Vape umbrella ("PV"). On August 31, 2020, the LOI was superseded by a securities purchase agreement ("Securities Purchase Agreement"). Under the terms of the Securities Purchase Agreement, the Company will acquire all of the issued and outstanding shares of PV for consideration is as follows:

- USD $7,000,000 in cash paid on closing;
- USD $13,000,000 in cash paid 120 days after the closing date;
- A USD $15,000,000 convertible promissory note with a term of three years that may be converted into common shares of the Company at a price of USD $0.57 per common share. The convertible promissory note shall be secured by the PV assets and ownership interests therein; and
- Cash or common shares of the Company with the equivalent value of USD $25,000,000 payable based on achievement of the following milestones during the 12-month period immediately following the closing:
    - USD $7,500,000 paid on PV achieving revenue of USD $80,000,000;
    - USD $7,500,000 paid on PV achieving revenue of USD $90,000,000; and
    - USD $10,000,000 paid on PV achieving revenue of USD $100,000,000.

On September 14, 2020, the Company closed the Securities Purchase Agreement. The transaction will be treated as a business combination as PV is deemed to be a business in accordance with IFRS 3. The assets and liabilities of PV cannot be disclosed at this time because the Company is still in the process of completing the closing balance sheet and the valuation of the assets and liabilities acquired.

Notice of Exercise for PharmaCo

On July 24, 2020, the Company provided notice to PharmaCo its intention to exercise its option to acquire all of the outstanding common shares of PharmaCo ("PharmaCo Common Shares"). As consideration for the PharmaCo Common Shares, the Company will issue 37,000,000 common share and 37,000,000 convertible series II preferred shares. PharmaCo has processes capable of generating outputs; therefore, PharmaCo meets the definition of a business. Accordingly, as PharmaCo qualifies as a business in accordance with IFRS 3 Business Combinations, the acquisition will be accounted for as a business combination. The Company is in the process of assessing the financial implications of the business combination. The acquisition is subject to approval of the regulatory authorities.

Growing and sales agreement with 39 Industries, LLC

On July 24, 2020, the Company entered a growing and sales agreement ("G&S Agreement") with 39 Industries, LLC ("39 Hemp"). Under the terms of the G&S Agreement 39 Hemp with provide deliveries of Purple Goliath Hemp Seeds (the "Seeds") throughout 2020 to 2022. The Company will cultivate the seeds and harvest and process or leave unprocessed the resulting hemp plants from the Seeds.

Partnership agreement with Avicanna Inc.

On August 11, 2020, the Company entered a distribution agreement with Avicanna Inc. ("Avicanna"). Under the terms of the distribution agreement, the Company will obtain the right to be the exclusive distributor of Avicanna's 'Pura H&W' branded cosmetic products and also have the right to purchase Avicanna's cosmetic products for distribution. As consideration for the distribution agreement, the Company shall pay Avicanna an upfront licensing fee of USD $250,000 along with minimum purchase requirements as follows:

- Year 2: 50,000 units
- Year 3: 100,000 units
- Year 4: 120,000 units
- Year 5: 160,000 units

Bought deal financing agreement

On August 25, 2020, the Company entered into an underwriting agreement with PI Financial Corp. and Eight Capital (the "Underwriters") to act as co-lead underwriters, on behalf of a syndicate of underwriters, pursuant to which the underwriters will purchase, on a bought-deal basis, units of the Company. Under the terms of the underwriting agreement, the Company will sell 29,000,000 units at a price of $0.75 per unit for aggregate gross proceeds of $21,750,000. Each unit shall consist of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $1.00 per share for a period of 24 months.

In connection with Offering, the Company has granted the Underwriters an option, exercisable in whole or in part at any time for a period of 30 days following the closing date of the offering, to increase the offering by up to an additional 4,350,000 units for additional gross proceeds of up to $3,262,500 for total aggregate gross proceeds of $25,012,500, assuming the full exercise of the over-allotment option.

The Company has agreed to pay a cash commission of 6.0 per cent of the gross proceeds of the offering and will issue to the underwriters compensation options equal to 6.0 per cent of the aggregate number of units sold under the offering. The compensation options will be exercisable into units of the company at a price per compensation option equal to the offering price for a period of 24 months from the closing of the offering.

Convertible debenture

On September 11, 2020, the Company issued a $10,000,000 principal amount convertible debenture to an arm's-length investor by way of a private placement. The convertible debenture bears interest at the rate of 5% per annum, is unsecured and matures on the date of closing of the Company's bought deal financing. The convertible debenture is automatically convertible into units of the Company at a price of $0.75 per unit should there be either a liquidation event or the bought deal financing terminates. Each units will consist of one common share of the Company and one common share purchase warrant. Each whole warrant is exercisable into one common share at a price of $1.00 per warrant for a period of 24 months from the date of issuance. If at any time prior to the expiry date, the weighted average trading price of the common share exceeds $1.50 for a period of 10 consecutive trading days, the Company may provide written notice to the holder that the warrants will expire on the 30th days following the notice.

OTHER INFORMATION

Additional information about the Company is available on SEDAR at www.sedar.com.

Form 52-109F2R
Certification of Refiled Interim Filings

This certificate is being filed on the same date that Red White & Bloom Brands Inc. (the "issuer") has refiled its interim financial report and MD&A for the interim period ended June 30, 2020.

I, Johannes (Theo) van der Linde, Chief Financial Officer of Red White & Bloom Brands Inc. certify the following:

1. Review: I have reviewed the interim financial report and MD&A (the "interim filings") of the issuer for the interim period ended **June 30, 2020.**

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

Date: **September 17, 2020**

"Theo van der Linde

____
Johannes (Theo) van der Linde
Chief Financial Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

i) 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

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Form 52-109F2R
Certification of Refiled Interim Filings

This certificate is being filed on the same date that Red White & Bloom Brands Inc. (the "issuer") has refiled its interim financial report and MD&A for the interim period ended June 30, 2020.

I, Brad Rogers, Chief Executive Officer of Red White & Bloom Brands Inc. certify the following:

1. Review: I have reviewed the interim financial report and MD&A (the "interim filings") of the issuer for the interim period ended **June 30, 2020.**

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

Date: **September 17, 2020**

"Brad Rogers"

____
Brad Rogers
Chief Executive Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

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