



Organto Foods Inc.

**1090 Hamilton Street
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Canada**

**Management's Discussion and Analysis
(Unaudited)**

**For the Nine Months Ended
September 30, 2017**

(Stated in Canadian Dollars)

Dated November 28, 2017

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Basis of Presentation

The following Management's Discussion and Analysis ("MD&A") provides an overview of the business and operations of Organto Foods Inc. for the three and nine months ended September 30, 2017. This report should be read in conjunction with the Company's audited consolidated financial statements and related notes for the year ended December 31, 2016 and the accompanying unaudited condensed interim consolidated financial statements for the interim period ended September 30, 2017, both of which were prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

Except where the context otherwise requires, all references in this MD&A to the "Company", "we", "us", "our" and "Organto" or similar words and phrases relate to Organto Foods Inc. and its subsidiaries, taken together.

All currency amounts are expressed in Canadian dollars unless noted otherwise. In addition, "this quarter" or "current quarter" refers to the three month period ended September 30, 2017, and "this period" or "current period" refers to the nine months ended September 30, 2017.

This MD&A is dated November 28, 2017.

Forward-Looking Statements

This document contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to as "forward-looking statements"). Often, but not always, forward-looking statements can be identified by the use of words such as "plans," "expects" or "does not expect," "is expected," "planned," "budget," "scheduled," "estimates," "continues," "forecasts," "projects," "predicts," "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," "should," "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any of our future results, performance or achievements expressed or implied by the forward-looking statements; consequently, undue reliance should not be placed on forward-looking statements.

Forward-looking statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to, assumptions about our ability to carry out our plans and objectives; our ability to open up and sell through retail chains and other channels in Europe and North America; our ability to procure required volumes of organic produce from both our own operations and strategic third party suppliers; our ability to meet import and export requirements; general business and economic conditions; the timing of the receipt of any required approvals for operations; the availability of equity and other financing on reasonable terms; energy prices; our ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; our ability to attract and retain skilled labour and staff; our ability to operate in The Netherlands, Europe, North America and elsewhere; the impact of changes in the Canadian/US dollar and other foreign exchange rates on costs and results; transportation and logistics costs; market competition; and ongoing relations with our employees and with our business partners.

We caution you that the foregoing list of important factors and assumptions is not exhaustive. Whether actual results and developments will agree with our expectations and predictions is subject to many risks and uncertainties. Accordingly, there are or will be important factors that could cause our actual results to differ materially from our expectations and predictions. We believe these factors include, but are not limited to, the following:

- we have a limited operating history and may incur further losses until our operating platform achieves scale;
- there is risk in our ability to continue as a going concern due to losses incurred as we build our operating platform, risk in our negative working capital position and our accumulated deficit, all of which could impact our ability to continue operations;
- we may not be able to secure financing required to meet future capital needs to continue operations;
- additional financing may dilute common shareholders or place restrictions on our operations;
- we operate in a competitive global industry and the actions of competitors could impact revenues and profitability;

- we must attract and retain key personnel to achieve our business objectives;
- our customers are generally not obligated to continue to purchase products from us;
- if we do not manage our supply chain effectively, our operating results may be adversely affected;
- our international operations expose us to risks inherent with the countries where we are doing business;
- our business is subject to numerous environmental and food safety regulations and policies;
- our stock price may be volatile, which may impact returns to our shareholders;
- our common shares are thinly traded and our shareholders may be unable to sell at or near ask prices, or at all;
- we do not anticipate paying any cash dividends to our common shareholders and as a result shareholders may only realize a return when their shares are sold; and
- our business is subject to changing regulations related to corporate governance and public disclosure that may increase both our costs and risk of non-compliance.

Consequently, all forward-looking statements made herein are qualified by these cautionary statements and there can be no assurance that our actual results or the developments we anticipate will be realized. The foregoing factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements and the detailed risks and uncertainties that are included in this report.

History and Legal Structure

History

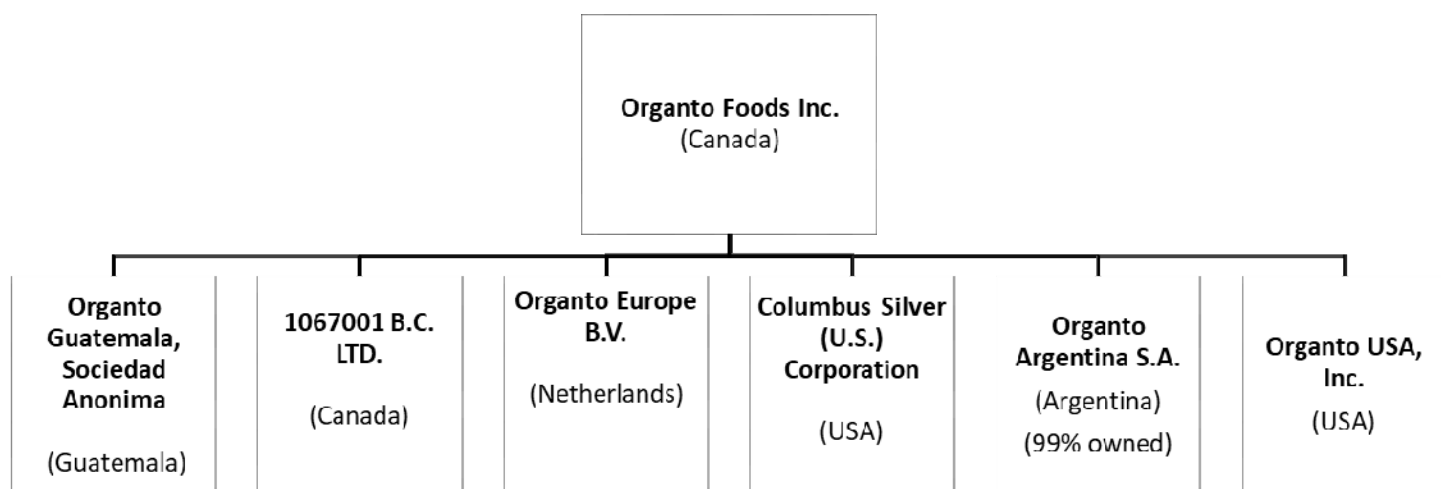
In March 2014 Agricola Nuova Terra S.A. (“Agricola”), a privately owned business, commenced operations to build out a global year round organic supply platform focused on the production and distribution of value-added branded organic vegetables.

On November 30, 2015, Agricola completed a reverse takeover (the “RTO”) of Columbus Exploration Corporation (“Columbus Exploration”). Columbus Exploration was incorporated on May 18, 2007 under the laws of the Province of British Columbia, Canada. Upon completion of the RTO, Columbus Exploration changed its name to Organto Foods Inc., and Agricola became a wholly-owned subsidiary of Organto Foods Inc. On March 21, 2016, Agricola changed its name to Organto Guatemala, Sociedad Anonima (“Organto Guatemala”)

The name change to Organto Foods Inc. was completed to better reflect our focus on growing, processing, packaging, distribution and branding vertically integrated year-round organic foods along with our commitment to sustainable and socially conscious business practices. Currently we have growing and processing operations in Guatemala and contract growing relationships with a number of third-party strategic supply partners in South America and Africa. We intend to further diversify our supply base via strategic third-party relationships as our platform is built out. Our head office is in Vancouver, British Columbia and we also have offices in Miami, Florida and in the Netherlands. Further details regarding our operations are provided later in this report under the heading Operations.

Legal Structure

We have six subsidiaries in the jurisdictions listed below. All subsidiaries are wholly owned by Organto Foods Inc. unless noted otherwise.



Our head office is located at 1090 Hamilton Street, Vancouver, British Columbia, Canada.

Our fiscal year end is December 31st.

Our common shares are listed for trading on the TSX Venture Exchange (“TSXV”) under the trading symbol “OGO” and are quoted on the OTC Markets under the symbol “OGOFF”.

We have authorized capital of an unlimited number of common shares without par value. We have the following capital structure as at the date of this MD&A and September 30, 2017:

	November 28, 2017	September 30, 2017
Common shares issued and outstanding	112,263,903	112,234,599
Share purchase options outstanding (\$0.065-\$0.20)	9,515,000	2,245,000
Warrants (\$0.15-\$0.35)	37,235,853	37,265,157

Strategy

Our mission is “to be a leading vertically integrated organic value-added vegetable brand serving a growing socially responsible and health conscious consumer around the globe”.

We employ a business model that is integrated from the “seed to the table”. Driven by consumer and retailer demand for healthy and organic food products, we have built and continue to build out a platform to deliver value-added branded and private label products to meet these needs via an integrated model with extensive logistics, processing and growing capabilities, and the ability to provide year-round product supply and complete traceability from the table back to the field. Our model is rooted in our commitment to sustainable business practices focused on environmental responsibility and our commitment to the communities where we operate, our people and our shareholders.

Our focused strategic blueprint is centered on three key strategic pillars: *Supply, Brand and Infrastructure*.

- *Supply* – development of year-round vertically integrated organic supply chain capabilities;
- *Brand* – building the Organto brand as a leading brand in organic value-added vegetables with large retailers worldwide; and
- *Infrastructure* – responsibly building-out the organization to allow the business to scale at speed.

We believe that the demand for healthy and organic foods will continue to grow for many years and supply availability will be key to this growth being realized. According to the US Organic Trade Association sales of organic products grew 10.9% in 2015 to over US\$43 billion and to US\$47 billion in 2016, much ahead of the growth in sales of conventional products, and now representing over 5% of total food sales. The OTA estimates that 82% of Americans buy organic food at least some of the time and fresh produce continues to be the primary gateway by which consumers enter the organic foods space. Furthermore, over half of all households in the US have purchased organic produce and the fresh produce segment is the fastest growing within the organic segment, now representing 15% of all the produce that Americans eat, and 36% of total US organic foods spend. And this is not just a US phenomenon. The organic market in Europe continues to grow. In 2015 the market increased by 13% and reached approximately Euro 30 billion. Globally European countries account for the highest share of organic food sales as a percentage of total food sales. According to an ABN AMRO report dated June 23, 2016, "by 2020 it is expected that global organic food consumption will reach US \$160 billion, to reach the expected growth there must be sufficient supply".

It is our belief in these growing markets and consumer trends, combined with our ability to build an efficient year round branded organic supply platform that underlies our strategic focus and our mission to be a leading vertically integrated organic value-added vegetable brand serving a growing socially responsible and health conscious consumer around the globe.

Business Developments in 2017

On November 23, 2017, we announced the addition of a new strategic supply partner located in Egypt, adding to our growing supply base. Under the terms of the exclusive agreement, initial product supply commenced in late-November with the delivery of organic green beans followed by the delivery of organic snow peas and organic sugar snaps expected in early December.

On November 6, 2017, we announced the addition of a new strategic partner located in Peru, which adds to our supply base. Under the terms of the exclusive long-term agreement, initial product supply will commence in mid-November with the delivery of organic green asparagus.

On November 3, 2017, we announced that we granted incentive stock options to certain directors, officers and employees to purchase up to an aggregate of 7,270,000 common shares at an exercise price of \$0.18 per share. 4,578,340 of the options vest immediately. 1,275,000 options will vest upon Organto's common shares trading on the TSXV at a price of at least CDN\$0.50 per share for 3 consecutive trading days and a further 1,275,00 will vest upon Organto's common shares trading on the TSXV at a price of at least CDN\$0.80 per share for 3 consecutive trading days. The balance of 141,660 options will vest over the next twelve months. All of the foregoing options expire on October 10, 2022.

On October 23, 2017, we announced the commencement of delivery of organic snow peas and organic sugar snaps from strategic third party growing and processing operations located in the Andean Highlands of Peru. In May 2017 we announced a Supply Agreement with GB Organic SAC ("GB Organic") for the supply of organic snow peas, sugar snaps and green beans, and this represented the start of deliveries from this strategic supply partner.

On October 16, 2017, we announced that the Board of Directors appointed Steve Bromley to succeed Robert Giustra as Chair, with effect from October 10th, 2017. Mr. Giustra will continue to serve as a director, having been re-elected at the Annual General Meeting held on September 27, 2017, and will also continue to serve as a member of our Audit Committee. Mr. Bromley was appointed as Strategic Advisor to the CEO and Board of Directors in May 2017, focused on strategic development, business execution, risk management and governance matters, and in September 2017 he was appointed to the Board. He brings over 30 years of food industry experience to Organto, having served as CEO and a Director of SunOpta Inc. from 2007-2015. SunOpta is a global leader in non-GMO, organic and specialty foods with revenues in excess of \$1 billion, substantial manufacturing and integrated supply operations, and a diverse global customer base. Mr. Bromley joined SunOpta in 2001 as CFO and served in that role until 2004 when he was appointed President and COO, through to his appointment as CEO. Prior to joining SunOpta, Mr. Bromley spent 15 years in the dairy and meat industries and four years in public accounting.

On October 11, 2017, we announced the additions of Ben van der Schaaf and Ingrid van der Schaaf to our procurement and production teams. Both Ben and Ingrid bring deep organic production and supply chain experience to Organto and our supply and processing partners at an important time in the commercialization of our business model. Both will be based out of our office in Amsterdam, the Netherlands, with extensive travel to growing and processing operations. Ben and Ingrid started their careers in the flower wholesale business and then moved to managing farming and supply chains with a long history working in various African countries importers of traditional and organic vegetables. Ben van der Schaaf brings extensive organic seeding, harvesting and production knowledge to us, while Ingrid van der Schaaf adds deep production, packaging and supply chain efficiency expertise to

the team. Both will work closely with our existing regional production managers in South America and Africa to enhance supply efficiency and quality control while growing our supply base.

On October 3, 2017, we announced we entered into of a strategic partnership with Vroegop Windig, part of the Vroegop Ruhe & Co. (“Vroegop Windig”), a leading European organic foods operator based in The Netherlands. Vroegop Windig is a family owned company with a long history in food and specifically organic food importing and wholesale distribution in The Netherlands and Belgium. Vroegop Windig has been a leading supplier of organic fruits and vegetables to large retailers and food service companies, as well as prominent restaurants, for many years, and also operates its own processing and retail outlets in the Netherlands. Under the terms of the strategic partnership, we will leverage our respective strengths as we address fast growing health and organic foods markets. Vroegop Windig will provide packaging services for Organto branded and private label products for the Northern Europe region, utilizing three automated packaging lines and leveraging existing infrastructure to scale the roll-out of Organto value added organic vegetables. Vroegop Windig will also leverage existing go-to-market capabilities to represent and distribute Organto products to retail customers in Scandinavia, The Netherlands and Belgium. In addition, Organto and Vroegop Windig will work together to commercialize each other’s product portfolios both in other parts of Europe and also North America.

On October 1, 2017, we appointed Erik Kleerebezem as Chief Financial Officer, which followed the resignation of Andrew Yau from the role of Chief Financial Officer. Mr. Kleerebezem is a Dutch National with extensive global financial, systems and operational experience in the food and retail sectors, working with Bestfoods, Pepsico and Royal Dutch Ahold. He has also worked with a number of start-ups with a focus on establishment of financial systems and reporting, internal control and operations. Mr. Kleerebezem has an MBA from the Rotterdam School of Management and a Business Information Science Degree from the University of Amsterdam. Mr. Yau remains Interim Corporate Secretary and will continue to support Organto for an extended period of time in order to support a smooth transition.

On September 28, 2017 we announced the results from our 2017 Annual General Meeting, held on September 27, 2017. Shareholders elected Arnoud Maas, Steve Bromley, and Claudio Schreier as new directors and re-elected incumbent directors Robert Giustra, Jeffrey Klenda and Javier Reyes. This increased the size of the board to six directors, an increase of one director, adding significant foods and retail experience to the board and increasing the number of independent directors to 50%.

On September 11, 2017 we closed the third tranche of our previously announced non-brokered private placement. Gross proceeds of \$2,934,750 from the sale of 19,565,000 units at a price of \$0.15 per unit. Each unit consists of one common share and one transferrable warrant to purchase one additional common share of Organto exercisable at a price of \$0.25 for a period of 24 months from the closing date.

On August 28, 2017, we extended the closing date of our previously announced non-brokered private placement to September 25, 2017.

On August 3, 2017, we closed the second tranche of our previously announced non-brokered private placement. Gross proceeds of \$324,781 were raised from the sale of 2,165,208 units at a price of \$0.15 per unit. Each unit consists of one common share and one transferrable warrant to purchase one additional common share of Organto exercisable at a price of \$0.25 for a period of 24 months from the closing date.

On July 19, 2017, we announced that we entered into a strategic agreement with ProSpection Consulting LLC (“ProSpection”) to develop and manage supply of certified organic products for us from strategic third-party suppliers in Egypt, sub-Saharan Africa and India. ProSpection is headquartered in Cairo, Egypt and bring extensive local and agronomic expertise to Organto as we build out our global supply network.

On July 4, 2017, we announced the appointment of Andrew Yau, the current Chief Financial Officer of Organto, to the position of Interim Corporate Secretary, following the departure of Jenna Virk from the positions of Corporate Secretary and VP, Legal, effective immediately.

On June 20, 2017, we closed the first tranche of our previously announced non-brokered private placement. Gross proceeds of \$1,904,945 were raised from the sale of 12,699,634 units at a price of \$0.15 per unit. Each unit consists of one common share and one transferrable warrant to purchase one additional common share of Organto exercisable at a price of \$0.25 for a period of 24 months from the closing date.

On June 8, 2017, we closed our previously disclosed February 2017 convertible debenture financing in the amount of \$2,035,000. The debentures bear interest at a rate of 8% per annum, payable annually with the first interest payment due on June 30, 2018, and

are convertible into common shares at a conversion price of \$0.35. The debentures are also subject to a call feature at our sole election.

On May 16, 2017, we issued 250,000 common shares to a supplier to settle amounts owing of \$62,500.

On May 15, 2017, we announced the signing of a five-year exclusive supply agreement with GB Organic, for the provision of specified volumes of organic snow peas, organic sugar snaps and organic green beans from GB Organic's organic growing and processing operations located in the Andean Highlands of Peru.

On May 11, 2017, we announced our intention to complete a non-brokered private placement of 23,000,000 units at a price of \$0.15 per unit for gross proceeds of up to \$3,450,000. Each unit to consist of one common share and one warrant exercisable to purchase one additional common share at a price of \$0.25 for a period of 24 months after the closing date. The exercise date of the warrants will be subject to acceleration in the event that the volume-weighted average closing price of our common shares on the TSXV, or such other stock exchange on which our common shares are primarily traded from time to time, is greater than or equal to \$0.35 per share for a period of 10 consecutive trading days (an "Acceleration Event") and such Acceleration Event occurs any time after the expiration of a four month hold period. This private-placement was subsequently expanded and closed on September 12, 2017.

In April 2017 we received new bridge loans totalling \$268,540 (US\$200,000). The loans were unsecured, bear interest at a rate of 8% per annum and have a one-year repayment term, subject to the option of the lenders to demand early repayment any time after Organto has announced the completion of an equity financing for aggregate proceeds of at least \$1,342,700 (US\$1,000,000). An aggregate of 1,000,000 non-transferable warrants were issued to the lenders, exercisable for a term of 1 year from the date of the loan agreements, at \$0.20 per share. In connection with the new bridge loans, terms of the bridge loans received September 23, 2016 were amended to extend the term and interest rate to align with the new bridge loans, and 300,000 warrants initially issued were cancelled and replaced with the 1,000,000 non-transferable warrants detailed above. These bridge loans have now been fully repaid.

On April 20, 2017, we announced that we commenced retail sales of our organic green beans into the Ahold Delhaize Group, the 10th largest supermarket in the world and leading retailer in Belgium. Our products were first added to the Delhaize chain in Belgium.

On April 19, 2017, we announced key leadership changes. Effective May 1, 2017 Arnoud Maas was appointed Chief Executive Officer, succeeding Peter Gianulis who transitioned into the role of Executive Vice President, Corporate Development and continue as a Director of the Board. In addition, Steve Bromley was appointed as Strategic Advisor to the CEO and Board of Directors, focused on strategic development, business execution, risk management and governance matters.

Mr. Maas has a long history in the consumer goods sector, particularly in the European and Asian food divisions of the former Sara Lee Corporation, which had operations in more than 40 countries and sold its product in over 180 nations worldwide. In the last three years, he has worked closely with the CEO and Board of Vroegop, a leading vertically integrated organic food company based in the Netherlands, where he assisted in strategically opening new distribution channels and market opportunities. Early in his career, Mr. Maas was a partner at Accenture, Kurt Salmon, as well as Capgemini Consulting, specializing in the consumer goods sector. He later held senior executive positions in retail, including as CEO of a leading chain of bookstores, and ultimately in the food sector, where he gained essential multi-jurisdictional management experience and extensive industry contacts. Mr. Maas holds a business degree from Sheffield University in the UK and a Masters in Economics from Keio University in Tokyo.

On February 24, 2017, we announced commencement of sales to COOP Denmark, one of the largest food retailers in Europe.

On February 23, 2017, we announced a non-brokered convertible debenture private placement of \$2,035,000. The convertible debentures (the "Debentures") issued pursuant to this private placement are unsecured, have a term of three years, and bear interest of 8% annually, payable in arrears starting one year after the date of issuance of such Debentures. Holders may elect to convert the principal amount of their Debentures into common shares of Organto at a price of \$0.35 per share until the maturity date.

On January 26, 2017, we announced the appointment of Marcus Meurs as Chief Operating Officer, which followed the resignation of Mr. Andres Barresi from the role of Chief Operating Officer effective January 14, 2017. With this appointment, Mr. Meurs assumed responsibility for all operating aspects of Organto's "table to field" integrated organic produce business model including sourcing, procurement, processing, logistics, product development, sales and marketing.

On January 9, 2017, we announced the appointment of Marcus Meurs as President and Director of the Company. Mr. Meurs is a dynamic Dutch entrepreneur with more than 25 years of global experience in the conventional and organic foods industry. Prior to joining Organto he founded Pure Nature Organics and the Pure Nature brand, and grew the company to approximately US\$35 million in sales before selling the business. Mr. Meurs has deep experience in managing all facets of an international foods business including operations, processing, logistics, sales and pricing, strategic development and product development. Mr. Meurs has an MBA in International Management, a Bachelor of Business Administration and a Bachelor of Business Information Systems from the European University in Antwerp.

Operations

Go-To-Market Model

We have developed a branded go-to-market strategy under the Organto brand. We believe our ability to drive a differentiated branded products strategy is based on our continued development of year-round supply capabilities which we believe are unique for these value-added products and the first in many of the categories where we participate. In addition, we believe we are the first fresh supplier in our categories with CO2 neutral logistics and 100% compostable packaging, and the first to globally market under a consistent brand to consumers. In hand with our branded products focus, we also work with retail partners to provide value-added private label offerings, with the objective of maximizing efficiencies while creating category demand for our brand. Our products are initially being rolled out to specific European customers and will be followed by introduction in the North American market.



Supply Model

We have developed and are in the process of implementing a multi-location year-round supply model initially sourcing and supplying organic green beans, organic sugar snaps, organic snow peas and organic green asparagus from a combination of company operated operations in Guatemala and strategic third-party sourcing arrangements in South America and Africa. We own a processing and packing operation in Guatemala and work with third parties for processing and packing in all other geographic supply locations. We intend to expand our product offering and supply sources over time as our business model scales.

Products for the European market are shipped bulk from our supply sources and are subsequently inspected and packaged for consumer consumption in the Netherlands through a relationship with a strategic packing partner. Products for the USA market will either be pre-packaged at source due to the relative close proximity to the end customers or packaged closer to end users via strategic partners.

Further details on our supply locations are provided below.

Guatemala

In Guatemala, we own and operate a processing and packing facility in Patzun, and grow organic value-added vegetable products from owned and leased farms strategically located throughout the country. The Patzun, Chimaltenango processing and packaging facility has USDA National Organic Program certification.

We are currently directly operating our own growing operations but intend on sub-contracting growing of certain products to growers and growing associations in and around Guatemala in order to further scale our supply from this region with low capital input.

Current and future products include organic snow peas, organic sugar snaps, organic green beans (haricot verts), organic butter beans, organic edamame, organic specialty peppers, organic broccolini and other organic vegetables.

Argentina

In Argentina, we have completed numerous commercial trials on farmland we have leased and operated. Based on these trials we have decided to not produce from our own operations, and instead operate in Argentina via contracted third-party grower relationships, initially in the Catamarca region, with initial supply expected to be available in 2018. All land that is expected to be in production has both USDA and EU organic certification.

Current and future products may include organic snow peas, organic sugar snaps, organic green asparagus and other organic vegetables.

Peru

In Peru, we have agreements in place with strategic third-party suppliers for the production of organic green beans, organic snow peas, sugar snaps and organic green asparagus. Delivery of organic green beans commenced in October, organic snow peas and sugar snaps commenced in November and organic green asparagus is expected to commence in early December.

Africa

We have a strategic agreement in place with ProSpection to develop and manage supply of certified organic products for us from strategic third-party suppliers in Egypt, sub-Saharan Africa and India.

In Egypt, we have agreements in place with strategic third-party suppliers for the production of organic green beans, organic snow peas and organic sugar snaps. Delivery of product from a first supplier commenced in November and supply from a second strategic supply partner will commence in December.

Mexico

In Mexico, we are developing relationships with third party growers in three distinct growing regions in the country, providing for seasonally diversified supply of certain crops.

Products are expected to include organic green beans, organic snow peas, organic sugar snaps, organic asparagus and other organic vegetables, to be supplied for both the European and North American markets.

Selling and Administration

Our head office is located in Vancouver, British Columbia and finance and administration services are provided by a related party. An agreement is in place with this third party through the end of 2017, at which time we expect that all services will be transitioned to a stand-alone administrative platform in order to meet the growth needs of our business. As part of this transition we are in the process of relocating our head office to Amsterdam, the Netherlands, better aligning with our efforts to initially commercialize our products in European markets. We have a sales office in Miami, Florida and we expect our presence in the US will expand as commercial activities ramp-up in 2018. In Europe, we currently operate out of administrative offices located in the Netherlands and this will become our head office over time. Currently finance and administration, operations, marketing, sales and executive resources are located in our Amsterdam office. We have recently added a marketing team in Europe who are working closely with external marketing resources to further refine our marketing strategies as we prepare to roll-out our product offering to new markets in 2018. We expect we will need to add resources across the organization as our business expands. Selling, General and Administrative costs are all projected to increase as the business grows, but become a lower percentage of sales as the business scales.

Financial Results

For the purposes of the information presented, the "Company" is defined as the consolidated entity.

Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS is the responsibility of management and requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Our management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is risk of material adjustments to assets and liabilities in future accounting periods include estimates of useful lives of depreciated and amortized assets, the valuation of inventory which includes estimates with regards to the allocation of overhead and determining the net realizable value, assumptions used in determination of the fair value of share-based payments, the recoverability and measurement of deferred tax assets, and the allocation of the purchase price associated with the acquisition of a business.

The preparation of financial statements in accordance with IFRS requires us to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in preparing our financial statements include the assumption that we will continue as a going concern, classification of expenditures and the classification of financial instruments.

Changes in Accounting Policies and Standards

A number of new standards, and amendments to standards and interpretations, are not yet effective for the nine months ended September 30, 2017, and have not been applied in preparing these consolidated financial statements. Those that may have a significant effect on our consolidated financial statements in the future are as follows:

(a) IFRS 9 – *Financial Instruments* (“IFRS 9”)

This new standard is a partial replacement of IAS 39 “Financial Instruments: Recognition and Measurement”. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

(b) IFRS 15 – *Revenue from Contracts with Customers* (“IFRS 15”)

IFRS 15 specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard supersedes IAS 18 'Revenue', IAS 11 'Construction Contracts' and a number of revenue-related interpretations. Application of the standard is mandatory for all IFRS reporters and it applies to nearly all contracts with customers: the main exceptions are leases, financial instruments and insurance contracts. IFRS 15 is effective for annual periods beginning on or after January 1, 2018.

(c) Other

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

Financial Performance

The following highlight's our financial performance for the three and nine months ended September 30, 2017:

	Three months ended			Nine months ended		
	Sep 30, 2017 (\$)	Sep 30, 2016 (\$)	% Change	Sep 30, 2017 (\$)	Sep 30, 2016 (\$)	% Change
Revenues	135,623	209,350	(35%)	456,075	2,129,241	(79%)
Gross (loss) profit	(441,277)	(86,648)	(409%)	(859,303)	151,664	(667%)
Net loss from continuing operations	(1,468,605)	(1,065,311)	(38%)	(3,708,148)	(2,252,394)	(65%)
Net income from discontinued operations	-	-	-	-	21,892	(100%)
Net loss for the period	(1,468,605)	(1,065,311)	(38%)	(3,708,148)	(2,230,502)	(66%)
Cash used in operating activities	(1,470,297)	(552,791)	(166%)	(4,114,804)	(724,396)	(468%)
Loss per share, basic and diluted	(0.02)	(0.01)	(100%)	(0.04)	(0.03)	33%

Review of Financial Results – Current Quarter

We incurred a net loss of \$1,468,605 during the current quarter, compared to \$1,065,311 during the same period in the prior year. The increase in the net loss for the quarter is discussed below.

Revenues for the three months ended September 30, 2017 were \$135,623 as compared to \$209,350 during the same period in the prior year. Revenues in the quarter were generated from the initial stages of the commercial roll-out of our organic product offering after an extended period with limited revenue as we completed trials of our processes and attained organic certifications, refining our growing operations and developing third-party supply relationships, all in support of the build out of our year-round supply capabilities. Revenues from the prior year quarter were mainly from conventional produce as we validated our supply and logistics processes. We expect revenues to ramp-up going forward as our supply increases from both our own growing and processing operations and strategic third-party suppliers. Gains and losses from recognition and remeasurement of biological assets arise from when seeds are sown up until when they are harvested, with corresponding increases in fair value. Gross profit was impacted in the quarter by increased overheads associated with the build-out and ramp-up of our capabilities in advance of scale, yield losses due to low utilization rates, plus amortization costs related to our fixed assets.

Selling, general and administration expenses increased to \$531,700 this quarter, up from \$481,017 in the prior year. These increased costs are primarily attributable to increased monthly services fees to Columbus Gold, increased travel, and additional administration expenses to support growth, expansion and build-out of a stand-alone administrative platform.

Management fees during the current quarter increased to \$302,340 compared to \$263,321 in the prior year, attributable primarily to the addition of key leadership and advisors to our team. The management fees are attributable to the CEO, COO and certain management and advisors of the Company.

Salaries and benefits increased to \$303,961 this quarter, compared to \$67,297 during the same period in the prior. The increase is mainly attributable to increased management resources and additional staffing in Europe to support our growing operations.

We have a convertible loan payable, convertible debentures, and certain accounts payable, which incur interest at various rates. Total interest expense recognized during the current quarter relating to these liabilities is \$57,950, compared to \$41,257 during the prior year comparative period.

We recorded other income of \$44,296 this quarter, mainly in connection with the settlement of certain liabilities.

Foreign exchange gains and losses arise from transactions incurred in currencies other than the functional currency of the Company and its subsidiaries. We incurred a foreign exchange gain of \$54,380 this quarter as compared to a loss of \$62,016 during the prior year comparative period.

We recorded a gain on derivative financial liability of \$47,288 this quarter, compared to \$nil in the comparative prior year quarter. This gain is in connection with the conversion option on our convertible debentures, which were issued this year.

We recorded a gain on embedded derivative financial liability of \$22,659 this quarter, compared to a loss of \$63,755 in the comparative prior year quarter. The gains and losses in the quarters are in connection with the conversion option on our convertible loan payable, which is denominated in US Dollars.

During the current quarter we realized a loss per share, both basic and diluted, of \$0.02 versus a loss per share, both basic and diluted, of \$0.01 in the prior year.

Review of Financial Results – Current Period

We incurred a net loss of \$3,708,148 during the current period, compared to \$2,230,502 during the same period in the prior year. The increase in the net loss for the period is discussed below.

Revenues for the nine months ended September 30, 2017 were \$456,075 as compared to \$2,129,241 during the same period in the prior year. Revenues for the period represented the start of the commercial roll-out of our organic product offering late in the period after an extended period in the last two quarters of 2016 with limited revenue as we completed trials of our processes and attained organic certifications, refining our growing operations and developing third-party supply relationships all in support of the build out of our year-round supply capabilities. Revenues from the prior year nine-month period were mainly from conventional produce as we validated our supply and logistics processes. It should be noted that in the fourth quarter of 2016 we wrote off approximately \$440,000 in bad debt expense which was related primarily to revenues recorded in the first two quarters of 2016. We expect revenues to ramp-up going forward as our supply increases from both our own growing and processing operations and strategic third-party suppliers. Gains from recognition and remeasurement of biological assets arise from when seeds are sown up until when they are harvested, with corresponding increases in fair value. Gross profit was impacted in the period by increased salaries and overheads associated with the build-out and ramp-up of our capabilities in advance of scale, yield losses due to low utilization rates, plus amortization costs related to our fixed assets.

Selling, general and administration expenses increased to \$1,457,000 this period, up from \$1,115,574 in the prior year. These increased costs are primarily attributable to increased monthly services fees to Columbus Gold, increased travel, and additional administration expenses to support growth, expansion and build-out of a stand-alone administrative platform.

Management fees during the current period increased to \$863,746 compared to \$654,862 in the prior year, attributable to the addition of key leadership and advisors and compensation adjustments. The management fees are attributable to the CEO, COO and certain management and advisors of the Company.

Salaries and benefits increased to \$503,915 this period, compared to \$264,984 during the same period in the prior. The increase is mainly attributable to increased management resources and increased staffing in Europe to support our growing operations.

We have or had amounts due to Omega S.A., short-term loans payable, a convertible loan payable, convertible debentures, and certain accounts payable, which incur interest at various rates. Total interest expense recognized during the current period relating to these liabilities is \$217,298 compared to \$159,583 during the prior year comparative period.

Foreign exchange gains and losses arise from transactions incurred in currencies other than the functional currency of the Company and its subsidiaries. We incurred a foreign exchange gain of \$53,835 this period as compared to a loss of \$136,126 during the prior year comparative period.

We recorded a gain on derivative financial liability of \$47,288 this period, compared to \$nil in the comparative prior year period. This gain is in connection with the conversion option on our convertible debentures, which were issued this year.

We recorded a gain on embedded derivative financial liability of \$92,020 this period, compared to a loss of \$72,929 in the comparative prior year period. The gains and losses in the quarters are in connection with the conversion option on our convertible loan payable, which is denominated in US Dollars.

During the current period we realized a loss per share, both basic and diluted, of \$0.04 versus a loss per share, both basic and diluted, of \$0.03 in the prior year.

Selected Quarterly Information

	Q3 2017 (\$)	Q2 2017 (\$)	Q1 2017 (\$)	Q4 2016 (\$)	Q3 2016 (\$)	Q2 2016 (\$)	Q1 2016 (\$)	Q4 2015 (\$)
Revenues	135,623	284,878	35,574	25,969	209,350	518,551	1,401,340	815,624
Loss from continuing operations attributable to shareholders of the Company	(1,468,605)	(1,300,937)	(870,271)	(2,091,813)	(1,047,678)	(537,271)	(647,552)	(1,081,633)
Income (loss) from discontinued operations attributable to shareholders of the Company	-	-	-	-	-	21,892	-	(7,615)
Net loss for the period attributable to shareholders of the Company	(1,468,605)	(1,300,937)	(870,271)	(2,091,813)	(1,047,678)	(515,379)	(647,552)	(1,089,248)
Basic and diluted loss per share from continuing operations	(0.02)	(0.01)	(0.01)	(0.03)	(0.01)	(0.01)	(0.01)	(0.04)
Basic and diluted earnings (loss) per share from discontinued operations	-	-	-	-	-	0.00	-	(0.00)
Basic and diluted loss per share for the period	(0.02)	(0.01)	(0.01)	(0.03)	(0.01)	(0.01)	(0.01)	(0.04)

	Sep 30, 2017 (\$)	Jun 30, 2017 (\$)	Mar 31, 2017 (\$)	Dec 31, 2016 (\$)	Sep 30, 2016 (\$)	Jun 30, 2016 (\$)	Mar 31, 2016 (\$)	Dec 31, 2015 (\$)
Cash	2,257,086	1,142,413	201,663	26,230	129,077	76,861	3,969	63,211
Total assets	7,693,330	6,646,020	5,428,130	5,102,997	6,296,781	6,293,876	7,028,267	7,194,697
Total non-current financial liabilities	(1,970,554)	(1,919,750)	-	-	-	-	-	(764,087)

Liquidity and Capital Resources

At September 30, 2017, we had cash of \$2,257,086 and a working capital deficiency of \$309,917, compared to \$26,230 and \$4,072,903, respectively, at December 31, 2016.

Cash used in operating activities for the three and nine months ended September 30, 2017 was \$1,470,297 and \$4,114,804, respectively, compared to \$552,791 and \$724,396, during the same respective periods in the prior year. Cash used in operations consists of cash used to fund the loss for the period and the impact of non-cash items and changes in non-cash working capital.

During the three and nine months ended September 30, 2017, we invested \$92,833 and \$114,139, respectively, in property, plant and equipment. During the respective comparative prior year periods, we invested \$nil and \$24,495 in property, plant and equipment. We also received \$27,448 from the sale of our Clanton Hills property during the nine months ended September 30, 2016.

During the current quarter, we received \$2,684,389 from financing activities, compared to \$609,629 during the same period in the prior year. The increase is primarily attributable to completing non-brokered private placements of the Company's common shares for net proceeds of \$3,039,131, partially offset by certain debt and interest repayments.

During the current period, we received \$6,469,614 from financing activities, compared to \$796,602 during the same period in the prior year. The increase is mainly attributable to completing non-brokered private placements of the Company's common shares for net proceeds of \$4,910,000, receiving \$2,035,000 from convertible debentures issued partially offset by certain debt and interest repayments.

At September 30, 2017, we had current liabilities of \$3,584,645, and non-current liabilities of \$1,970,554.

We are reliant upon equity and/or debt financings to fund operations until such time as revenues are sufficient to sustain operations.

Financial instruments

The fair value of our financial instruments, financial statement classification and associated risks are presented in the table below:

Financial instrument	Basis of measurement	Associated risks	Fair value at Sep 30, 2017 (\$)
Cash	Fair value through profit or loss	Credit, currency and concentration	2,257,086
Receivables	Amortized cost	Credit, currency and concentration	214,715
Accounts payable	Amortized cost	Currency	(1,877,142)
Due to Omega S.A.	Amortized cost	Currency	(474,333)
Convertible loan payable	Amortized cost	Currency	(592,366)
Embedded derivative financial liability	Fair value through profit or loss	Exchange	(110,395)
Due to Columbus Gold	Amortized cost	n/a	(263,519)
Convertible debentures	Amortized cost	n/a	(1,707,842)
Derivative financial liability	Fair value through profit or loss	Exchange	(262,712)
			(2,816,508)

The fair value of our financial instruments including cash, receivables, accounts payable, due to Omega, convertible loan payable, and amounts due to Columbus Gold approximates their carrying value due to the immediate or short-term maturity of these financial instruments.

The fair value of the debt component of our convertible debentures is based on the effective interest rate method, with the residual balance allocated to the conversion component, derivative financial liability.

IFRS 7, *Financial Instruments: Disclosure* establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

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

During the three and nine months ended September 30, 2017, we recognized a gain of \$22,659 and \$92,020, respectively, in connection with our *Embedded derivative financial liability*, from the revaluation of the conversion option.

During the three and nine months ended September 30, 2017, we recognized a gain of \$47,288, in connection with our *derivative financial liability*, from the revaluation of the conversion option.

We incurred aggregate interest expense of \$57,950 and \$217,298 in connection with amounts due to Omega, short-term and convertible loans payable, and convertible debentures during the three and nine months ended September 30, 2017, compared to \$41,257 and \$159,583 for the respective prior year periods.

Our financial instruments are exposed to certain financial risks. The risk exposures and the impact on our financial instruments at September 30, 2017 are summarized below. The Board of Directors reviews with management the principal risks affecting the Company and the systems that have been put in place to manage these risks.

(a) Credit risk

Credit risk is the risk that the Company will incur a loss due to a customer or third party failing to discharge their obligation due to the Company.

The credit risk exposure on cash is limited to their carrying amounts at the date of the statement of financial position. Cash is held as cash deposits with creditworthy banks in Canada, Europe, Guatemala and Argentina. The risk is assessed as low.

The credit risk exposure on receivables is limited to their carrying amounts at the date of the statement of financial position. Trade receivables are mainly from two customer in Europe. The risk is assessed as high due to the limited number of customers. Other receivables are primarily comprised of GST and VAT credits with a low risk assessment.

(b) Liquidity risk

Liquidity risk arises from the Company's general and capital financing needs. We manage liquidity risk by attempting to maintain sufficient cash balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short term obligations. As at September 30, 2017, we had a working capital deficiency of \$309,917 (December 31, 2016 – \$4,072,903). Liquidity risk is assessed as high.

To address the liquidity risk, we continue to monitor our working capital needs and cash flows. We may attempt to raise additional capital if necessary.

(c) Market risks – interest rate

We do not have debt that is subject to interest rate risks, as the debts have fixed rates.

Sensitivity Analysis

A 1% change in interest rates does not have a material effect on our profit or loss and equity.

As our functional currency is the Canadian Dollar, where foreign currency transactions such as the US Dollar, European Euro, Argentine Peso and Guatemalan Quetzal are converted into Canadian Dollars, changes in exchange rates between these currencies may have an effect on our profit or loss and equity. A +/- 10% change in the exchange rate between those currencies and the Canadian Dollar can affect net income by approximately \$16,125.

Capital Management

When managing capital our objective is to ensure an optimal capital structure is maintained to reduce overall cost of capital and allowing flexibility to respond to changes in working capital requirements.

In the management of capital, we include the components of shareholders' equity as well as cash and receivables.

We manage the capital structure and make adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, we may attempt to issue new shares, acquire or dispose of assets or adjust the amount of cash and investments.

In order to facilitate the management of our capital requirements, we monitor working capital and cash flows regularly. There have been no changes to our capital management policies and procedures since the end of the most recent fiscal year.

Related Party Transactions

We have a Services Agreement with Columbus Gold, whereby Columbus Gold provides administration and management services for a fixed monthly fee. The Services Agreement is effective until December 31, 2017. Columbus Gold has certain directors and officers in common with the Company.

The following related party transactions were in the normal course of operations:

	Three months ended		Nine months ended	
	September 30, 2017 (\$)	September 30, 2016 (\$)	September 30, 2017 (\$)	September 30, 2016 (\$)
Management fees paid or accrued to Fresh Organics LLC, a Company owned by Marcus Meurs, the president and COO of the Company	61,160	79,902	201,412	181,404
Management fees paid or accrued to Peter Gianulis, Executive Vice President, Corporate Development of the Company	45,015	78,580	140,512	192,082
Management fees paid or accrued to MCC Holding B.V. a Company owned by Arnoud Maas, CEO of the Company	75,316	-	128,436	-
Management fees paid or accrued to Brandal B.V., a Company owned by Rients van der Wal, a former director of the Company's subsidiary	59,222	65,551	232,568	199,170
Management fees paid or accrued to Andres Barresi, former COO of the Company	-	39,288	7,293	82,206
Administration fees paid or accrued to Columbus Gold	76,800	30,000	229,800	95,000
Directors fees paid or accrued	18,000	18,000	54,000	54,000
	335,513	311,321	994,021	803,862

The following summarizes advances, amounts that remain payable or accrued to each related party:

	September 30, 2017 (\$)	December 31, 2016 (\$)
Due to Omega	474,333	500,419
Due to Columbus Gold		
to be settled in cash	23,519	138,683
to be settled in shares of Organto	240,000	-
Loan payable to CrediPresto, a corporation of which Javier Reyes, a director of the Company, is a principal	-	118,439
Management fees payable to Andres Barresi	98,003	98,294
Management fees and expense reimbursements payable to Peter Gianulis	94,586	240,857
Loan payable to Peter Gianulis	-	64,496
Management fees payable and (advances) to Fresh Organics	(112,227)	12,775
Directors fees included in accrued liabilities	102,864	78,000
	921,078	1,251,963

Commitments

At September 30, 2017, we have the following commitments:

	Within 1 year (\$)	Between 1 and 5 years (\$)	After 5 years (\$)	Total (\$)
Lease payments for land use in Guatemala	135,656	495,375	383,621	1,014,652
Management fees to Arnoud Maas, CEO of the Company	303,050	-	-	303,050
Management fees to Fresh Organics LLC	242,855	121,095	-	363,950
Management fees to Peter Gianulis	181,830	251,566	-	433,396
Services agreement with Columbus Gold	76,800	-	-	76,800
Due to Omega	410,985	63,202	-	474,187
	1,351,176	931,238	383,621	2,666,035

Contingent Liability

On February 9, 2017, the Company received a letter from Guatemala's Sacatepequez Department Civil Court, notifying a claim in progress brought forth by a 3rd party. The claim is in connection with the purchase and sale of land in Guatemala, in the amount of approximately \$80,198 (Q\$461,312) plus accrued interest and certain legal fees. The Company subsequently negotiated with the 3rd party to settle the claim by voluntarily returning the land to the 3rd party. As at September 30, 2017, the Company recorded \$81,400 (Q\$468,233) in Accounts Payable in connection with this claim, and accrued additional interest of \$50,524 (Q\$290,626) accrued liabilities.

Risks and Uncertainties

Risk factors

Our business, operations and financial condition are subject to various risks and uncertainties. Prior to making an investment decision, investors should consider the risks and uncertainties set out below and those described elsewhere in this document, which are in addition to the usual risks associated with an investment in a business engaged in the global production and distribution of organic produce. We believe the risks set out below to be the most significant to potential investors, but do not represent all of the risks associated with an investment in securities of our Company. If any of the identified risks materialize or other additional risks and uncertainties of which we are currently unaware materialize, our assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects are likely to be materially and adversely affected. These risk factors should be read in conjunction with other information in this report and in other documents that we file from time to time.

Risks Related to Our Business

We have a limited operating history and may incur further losses until our operating platform achieves scale.

Agricola began carrying on business in 2014 and since that time we have built out our operating platform and generated approximately \$4.6 million in revenues and operating losses of approximately \$10.0 million. We are subject to many of the risks common to early-stage enterprises, including costs associated with building out an operating platform prior to volumes coming to scale, undercapitalization, cash shortages, and limitations with respect to personnel, financial, and other resources. There is no assurance that we will be successful in establishing a customer base, that consumers will purchase our products, or that we will begin generating revenues sufficient to cover our operating costs. Our ability to achieve a return on shareholders' investment and the likelihood of its success must be considered in light of the company's early stage of operations.

There is risk in our ability to continue as a going concern due to losses incurred as we build out our operating platform, risk in our negative working capital position and our accumulated deficit, all of which could impact our ability to continue operations.

Our independent auditors have added an explanatory paragraph to their audit opinion issued in connection with our financial statements for the years ended December 31, 2016 and 2015 with respect to our ability to continue as a going concern. As discussed in Note 1 to our financial statements for the current quarter, we have generated operating losses since inception, cash resources are

currently insufficient to meet planned business objectives, and thus additional financing will be required to realize the carrying value of our assets and continue operations, which together raises doubt about our ability to continue as a going concern.

We may not be able to secure financing required to meet future capital needs to continue operations.

We will require additional capital to fulfill our contractual obligations and continue development of our product offerings and global operating platform, through either equity or debt financing. Due to business specific or general economic conditions, we may be unable to secure debt or equity financing on terms acceptable to the Company, or at all, at the time when we need such funding. Our inability to raise additional funds on a timely basis would make it difficult to achieve our business objectives and would have a negative impact on our business, financial condition and results of operations.

Additional financing may dilute common shareholders or place restrictions on our operations.

If we raise funds by issuing additional equity or convertible debt securities, the ownership percentages of existing stockholders would be reduced, and the securities that we issue may have rights, preferences or privileges senior to those of the holders of our common stock or may be issued at a discount to the market price of our common stock which would result in dilution to our existing stockholders. If we raise additional funds by issuing debt, the Company may be subject to debt covenants, which could place limitations on our operations including our ability to declare and pay dividends.

We operate in a competitive global food industry and the actions of competitors could impact revenues and profitability.

The agricultural produce industry is intensely competitive in all of its phases. We compete with other companies, some of whom have greater financial resources, larger facilities, more capacity, higher staffing levels, greater economies of scale, pricing advantages, longer operating histories and more established market presences. We may have little or no control over some or all of these competitive factors. If we are unable to effectively respond to these competitive factors, or if the competition in our product markets results in price reductions or decreased demand for our products, our business, results of operations and financial condition may be materially impacted.

We are focusing our business on the production, processing, packing and distribution of value-added and branded organic produce grown in strategic geographies that will provide us with year round supply capabilities. As a result of changing consumer preferences and awareness, we believe there is increased demand for organic produce over conventional produce which we believe will be positive for us. Even so, we expect to face competition from new entrants to the organic produce market wanting to participate in this growing category. Our ability to remain competitive will depend to a great extent on our ability to grow our customer base, build our brand, maintain competitive pricing levels, manage transportation and delivery logistics and effectively market our products to our customers. There can be no assurance that we will have sufficient resources to compete successfully with our current or future competitors in these areas, which could have a material adverse effect on our business plan and results of operations.

We must attract and retain key personnel to achieve our business objectives.

Our success will be largely dependent upon the performance of our management and key employees. We must compete with other companies both within and outside the food industry to recruit and retain competent employees and contract resources. If we cannot attract and maintain qualified resources to meet our business needs, this could have a material adverse effect on our business. In addition, the Company does not have key man insurance policies and therefore there is a risk that the death or departure of any existing member of management or any key employee could also have a material adverse effect on the Company.

Our customers generally are not obligated to continue purchasing products from us.

Many of our customers buy from us under purchase orders, and we generally do not have long-term agreements with or commitments from these customers for the purchase of our products. We cannot provide assurance that our customers will maintain or increase their sales volumes or orders for the products supplied by us or that we will be able to maintain or add to our existing customer base. Decreases in our customers' sales volumes or orders for products supplied by us may have a material adverse effect on our business, financial condition or results of operations.

If we do not manage our supply chain effectively, our operating results may be adversely affected.

Our supply chain is complex and subject to a number of risks. We directly operate growing and processing operations but also rely on a number of third party suppliers for the growing, processing, packaging and distribution of certain of our products. Our inability

to effectively manage our supply chain could cause our operating costs to rise and our margins to fall. In addition, potential adverse weather conditions and natural disasters add another layer of risk to our supply chain. We must continuously monitor our inventory and product mix against forecasted demand or risk having inadequate supplies to meet customer demand as well as having too much inventory that could reach its expiration date. If we are unable to manage our supply chain efficiently and ensure that our products are available to meet customer demand, our operating costs could increase and our margins could fall.

Our international operations expose us to additional risks inherent with the countries where we are doing business.

We operate in various foreign jurisdictions around the world. These international operations expose us to risks inherent in doing business abroad including exposure to local economic conditions, foreign exchange rate fluctuations and currency controls, investment restrictions or requirements, export and import restrictions, compliance with anti-corruption and anti-bribery laws, compliance with export controls and economic sanctions laws, and unforeseen events such as natural disasters, terrorism or political and civil unrest. As we continue to expand our business globally, we may have difficulty anticipating and effectively managing these and other risks, thus materially impacting our business, financial condition and results of operations.

Our business is subject to numerous environmental and food safety regulations and policies.

Our operations are subject to environmental and food safety regulations and policies in the areas where we operate. Changes in any government laws or regulations applicable to our operations could increase our compliance costs, negatively affect our ability to sell certain products or otherwise adversely affect our results of operations. While we believe we are in compliance with all laws and regulations applicable to our operations, we cannot assure you that we have been, or will at all times be, in compliance with all environmental and food safety requirements, or that we will not incur material costs or liabilities in connection with these requirements. Our failure to comply with any laws, regulations or policies applicable to our business could lead to penalties, loss of our ability to sell certain of our products, possible product recalls and others, any of which could have a material impact on our business, financial condition and results of operations.

Risks Related to Ownership of Our Securities

Our stock price may be volatile, which may impact returns to our shareholders.

From time to time stock markets experience extreme price and volume fluctuations, which, when combined with general economic and political conditions, could adversely affect the market price for our securities. In addition, the trading price of our common stock may be volatile and could fluctuate widely in response to many factors, including the following, some of which are beyond our control:

- variations in our operating results;
- changes in expectations of our future financial performance, including financial estimates by securities analysts and investors;
- changes in operating and stock price performance of other companies in our industry;
- additions or departures of key personnel; and
- future sales of our common stock.

Our common shares are thinly traded and our shareholders may be unable to sell at or near ask prices, or at all.

We cannot predict the extent to which an active public market for trading our common stock will be sustained. Our shares have historically been thinly-traded meaning that the number of persons interested in purchasing our common shares at or near bid prices at a certain given time may be relatively small or non-existent.

This situation is attributable to a number of factors, including the fact that we are a smaller company in its development phase which is relatively unknown to stock analysts, stock brokers, institutional investors and others in the investment community who generate or influence sales volume. Even if we came to the attention of such persons, those persons may be reluctant to follow, purchase, or recommend the purchase of shares of an unproven company such as ours until such time as we become more seasoned and viable. As a consequence, there may be periods of several days or more when trading activity in our shares is minimal or non-existent, as compared to a seasoned issuer which has a large and steady volume of trading activity that will generally support continuous trades without an adverse effect on share price. We cannot be assured that a broader or more active public trading market for our common stock will develop or be sustained, or that current trading levels will be sustained.

We do not anticipate paying any cash dividends to our common shareholders and as a result shareholders may only realize a return when their shares are sold.

We presently do not anticipate that we will pay dividends on any of our common stock in the foreseeable future. If payment of dividends does occur at some point in the future, it would be contingent upon our revenues and earnings, if any, capital requirements, and general financial condition. The payment of any common stock dividends will be at the discretion of our Board of Directors. We presently intend to retain all earnings to implement our business plan; accordingly, we do not anticipate the declaration of any dividends for common stock in the foreseeable future.

Our business is subject to changing regulations related to corporate governance and public disclosure that may increase both our costs and the risk of noncompliance.

Because our common stock is publicly traded, we are subject to certain rules and regulations of federal, provincial and financial market exchange entities charged with the protection of investors and the oversight of companies whose securities are publicly traded. These entities have issued requirements and regulations and continue to develop additional regulations and requirements in response to public concerns. Our efforts to comply with these regulations have resulted in, and are likely to continue resulting in, increasing general and administrative expenses. Because new and modified laws, regulations and standards are subject to varying interpretations in many cases due to their lack of specificity, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This evolution may result in continuing uncertainty regarding compliance matters and additional costs necessitated by ongoing revisions to our disclosure and governance practices.

Disclosure and Internal Controls

Disclosure controls and procedures have been established to provide reasonable assurance that material information relating to the Company is made known to management, particularly during the period in which annual filings are being prepared. Furthermore, internal controls over financial reporting have been established to ensure that the Company's assets are safeguarded and to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

The Company is an emerging markets issuer, and as such, is required by the TSXV to have sufficient internal controls over financial reporting. Effective for the nine months ending September 30, 2017, we enhanced our disclosure controls and procedures through the implementation of the *Internal Control – Integrated Framework (2013 Framework)* ("COSO 2013") control framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

Additional information

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

Corporate information

Head Office: 1090 Hamilton Street
Vancouver, BC, V6B 2R9

Directors: Steve Bromley (Chair)
Jeffrey Klenda (Chair, Audit Committee)
Arnoud Maas
Claudio Schreier
Javier Reyes
Robert Giustra

Officers: Arnoud Maas, Chief Executive Officer
Marc Meurs, President & Chief Operating Officer
Erik Kleerebezem, Chief Financial Officer
Peter Gianulis, Executive Vice President, Corporate Development
Andrew Yau, Interim Corporate Secretary

Auditor: DMCL LLP
1500 – 1140 West Pender Street
Vancouver, BC, V6E 4G1

Legal Counsel: McMillan LLP
Suite 1500 - 1055 West Georgia Street
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Transfer Agent: Computershare Investor Services
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Organto Foods Inc.
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Canada

Condensed Interim Consolidated Financial Statements
(Unaudited)

For the Three and Nine Months Ended
September 30, 2017

(Stated in Canadian Dollars)

NOTICE OF NO REVIEW BY AUDITOR

In accordance with National Instrument 51-102 *Continuous Disclosure Obligations* of The Canadian Securities Administrators we hereby give notice that our condensed interim consolidated financial statements for the three and nine months ended September 30, 2017, which follow this notice, have not been reviewed by an auditor.

Organto Foods Inc.

Condensed Interim Consolidated Statements of Financial Position (Unaudited)

As at September 30, 2017 and December 31, 2016

(Expressed in Canadian Dollars)

	September 30, 2017 (\$)	December 31, 2016 (\$)
Assets		
Current assets		
Cash	2,257,086	26,230
Receivables (note 3)	214,715	53,237
Inventories (note 4)	340,732	246,723
Prepaid expenses	462,195	51,484
	3,274,728	377,674
Non-current assets		
Property, plant and equipment (note 5)	4,408,664	4,712,831
Other non-current assets	9,938	12,492
	7,693,330	5,102,997
Liabilities and Shareholders' equity		
Current liabilities		
Accounts payable (note 14)	1,877,142	2,212,356
Accrued liabilities (note 14)	266,890	440,090
Due to Omega S.A. (note 6)	474,333	500,419
Short-term loans payable (note 7)	-	302,558
Convertible loan payable (note 8)	592,366	787,110
Embedded derivative financial liability (note 8)	110,395	69,361
Due to Columbus Gold Corp. (note 14)	263,519	138,683
	3,584,645	4,450,577
Non-current liabilities		
Convertible debenture (note 9)	1,707,842	-
Derivative financial liability (note 9)	262,712	-
Total liabilities	5,555,199	4,450,577
Shareholders' equity		
Share capital (note 10)	10,964,711	6,000,631
Reserves	1,359,530	1,126,939
Deficit	(9,968,493)	(6,328,684)
Equity attributable to shareholders of Organto Foods Inc.	2,355,748	798,886
Non-controlling interests	(217,617)	(146,466)
Total equity	2,138,131	652,420
	7,693,330	5,102,997

Nature of operations and going concern (note 1)

Commitments (note 16)

Contingent liability (note 17)

Subsequent events (note 18)

Approved by the Board of Directors*"Robert Giustra"*

Robert Giustra – Director

"Steve Bromley"

Steve Bromley – Director

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

Organto Foods Inc.

Condensed Interim Consolidated Statements of Loss (Unaudited)
 For the Three and Nine Months Ended September 30, 2017 and 2016
 (Expressed in Canadian Dollars)

	Three months ended		Nine months ended	
	September 30, 2017 (\$)	September 30, 2016 (\$)	September 30, 2017 (\$)	September 30, 2016 (\$)
Sales (note 15)	135,623	209,350	456,075	2,129,241
Cost of sales (note 12)	(534,750)	(295,998)	(1,485,932)	(1,977,577)
Gain (loss) on remeasurement of biological assets	(42,150)	-	170,554	-
Gross profit (loss)	(441,277)	(86,648)	(859,303)	151,664
Selling, general and administration expenses (note 13)	531,700	481,017	1,457,000	1,115,574
Management fees	302,340	263,321	863,746	654,862
Salaries and benefits	303,961	67,297	503,915	264,984
	(1,579,278)	(898,283)	(3,683,964)	(1,883,756)
Interest expense	(57,950)	(41,257)	(217,298)	(159,583)
Other income (expense)	44,296	-	(29)	-
Foreign exchange gain (loss)	54,380	(62,016)	53,835	(136,126)
Gain on derivative financial liability (note 9)	47,288	-	47,288	-
Gain (loss) on embedded derivative financial liability (note 8)	22,659	(63,755)	92,020	(72,929)
Net loss from continuing operations	(1,468,605)	(1,065,311)	(3,708,148)	(2,252,394)
Net income from discontinued operations	-	-	-	21,892
Net loss for the period	(1,468,605)	(1,065,311)	(3,708,148)	(2,230,502)
Net loss attributable to:				
Shareholders of Organto Foods Inc.	(1,467,806)	(1,047,678)	(3,639,809)	(2,210,609)
Non-controlling interest	(799)	(17,633)	(68,339)	(19,893)
	(1,468,605)	(1,065,311)	(3,708,148)	(2,230,502)
Earnings (loss) per share (note 10d)				
Basic and diluted from continuing operations	(0.02)	(0.01)	(0.04)	(0.03)
Basic and diluted from discontinued operations	0.00	0.00	0.00	0.00
Basic and diluted	(0.02)	(0.01)	(0.04)	(0.03)

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

Organto Foods Inc.

Consolidated Statements of Comprehensive Loss (Unaudited)

For the Three and Nine Months Ended September 30, 2017 and 2016

(Expressed in Canadian Dollars)

	Three months ended		Nine months ended	
	September 30, 2017 (\$)	September 30, 2016 (\$)	September 30, 2017 (\$)	September 30, 2016 (\$)
Net loss for the period	(1,468,605)	(1,065,311)	(3,708,148)	(2,230,502)
Other comprehensive loss for the period:				
Item(s) that may subsequently be re-classified to net Income or loss:				
Foreign currency translation	(134,032)	86,719	48,759	(96,875)
Comprehensive loss for the period	(1,602,637)	(978,592)	(3,659,389)	(2,327,377)
Comprehensive loss attributable to:				
Shareholders of Organto Foods Inc.	(1,597,932)	(960,759)	(3,588,238)	(2,307,272)
Non-controlling interest	(4,705)	(17,833)	(71,151)	(20,105)
	(1,602,637)	(978,592)	(3,659,389)	(2,327,377)

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

Organto Foods Inc.

Condensed Interim Consolidated Statements of Cash Flow (Unaudited)

For the Three and Nine Months Ended September 30, 2017 and 2016

(Expressed in Canadian Dollars)



	Three months ended		Nine months ended	
	September 30, 2017 (\$)	September 30, 2016 (\$)	September 30, 2017 (\$)	September 30, 2016 (\$)
Operating activities				
Net loss for the period from continuing operations	(1,468,605)	(1,065,311)	(3,708,148)	(2,252,394)
Items not involving cash				
Amortization (note 5)	96,402	85,642	286,179	423,731
Compensation shares	122,100	-	122,100	-
Share-based payments	-	-	72,500	-
Foreign currency transaction loss	191,394	97,217	137,576	169,651
Accrued interest expense	57,950	65,260	217,298	146,782
Loss (gain) on remeasurement of biological assets (note 4)	42,150	-	(170,554)	-
Gain on derivative financial liability (note 9)	(47,288)	-	(47,288)	-
Gain on embedded derivative financial liability (note 8)	(22,659)	-	(92,020)	-
Cash used in operating activities before changes in non-cash working capital	(1,028,556)	(817,192)	(3,182,357)	(1,512,230)
Changes in non-cash working capital (note 11)	(441,741)	264,401	(932,447)	787,834
Cash used in operating activities	(1,470,297)	(552,791)	(4,114,804)	(724,396)
Investing activities				
Property, plant and equipment	(92,833)	-	(114,139)	(24,495)
Proceeds from sale of Clanton Hills property	-	-	-	27,448
Other non-current assets	-	(4,270)	-	(4,270)
Cash used in investing activities	(92,833)	(4,270)	(114,139)	(1,317)
Financing activities				
Proceeds from private placements	3,219,531	443,911	5,164,476	533,884
Share issuance cost (note 10)	(180,400)	-	(254,476)	-
Proceeds from debentures issued	-	-	2,035,000	-
Interest paid	(110,539)	-	(116,032)	(13,487)
Proceeds received for planned private placement	-	39,502	-	39,502
Repayment of amounts due to Omega S.A. (note 6)	(98,068)	-	(98,068)	-
Repayment of short-term loan	(127,611)	(6,904)	(514,602)	-
Proceeds from short-term loan (note 7)	-	-	271,840	78,117
Repayment of convertible loan payable (note 8)	(18,524)	-	(18,524)	25,466
Proceeds from bridge loan	-	131,170	-	131,170
Proceeds from share options exercised	-	1,950	-	1,950
Cash from financing activities	2,684,389	609,629	6,469,614	796,602
Effect of foreign exchange on cash	(6,586)	(352)	(9,815)	(5,023)
Increase in cash	1,114,673	52,216	2,230,856	65,866
Cash, beginning of period	1,142,413	76,861	26,230	63,211
Cash, end of period	2,257,086	129,077	2,257,086	129,077

Supplemental cash flow information (note 11).

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

Organto Foods Inc.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Unaudited)

For the Nine Months Ended September 30, 2017 and 2016

(Expressed in Canadian Dollars)

	Number of shares	Share capital (\$)	Shares to be issued (\$)	Reserves (\$)	Deficit (\$)	Non- controlling interests (\$)	Total (\$)
Balance at January 1, 2016	72,608,931	4,834,368	-	1,215,087	(2,026,262)	-	4,023,193
Contributions from non-controlling interest	-	-	-	-	-	26,262	26,262
Proceeds received from private placement	1,840,143	552,043	-	-	-	-	552,043
Share issuance costs	-	(27,947)	-	9,788	-	-	(18,159)
Share options exercised	30,000	3,363	-	(1,413)	-	-	1,950
Proceeds received for planned private placement	-	-	39,502	-	-	-	39,502
Comprehensive loss for the period	-	-	-	(96,663)	(2,210,609)	(20,105)	(2,327,377)
Balance at September 30, 2016	74,479,074	5,361,827	39,502	1,126,799	(4,236,871)	6,157	2,297,414
Balance at January 1, 2017	76,771,801	6,000,631	-	1,126,939	(6,328,684)	(146,466)	652,420
Proceeds received from private placement (note 10a)	34,429,842	5,164,476	-	-	-	-	5,164,476
Share Issuance costs (note 10a)	-	(394,996)	-	140,520	-	-	(254,476)
Compensation shares (note 10a)	738,570	122,100	-	-	-	-	122,100
Share-based payments (note 10a)	294,386	72,500	-	-	-	-	72,500
Warrants (note 10c)	-	-	-	40,500	-	-	40,500
Comprehensive loss for the period	-	-	-	51,571	(3,639,809)	(71,151)	(3,659,389)
Balance at September 30, 2017	112,234,599	10,964,711	-	1,359,530	(9,968,493)	(217,617)	2,138,131

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

1. Nature of operations and going concern

The Company was incorporated on May 18, 2007 under the laws of the Province of British Columbia, Canada. The Company's common shares are listed for trading on the TSX Venture Exchange ("TSXV") and are traded under the stock symbol "OGO". The Company's principal business activity is the sourcing, processing, packaging and distribution of organic and specialty food products with a focus on branded organic value added vegetables. The Company has growing and processing operations in Guatemala and agreements with strategic third party growers in South America and Africa, with office locations in Vancouver, British Columbia, Miami, Florida and the Netherlands.

These condensed interim consolidated financial statements have been prepared on a going concern basis which implies that the Company will continue realizing its assets and discharging its liabilities in the normal course of business for the foreseeable future. Should the going concern assumption not continue to be appropriate, further adjustments to carrying values of assets and liabilities may be required. The operations of the Company were primarily funded by the issue of share capital, short-term loans and convertible loans. At September 30, 2017, the Company had a working capital deficiency of \$309,917 (December 31, 2016 – \$4,072,903) and an accumulated deficit of \$9,928,493 (December 31, 2016 - \$6,328,684). Accordingly, the ability of the Company to realize the carrying value of its assets and continue operations as a going concern is dependent upon its ability to obtain additional financing as needed, and ultimately on generating future profitable operations. The factors described may cast significant doubt about the Company's ability to continue as a going concern.

The Company's head office and principal address is located at 1090 Hamilton Street, Vancouver, British Columbia, V6B 2R9, Canada.

2. Basis of presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards 34, *Interim Financial Reporting* ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These condensed interim consolidated financial statements have been prepared using the same accounting policies and methods of computation as the most recent annual financial statements for the year ending December 31, 2016. Certain amounts in the prior period have been reclassified to conform to the presentation in the current period.

These condensed interim consolidated financial statements were approved by the Board of Directors and authorized for issue on November 28, 2017.

3. Receivables

	September 30, 2017 (\$)	December 31, 2016 (\$)
Trade receivables	470,208	444,626
Other receivables	173,181	53,237
	643,389	497,863
Allowance for doubtful amounts	(428,674)	(444,626)
	214,715	53,237

Organto Foods Inc.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the Nine Months Ended September 30, 2017 and 2016

(Expressed in Canadian Dollars)

4. Inventories

	September 30, 2017 (\$)	December 31, 2016 (\$)
Packing material	125,934	186,587
Agricultural inputs	28,163	52,663
Biological assets	176,970	7,473
Finished goods	9,665	-
	340,732	246,723

A continuity of the Company's biological assets is presented in the table below:

	(\$)
Balance, January 1, 2015	-
Initial recognition and changes in fair value	7,473
Balance, December 31, 2016	7,473
Initial recognition and changes in fair value	169,497
Balance, September 30, 2017	176,970

Biological assets are measured at fair value within level 3 of the fair value hierarchy.

5. Property, plant and equipment

	Buildings (\$)	Machinery & equipment (\$)	Furniture and other (\$)	Land (\$)	Construction in progress (\$)	Total (\$)
Cost						
At January 1, 2016	2,109,981	2,744,933	111,737	121,368	396,349	5,484,368
Additions	267,988	215,333	8,289	-	-	491,610
Dispositions	(190,385)	(26,202)	-	(7,829)	(257,741)	(482,157)
Foreign exchange	(43,636)	(52,125)	(2,527)	(3,157)	(22,520)	(123,965)
At December 31, 2016	2,143,948	2,881,939	117,499	110,382	116,088	5,369,856
Additions	-	173,995	2,538	-	-	176,533
Dispositions	(143,944)	(23,037)	-	-	(58,375)	(225,356)
Foreign exchange	12,511	6,460	9,570	604	1,934	31,079
At September 30, 2017	2,012,515	3,039,357	129,607	110,986	59,647	5,352,112
Accumulated amortization						
At January 1, 2016	(96,724)	(203,114)	(9,395)	-	-	(309,233)
Amortization for the year	(103,631)	(248,103)	(3,341)	-	-	(355,075)
Dispositions	3,313	-	-	-	-	3,313
Foreign exchange	2,471	1,421	78	-	-	3,970
At December 31, 2016	(194,571)	(449,796)	(12,658)	-	-	(657,025)
Amortization for the period	(95,410)	(166,200)	(24,569)	-	-	(286,179)
Dispositions	20,818	-	-	-	-	20,818
Foreign exchange	(7,705)	(11,760)	(1,597)	-	-	(21,062)
At September 30, 2017	(276,868)	(627,756)	(38,824)	-	-	(943,448)
Net book value						
At December 31, 2016	1,949,377	2,432,143	104,841	110,382	116,088	4,712,831
At September 30, 2017	1,735,647	2,411,601	90,783	110,986	59,647	4,408,664

The Company's buildings are situated on land owned by a third party, which is subject to a lease agreement (note 16).

6. Due to Omega S.A.

The Company had a loan payable to Omega S.A. ("Omega"), a company owned by Arturo Bickford, one of the founding shareholders of Organto Guatemala, S.A., a subsidiary of the Company, in the amount of \$322,958 (US\$242,844), which accrued interest at 8.5% per annum and was due on October 31, 2016. During 2015, Omega advanced an additional \$65,453 (Guatemalan Quetzals ("Q") Q400,050), with an interest rate of 42% per annum, and another \$38,329 (US\$28,821), interest free.

A payment of \$37,391 (US\$28,821) was made to Omega on July 4, 2017.

On July 27, 2017, the Company reached a settlement agreement with Omega, to settle all amounts owing to Omega and \$262,492 (US\$202,328) owing to a 3rd party included in accounts payable and accrued liabilities, on the following payment terms:

- \$109,341 (US\$87,500) on July 28, 2017 (paid);
- \$34,249 (US\$27,500) per month, from August 2017 to October 2018; and
- \$28,953 (US\$23,248) on November 15, 2018.

Interest accrues at 24% per annum for late payments.

As a result of a settlement agreement with Omega, the Company recorded a gain of \$71,843.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)
For the Nine Months Ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)

6. Due to Omega S.A. - continued

The tables below summarize amounts owing to Omega:

	September 30, 2017 (\$)	December 31, 2016 (\$)
Settlement agreement with Omega	474,333	-
Loan from Omega (US\$242,800)	-	326,067
Advance from Omega (Q400,050) for working capital, 42% interest	-	63,973
Advance from Omega (US\$28,821), interest free	-	38,698
Interest payable to Omega	-	71,681
	474,333	500,419

A continuity of the balances is shown below:

	(\$)
Balance at January 1, 2016	451,825
Partial payment of interest	(8,752)
Interest expense	71,681
Foreign exchange	(14,335)
Balance at December 31, 2016	500,419
Other 3 rd party liability included in settlement agreement	145,902
Interest expense	11,578
Gain from debt settlement	(71,843)
Payments	(98,068)
Foreign exchange	(13,655)
Balance at September 30, 2017	474,333

7. Short-term loans payable

On July 19, 2016, the Company restructured previous loans (the "Original CrediPresto Loans") from CrediPresto SAPI de C.V., SOFOM, E.N.R. ("CrediPresto"), the principal of which is Javier Reyes, a director of the Company, into a new loan (the "New CrediPresto Loan") with a principal of \$105,672 (US\$81,430), due on September 30, 2017, accruing interest at 18% per annum. On August 3, 2017, the Company repaid \$124,781 (US\$95,388) to CrediPresto, representing full repayment including interest.

On September 23, 2016, the Company received two bridge loans (the "Initial Bridge Loans") totaling \$131,170 (US\$100,000) bearing interest of 6% per annum. The loans included 300,000 share purchase warrants for the purchase of 300,000 shares exercisable at \$0.30 per share until October 24, 2017 (note 10c). The Company recorded \$114,129 (US\$85,000) as the fair value of the debt component, with the residual amount of \$20,200 (US\$15,000) allocated to the warrants.

On April 25, 2017, in connection with receiving new bridge loans totaling an additional \$271,840 (US\$200,000), the terms of both the Initial Bridge Loans and new bridge loans were amended to an interest rate of 8% per annum, payable one year from the date of the new bridge loan agreements, subject to the option of the lenders to demand early repayment under certain conditions. A total of 1,000,000 non-transferrable warrants were issued to the lenders, exercisable for a term of one year from the date of the new bridge loan agreements, at \$0.20 per share. The Company recorded \$229,500 (US\$170,000) as the fair value of the debt component, with the residual amount of \$40,500 (US\$30,000) allocated to the warrants. The initial 300,000 warrants granted in connection with the Initial Bridge Loans were cancelled with issuance of new warrants under the new bridge loans.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)
For the Nine Months Ended September 30, 2017 and 2016
(Expressed in Canadian Dollars)

7. Short-term loans payable - continued

On April 25, 2017, the Company paid interest of \$5,484 (US\$4,035) on the bridge loans. On June 16, 2017, the Company repaid principal of \$311,448 (US\$240,000) and interest of \$10,964 (US\$8,512) on the bridge loans and on July 11, 2017, the Company paid the remaining balances of \$77,460 (US\$60,000) and interest of \$ 2,613 (US\$2,529).

During 2016, Peter Gianulis, a director and officer of the Company, provided the Company with interest free loans totaling \$64,496, due on demand. The loans from Peter Gianulis have been repaid during 2017.

	September 30, 2017 (\$)	December 31, 2016 (\$)
Bridge loans	-	114,129
Interest and accretion on bridge loans	-	5,494
Loan from CrediPresto (note 14)	-	109,337
Interest payable to CrediPresto (note 14)	-	9,102
Loans from Peter Gianulis (note 14)	-	64,496
	-	302,558

A continuity of the balances is shown below:

	(\$)
Balance at January 1, 2016	114,657
Interest payment on the Original CrediPresto loans (US\$3,450)	(4,735)
Repayment of principal on the Original CrediPresto loans (US\$30,050)	(40,373)
Original CrediPresto loans (US\$18,000)	24,703
Loan from Peter Gianulis	64,496
Interest expense	26,457
Fair value of bridge loans (US\$85,000)	114,129
Foreign exchange	3,224
Balance at December 31, 2016	302,558
Fair value of new bridge loans (US\$170,000)	229,500
Repayment of loan to Peter Gianulis	(64,496)
Repayment of bridge loan	(388,908)
Fair value loss on repayment of bridge loan	45,279
Repayment CrediPresto loan	(106,477)
Interest expense – CrediPresto	11,204
Interest expense – Bridge loans	7,900
Accretion expense on bridge loans	16,411
Interest paid CrediPresto	(18,303)
Interest paid bridge loans	(19,061)
Foreign exchange	(15,607)
Balance at September 30, 2017	-

8. Convertible loan payable

On March 30, 2016, the Company entered into a secured convertible promissory note with SG Strategic Income Limited (“SGSI”) pursuant to which SGSI agreed to lend the Company \$784,641 (US\$590,000) until March 30, 2017. Outstanding amounts incur interest at a rate of 5% annually and are secured by a first charge on the Company’s assets in Guatemala. SGSI had advanced to the Company \$757,458 (US\$558,000) during fiscal 2015, prior to finalizing the terms of the loan. Upon finalization of the terms of the loan, outstanding interest to March 30, 2016 of \$16,846 (US\$12,275) was repaid and the remaining balance of the promissory note was received \$41,078 (US\$32,000). A payment of \$47,755 (US\$36,800) was made during July 2017, to SGSI to settle interest payable up to and including June 30, 2017.

The loan and any interest accrued to date thereon will convert into common shares of the Company (i) at SGSI’s election on delivering written notice to the Company; or (ii) automatically, if the Company completes a financing of at least \$5 million, including the value of the SGSI’s convertible note and any other debt convertible into equity securities of the Company as a result of such financing. Any conversion will be effected based on a price of \$0.42 per share and conversion shares will be issued on the same terms and conditions that are applicable to the securities issued under the financing.

The Company recorded the fair value of the conversion option of \$127,347 (US\$98,057) as an embedded derivative financial liability as a result of the instrument being denominated in US dollars with the residual amount allocated to the debt component. The embedded derivative liability is subject to revaluation at each balance sheet date with the change in fair value recorded in the Statement of Loss. The debt component has been accreted to the face value of the loan over the one year term using the effective interest rate method.

On July 18, 2017, the Company restructured the secured convertible promissory note owing to SGSI, with the following terms:

- Maturity date – June 30, 2018;
- Monthly payments of \$9,341 (US\$7,375) from July 2017 to June 2018; and
- Conversion price reduced to \$0.33.

In accordance with IFRS, the original loan from SGSI has been deemed settled for accounting purposes, and accordingly, the restructured loan has been recognized at fair value of \$656,473 (US\$519,538), and the conversion option recognized at fair value of \$89,034 (US\$70,462), classified as embedded derivative financial liability. The embedded derivative liability is subject to revaluation at each balance sheet date with the change in fair value recorded in the Statement of Loss. The debt component is being accreted to the face value of the loan over the one year term using the effective interest rate method.

The tables below summarizes amounts owing to SGSI.

	September 30, 2017	December 31, 2016
	(\$)	(\$)
Loan from SGSI (US\$590,000) at fair value	592,366	757,050
Interest payable to SGSI	-	30,060
	592,366	787,110

8. Convertible loan payable - continued

A continuity of the balance is shown below:

	(\$)
Balance at January 1, 2016	764,087
Reclassified to embedded derivative liability	(135,869)
Additional loan from SGSI	41,078
Accretion expense	102,793
Interest paid (US\$12,275)	(16,846)
Interest expense	39,389
Foreign exchange	(7,522)
Balance at December 31, 2016	787,110
Deemed settlement of promissory note	(787,110)
Convertible promissory note restructured at fair value	656,473
Payments to principal	(18,522)
Interest paid	(57,016)
Accretion	18,729
Interest	21,212
Foreign exchange	(28,510)
Balance at September 30, 2017	592,366

A continuity of the embedded derivative financial liability is shown below:

	(\$)
January 1, 2016	-
Recognition of embedded derivative financial liability on SGSI promissory note	127,347
Fair value of conversion option of additional loan received	8,522
Gain on revaluation	(71,215)
Foreign exchange	4,707
Balance at December 31, 2016	69,361
Expiry of conversion option	(69,361)
Recognition of embedded derivative financial liability on SGSI promissory note	89,034
Loss on revaluation	22,659
Foreign exchange	(1,298)
Balance at September 30, 2017	110,395

9. Convertible debentures

On February 23, 2017 the Company entered into a non-brokered convertible debenture private placement and received \$2,035,000. The convertible debentures (the "Debentures") are unsecured, have a term of three years beginning on June 8, 2017, and bear interest of 8% annually, payable in arrears starting one year after the date of issuance. Holders may elect to convert the principal amount of their Debentures into common shares at a price of \$0.35 per share until June 8, 2020. The Company has issued common shares equivalent to \$122,100 (738,570 shares) as compensation pursuant to the placement of these debentures.

The Company initially recorded \$1,725,000 as the fair value of the debt component of the debentures, with the residual amount allocated to derivative financial liability. The debt component of the debentures are being accreted to the face value of the loan over the three year term.

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**9. Convertible debentures - continued**

The tables below summarize the long-term convertible debentures and its derivative financial liability:

	September 30, 2017 (\$)	December 31, 2016 (\$)
Convertible debentures	1,707,842	-
Derivative financial liability	262,712	-
	1,970,554	-

A continuity of the balance is shown below:

	(\$)
Balance at January 1, 2017	-
Convertible debentures	1,725,000
Financing costs	(103,500)
Accretion	35,495
Interest	50,847
Balance at September 30, 2017	1,707,842

A continuity of the derivative financial liability is shown below:

	(\$)
Balance at January 1, 2017	-
Recognition of derivative financial liability	310,000
Revaluation of derivative financial liability at fair value	(47,288)
Balance at September 30, 2017	262,712

10. Share capital

(a) Common shares

Authorized – unlimited common shares without par value.

At September 30, 2017, the Company had 112,234,599 (December 31, 2016 – 76,771,801) common shares issued and outstanding.

On September 11, 2017 the Company closed the third tranche of its non-brokered private placement. Gross proceeds of \$2,934,750 were raised from the sale of 19,565,000 units at a price of \$0.15 per unit. Each unit consists of one common share and one transferrable warrant to purchase one additional common share of Organto exercisable at a price of \$0.25 for a period of 24 months from the closing date. The Company paid a finder's fee of \$179,200 and issued finder's warrants for the purchase of up to 1,194,667 shares exercisable for a period of 24 months from closing at a price of \$0.15 per warrant share. The warrants had a fair value of \$90,832

10. Share capital - continued

On August 3, 2017 the Company closed the second tranche of its non-brokered private placement. Gross proceeds of \$324,781 were raised from the sale of 2,165,208 units at a price of \$0.15 per unit. Each unit consists of one common share and one transferrable warrant to purchase one additional common share of Organto exercisable at a price of \$0.25 for a period of 24 months from the closing date. The Company paid a finder's fee of \$1,200 and issued finder's warrants for the purchase of up to 8,000 shares exercisable for a period of 24 months from closing at a price of \$0.15 per warrant share. The warrants had a fair value of \$629

On July 12, 2017, the Company issued 738,570 common shares to Mont Blanc Asset Management Ltd., pursuant to the issuance of convertible debentures as detailed in note 9.

On June 20, 2017 the Company closed the first tranche of its non-brokered private placement. Gross proceeds of \$1,904,945 were raised from the sale of 12,699,634 units at a price of \$0.15 per unit. Each unit consists of one common share and one transferrable warrant to purchase one additional common share of Organto exercisable at a price of \$0.25 for a period of 24 months from the closing date. The Company paid a finder's fee of \$74,076 and issued finder's warrants for the purchase of up to 487,773 shares exercisable for a period of 24 months from closing at a price of \$0.15 per warrant share. The warrants had a fair value of \$49,059.

During the nine months ended September 30, 2017, the Company issued 294,386 common shares with a value of \$72,500 as compensation for consulting services. Such shares were issued at prices corresponding to the month in which the services were provided based on the 20 day volume weighted average closing price of the common shares of the Company.

During the nine months ended September 30, 2017, the Company issued 738,570 common shares with a value of \$122,100 as finder's fees in connection with convertible debentures issued (note 9).

On November 1, 2016, the Company completed the second and final tranche of its non-brokered private placement through the issuance of 2,219,917 common shares at \$0.30 per share for gross proceeds of \$665,976. The Company also paid a finder's fee of \$31,558 and issued finder's warrants for the purchase of up to 20,250 shares exercisable at \$0.35 per share until November 2, 2017 and 64,695 shares exercisable at \$0.30 per share until May 2, 2018. The warrants had a fair value of \$8,564.

On July 27, 2016, the Company closed the first tranche of its non-brokered private placement. Gross proceeds of \$552,043 were raised from the sale at \$0.30 per share for a total of 1,840,143 common shares. The Company paid a finder's fee of \$18,159 and issued finder's warrants for the purchase of up to 60,530 shares exercisable at \$0.30 per share until January 28, 2018. The warrants had a fair value of \$9,788.

During the year ended December 31, 2016, the Company issued 72,810 common shares with a fair value of \$20,000 as compensation for consulting services. Such shares were issued at prices corresponding to the month in which the services were provided based on the 20 day volume weighted average closing price of the common shares of the Company.

(b) Share options

The Company has adopted a rolling stock option plan whereby the Board of Directors, may from time to time, grant options to directors, officers, employees or non-employee service providers to a maximum of 10% of the outstanding common shares of the Company at any point in time, less any share options already reserved for issuance under share options granted under previous stock option plans of the Company or granted under any other employee incentive purchase plan that the Company may adopt. Options granted must be exercised no later than five years from date of grant or such lesser period as determined by the Company's Board of Directors.

10. Share capital - continued

The continuity of the Company's share options is as follows:

	Number of options	Weighted average exercise price (\$)
Balance, January 1, 2016	4,800,000	0.20
Granted	25,000	0.30
Exercised	(30,000)	0.065
Forfeited	(1,775,000)	0.20
Cancelled	(600,000)	0.20
Balance, December 31, 2016	2,420,000	0.20
Expired	(175,000)	0.20
Balance, September 30, 2017	2,245,000	0.20

A summary of the Company's share options at September 30, 2017 is as follows:

Exercise price (\$)	Options outstanding		Options exercisable	
	Number of options outstanding	Weighted average remaining contractual life (years)	Number of options exercisable	Weighted average remaining contractual life (years)
0.065	35,000	1.22	35,000	1.22
0.15	35,000	2.10	35,000	2.10
0.20	2,175,000	3.17	2,175,000	3.17
0.065-0.20	2,245,000	3.12	2,245,000	3.12

During the nine months ended at September 30, 2017, 175,000 (2016 - nil) share options expired.

25,000 share options were granted during the year ended December 31, 2016, whereby 6,250 share options vest every three months. The assumptions used in the Black-Scholes Option Pricing model were as follows: expected price volatility of 109%, risk free interest rate of 0.55%, expected life of options of 1 year, and no dividend yield. The fair value of these options granted was \$0.16, resulting in a total fair value of \$4,043.

The fair value of each share option is estimated on the date of grant using the Black-Scholes Option Pricing Model that uses the assumptions noted above. Expected volatilities are based on historical volatility of the Company's shares, and other factors. The expected term of share options granted represents the period of time that share options granted are expected to be outstanding. The risk-free rate of periods within the contractual life of the share option is based on the Canadian government bond rate.

During the year ended December 31, 2016, 1,775,000 share options were forfeited, of which, 1,750,000 were voluntarily forfeited by two officers of the Company.

During the year ended December 31, 2016, 600,000 share options were cancelled as per an agreement between the Company and a former director and officer of the Company.

10. Share capital - continued

(c) Warrants

On September 11, 2017 the Company closed the third tranche of a non-brokered private placement. Gross proceeds of \$2,934,750 were raised from the sale of 19,565,000 units at a price of \$0.15 per unit. Each unit consists of one common share and one transferrable warrant to purchase one additional common share of Organto exercisable at a price of \$0.25 for a period of 24 months from the closing date. The warrants have a total fair value of \$nil as the value of the proceeds have been allocated to share capital.

On September 11, 2017 the Company granted 1,194,667 warrants to third parties as finders' fees, in connection with private placements of the Company's common shares. The warrants have a total fair value of \$90,832.

On August 3, 2017 the Company closed the second tranche of a non-brokered private placement. Gross proceeds of \$324,781 were raised from the sale of 2,165,208 units at a price of \$0.15 per unit. Each unit consists of one common share and one transferrable warrant to purchase one additional common share of Organto exercisable at a price of \$0.25 for a period of 24 months from the closing date. The warrants have a total fair value of \$nil as the value of the proceeds have been allocated to share capital.

On August 3, 2017 the Company granted 8,000 warrants to third parties as finders' fees, in connection with private placements of the Company's common shares. The warrants have a total fair value of \$629.

On June 20, 2017 the Company closed the first tranche of a non-brokered private placement. Gross proceeds of \$1,904,945 were raised from the sale of 12,699,634 units at a price of \$0.15 per unit. Each unit consists of one common share and one transferrable warrant to purchase one additional common share of Organto exercisable at a price of \$0.25 for a period of 24 months from the closing date. The warrants have a total fair value of \$nil as the value of the proceeds have been allocated to share capital.

On June 20, 2017 the Company granted 487,773 warrants to third parties as finders' fees, in connection with private placements of the Company's common shares. The warrants have a total fair value of \$49,059.

On April 25, 2017 the Company received additional short-term loans, and in connection with these, 1,000,000 non-transferrable warrants were granted exercisable for a term of one year from the date of the loan agreements, at \$0.20 per share. The warrants have a total fair value of \$40,500.

On September 1, 2016 and November 1, 2016, the Company granted 145,475 warrants to third parties as finders' fees, in connection with private placements of the Company's common shares. The warrants have a total fair value of \$18,352.

On October 24, 2016, the Company granted 300,000 warrants in connection with loans payable with a fair value of \$20,200. These 300,000 warrants were cancelled with issuance of new warrants under the new bridge loans dated April 25, 2017 (note 7).

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10. Share capital - continued

Warrants are exercisable as follows:

Grant date	Number of warrants	Exercise Price (\$)	Expiration Date	Fair value per warrant (\$)	Total fair value (\$)
September 1, 2016	60,530	0.30	January 28, 2018	0.16	9,788
November 1, 2016	20,250	0.35	November 2, 2017	0.09	1,871
November 1, 2016	64,695	0.30	May 2, 2018	0.10	6,693
April 25, 2017	1,000,000	0.20	April 24, 2018	0.04	40,500
June 20, 2017	12,699,634	0.25	June 20, 2019	-	-
June 20, 2017	487,173	0.15	June 20, 2019	0.10	49,059
August 3, 2017	2,165,208	0.25	August 3, 2019	-	-
August 3, 2017	8,000	0.15	August 3, 2019	0.08	629
September 8, 2017	13,500,000	0.25	September 8, 2019	-	-
September 11, 2017	6,065,000	0.25	September 11, 2019	-	-
September 11, 2017	1,194,667	0.15	September 11, 2019	0.08	90,832
	37,265,157				199,372

Unless noted otherwise, the fair value of each finder's warrant is estimated on the date of grant using the Black-Scholes Option Pricing Model that uses the assumptions noted in the table below. Expected volatilities are based on historical volatility of the Company's shares, and other factors. The expected term of warrants granted represents the period of time that warrants granted are expected to be outstanding. The risk-free rate of periods within the contractual life of the warrants is based on the Canadian government bond rate.

Grant date	Expected price volatility	Risk free interest rate	Expected life of warrants	Expected dividend yield
September 1, 2016	109%	0.55%	1 year	nil
November 1, 2016	115%	0.54%	1 year	nil
April 25, 2017	135%	0.74%	1 year	nil
June 20, 2017	116%	0.91%	2 year	nil
August 3, 2017	135%	1.23%	2 years	nil
September 8, 2017	131%	1.52%	2 years	nil
September 11, 2017	131%	1.54%	2 years	nil

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

	Number of warrants	Weighted average exercise price (\$)
Balance, January 1, 2016	-	-
Granted	445,475	0.30
Balance, December 31, 2016	445,475	0.30
Cancelled	(300,000)	-
Granted	37,119,682	0.24
Balance, September 30, 2017	37,265,157	0.24

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**10. Share capital - continued**

(d) Earnings (loss) per share

	Three months ended		Nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
	(\$)	(\$)	(\$)	(\$)
Basic and diluted loss per share from continuing operations	(0.02)	(0.01)	(0.04)	(0.03)
Basic and diluted loss per share from discontinued operations	0.00	0.00	0.00	0.00
Basic and diluted loss per share	(0.02)	(0.01)	(0.04)	(0.03)
Loss from continuing operations	(1,468,605)	(1,065,311)	(3,708,148)	(2,252,394)
Income from discontinued operations	-	-	-	21,892
Net loss for the period	(1,468,605)	(1,065,311)	(3,708,148)	(2,230,502)

	Three months ended		Nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Shares outstanding, beginning of period	89,765,821	72,608,931	76,771,801	72,608,931
Private placements	6,082,035	1,360,106	6,841,061	-
Share - based payments	650,263	-	380,824	456,678
Share options exercised	-	10,109	-	3,394
Basic and diluted weighted average number of shares outstanding	96,498,119	73,979,146	83,993,686	73,069,003

For the nine months ended September 30, 2017 there were 2,245,000 (2016 – 4,170,000) share options and 37,265,157 warrants (2016 – 60,530) that are potentially dilutive but not included in the diluted loss per share calculation as the effect would be anti-dilutive.

(e) Escrow shares

As at September 30, 2017, 33,237,534 (December 31, 2016 - 46,125,005) shares originally issued to Organto Guatemala shareholders remain in escrow.

11. Supplemental cash flow information

	Three months ended		Nine months ended	
	September 30, 2017 (\$)	September 30, 2016 (\$)	September 30, 2017 (\$)	September 30, 2016 (\$)
Changes in non-cash working capital				
Receivables	55,279	58,636	(161,478)	(380,898)
Inventories	1,705	(174,648)	76,625	(89,442)
Prepaid expenses	(198,221)	134,853	(408,157)	325,225
Accounts payable	(156,305)	270,791	(352,139)	795,804
Accrued liabilities	(144,199)	(25,231)	(87,298)	137,145
	(441,741)	264,401	(932,447)	787,834

On February 16, 2017 and March 8, 2017, the company issued an aggregate of 44,386 shares to a consultant for services with a fair value of \$10,000.

On May 16, 2017, the Company issued 250,000 common shares to SuperRebel.com B.V. as settlement for debt of \$62,500.

12. Cost of sales

	Three months ended		Nine months ended	
	September 30, 2017 (\$)	September 30, 2016 (\$)	September 30, 2017 (\$)	September 30, 2016 (\$)
Materials and transportation	265,607	190,070	728,943	1,315,739
Salaries and benefits	102,383	-	260,882	182,510
Amortization (note 5)	96,402	85,642	286,179	423,731
Plant overhead	70,358	20,286	209,928	55,597
	534,750	295,998	1,485,932	1,977,577

13. Selling, general and administration expenses

	Three months ended		Nine months ended	
	September 30, 2017 (\$)	September 30, 2016 (\$)	September 30, 2017 (\$)	September 30, 2016 (\$)
Administrations and office	334,766	355,743	959,618	740,238
Professional fees	90,942	75,826	244,125	259,790
Investor relations	525	28,662	28,453	56,050
Director fees	18,000	18,000	54,000	54,000
Travel	87,467	2,786	170,804	5,496
	531,700	481,017	1,457,000	1,115,574

14. Related party transactions

The Company has a services agreement with Columbus Gold, whereby Columbus Gold provides management and administration services for a fixed monthly, expiring December 31, 2017, and may be terminated at any time subject to certain conditions. Columbus Gold has certain directors and officers in common with the Company.

The following related party transactions were in the normal course of operations:

	Three months ended		Nine months ended	
	September 30, 2017 (\$)	September 30, 2016 (\$)	September 30, 2017 (\$)	September 30, 2016 (\$)
Management fees paid or accrued to Fresh Organics LLC, a Company owned by Marcus Meurs, the President and COO of the Company	61,160	79,902	201,412	181,404
Management fees paid or accrued to Peter Gianulis, Executive Vice President, Corporate Development of the Company	45,015	78,580	140,512	192,082
Management fees paid or accrued to MCC Holding B.V. a Company owned by Arnoud Maas, CEO of the Company	75,316	-	128,436	-
Management fees paid or accrued to Brandal B.V., a Company owned by Rients van der Wal, a former director of the Company's subsidiary	59,222	65,551	232,568	199,170
Management fees paid or accrued to Andres Barresi, former COO of the Company	-	39,288	7,293	82,206
Administration fees paid or accrued to Columbus Gold	76,800	30,000	229,800	95,000
Directors fees paid or accrued	18,000	18,000	54,000	54,000
	335,513	311,321	994,021	803,862

The following summarizes advances, amounts that remain payable or accrued to each related party:

	September 30, 2017 (\$)	December 31, 2016 (\$)
Due to Omega S.A. (note 6)	474,333	500,419
Due to Columbus Gold		
to be settled in cash	23,519	138,683
to be settled in shares of Organto	240,000	-
Loan payable to CrediPresto, a corporation of which Javier Reyes, a director of the Company, is a principal (note 7)	-	118,439
Management fees payable to Andres Barresi	98,003	98,294
Management fees and expense reimbursements payable to Peter Gianulis	94,586	240,857
Loan payable to Peter Gianulis (note 7)	-	64,496
Management fees payable and (advances) to Fresh Organics	(112,227)	12,775
Directors fees included in accrued liabilities	102,864	78,000
	921,078	1,251,963

15. Segmented information

The Company has one reportable business segment, being the sourcing, processing, packaging and distribution of organic and specialty food products. All sales were made to 3 customers during the nine months ended September 30, 2017, and 6 customers during the nine months ended September 30, 2016.

Significant customer sales are as follows:

Customer	Location of Customer	Three months ended				Nine months ended			
		September 30, 2017 (\$)	%	September 30, 2016 (\$)	%	September 30, 2017 (\$)	%	September 30, 2016 (\$)	%
Customer A	Europe	46,909	35%	-	-	203,189	45%	-	-
Customer B	Europe	75,235	55%	-	-	231,905	51%	-	-
Customer C	USA	-	-	-	-	-	-	701,512	33%
Customer D	Europe	-	-	24,473	12%	-	-	444,726	21%
Customer E	Europe	-	-	103,711	49%	-	-	318,280	15%
Customer F	Europe	-	-	1,639	1%	-	-	242,903	11%
Customer G	Europe	-	-	-	-	-	-	227,991	11%
Customer H	Europe	-	-	3,671	2%	-	-	82,897	4%
Customer I (others)	Europe	13,479	10%	75,856	36%	20,981	4%	110,932	5%
		135,623	100%	209,350	100%	456,075	100%	2,129,241	100%

Information by geographical areas is as follows:

	September 30, 2017 (\$)	December 31, 2016 (\$)
Current assets		
Canada	2,464,185	55,046
Guatemala	331,807	169,935
Argentina	47,911	57,276
Netherlands	430,825	95,417
	3,274,728	377,674
Non-current assets		
Guatemala	4,270,964	4,725,323
Netherlands	147,638	-
	4,418,602	4,725,323
Total assets		
Canada	2,461,85	55,046
Guatemala	4,602,771	4,895,258
Argentina	47,911	57,276
Netherlands	578,463	95,417
	7,693,330	5,102,997

16. Commitments

At September 30, 2017, the Company has the following commitments:

	Within 1 year (\$)	Between 1 and 5 years (\$)	After 5 years (\$)	Total (\$)
Lease payments for land use in Guatemala	135,656	495,375	383,621	1,014,652
Management fees to Arnoud Maas, CEO of the Company (note 14)	303,050	-	-	303,050
Management fees to Fresh Organics LLC (note 14)	242,855	121,095	-	363,950
Management fees to Peter Gianulis (note 14)	181,830	251,566	-	433,396
Services agreement with Columbus Gold (note 14)	76,800	-	-	76,800
Due to Omega S.A.	410,985	63,202	-	474,187
	1,351,176	931,238	383,621	2,666,035

17. Contingent liability

On February 9, 2017, the Company received a letter from Guatemala's Sacatepequez Department Civil Court, notifying a claim in progress brought forth by a 3rd party. The claim is in connection with the purchase and sale of land in Guatemala, in the amount of approximately \$80,198 (Q\$461,312) plus accrued interest and certain legal fees. The Company subsequently negotiated with the 3rd party to settle the claim by voluntarily returning the land to the 3rd party. As at September 30, 2017, the Company recorded \$81,400 (Q\$468,233) in Accounts Payable in connection with this claim, and accrued additional interest of \$50,524 (Q\$290,626) accrued liabilities.

18. Subsequent event

On October 10, 2017 the company granted incentive stock options to certain of its directors, officers and employees to purchase up to an aggregate of 7,270,000 common shares at an exercise price of \$0.18 per share. The fair value of the share options is approximately \$653,527. All of the foregoing options expire on October 10, 2022.