

## Organto Provides Update as Medicannabis Receives THC Processing Licence in Colombia

*Organto is the Largest Shareholder of XEBRA Brands*

**Vancouver, BC, Canada, August 6, 2019 - Organto Foods Inc. (TSX-V: OGO, OTC: OGOFF) ('Organto').** Organto today announced that its former subsidiary, Medicannabis S.A.S., ("Medicannabis") has received a THC Processing Licence in Colombia, an important licence necessary to move to full cultivation, processing and ultimately exporting. On June 27, 2019, Organto announced the sale of its shares in Medicannabis to Xebra Brands Ltd. ("Xebra") for a combination of shares of Xebra, cash and forgiveness of debt, which is subject to shareholder and TSX approval. Prior to this Agreement, Organto owned 100% of the outstanding shares of Medicannabis, a privately held Colombian company focused on the development of medicinal cannabis. Xebra is an emerging, privately held Canadian cannabis company developing high-margin cannabis-based consumer products, with a major focus on cannabis infused beverages. Xebra intends to seek a public listing on the TSX Venture Exchange.

XEBRA also announced the closing of the acquisitions of Elements Bioscience and Sativa Group Bioscience in Mexico; companies that are applicants for approval of various CBD cannabis products. These acquisitions coupled with the closing last month of a CDN\$2.3 million private placement has positioned Xebra to become an important emerging player in the cannabis business in Colombia and Mexico.

"We are excited to be a significant shareholder of Xebra Brands, providing Organto with an important asset for the future" commented Steve Bromley, Organto's Chair and Interim CEO. "We believe the continued execution of their business plan should create tremendous shareholder value that will also benefit Organto's shareholders," added Mr. Bromley.

ON BEHALF OF THE BOARD

*Steve Bromley*  
Chair and Interim Chief Executive Officer

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.*



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## ABOUT ORGANTO

Organto's business model is rooted in its commitment to sustainable business practices focused on environmental responsibility and a commitment to the communities where it operates, its people and its shareholders. The Organto Foods Group is an integrated provider of year-round value-added branded organic vegetables and seasonal organic and non-GMO fruit and vegetable products using an asset-light business model to serve a growing socially responsible and health conscious consumer around the globe.

## FORWARD LOOKING STATEMENTS

This news release may include certain forward-looking information and statements, as defined by law including without limitation Canadian securities laws and the "safe harbor" provisions of the US Private Securities Litigation Reform Act of 1995 ("forward-looking statements"). In particular, and without limitation, this news release contains forward-looking statements respecting Organto's current business model; Organto's belief that being a shareholder in Xebra Brands provides an asset for Organto that should benefit Organto's shareholders; Organto's belief that Xebra Brands is positioned to become an important emerging player in the cannabis business in Colombia and Mexico; belief that the THC processing license that was received is an important license necessary to move to full cultivation, processing and ultimately exporting; management's beliefs, assumptions and expectations; and general business and economic conditions. Forward-looking statements are based on a number of assumptions that may prove to be incorrect, including without limitation assumptions about the following: the ability of Xebra Brands to successfully execute its business plan and in doing so create shareholder value; the ability and time frame within which Organto's organic foods business model will be implemented; dependence on suppliers, partners and contractual counterparties; changes in the business or prospects of Organto; unforeseen circumstances; risks associated with the organic produce business generally, including inclement weather, unfavorable growing conditions, low crop yields, variations in crop quality, spoilage, import and export laws, unforeseen costs increases and similar risks; transportation costs and risks; general business and economic conditions; and ongoing relations with distributors, customers, employees, suppliers, consultants, contractors and partners. The foregoing list is not exhaustive and Organto undertakes no obligation to update any of the foregoing except as required by law.

