

Organto Announces C\$400,000 Bridge Debt Financing

Vancouver, BC, Canada, January 10, 2020 - Organto Foods Inc. (TSX-V: OGO, OTC: OGOFF) (“Organto” or the “Company”), an integrated provider of value-added fruits and vegetables today announced a bridge debt financing (“Bridge Debt Financing”) of up to CDN\$400,000 secured promissory notes to certain arm’s length and non-arm’s length lenders.

Organto intends to close the financing on January 15, 2020. The Bridge Debt Financing will mature April 3, 2020, and bear interest at a rate of 12% per annum with interest due at maturity. The lenders will receive up to 2,051,280 warrants (assuming all C\$400,000 bridge debt financing is placed) with each warrant being exercisable for a period of twelve months at an exercise price of CDN\$0.065 per share. Any shares issued upon the exercise of the warrants will be subject to a hold period of four months starting from the date of issuance of the warrants in accordance with applicable securities laws. The promissory notes will be secured by shares of Xebra Brands Ltd. currently owned by Organto.

Organto does not expect to pay any finder’s fees or commissions associated with this Bridge Loan Financing and there is no penalty for early repayment.

The funds will be used for general working capital purposes and other growth initiatives and opportunities.

Issuance of the promissory notes and warrants remains subject to the final acceptance of the TSX Venture Exchange.

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 and related expertise; Organto’s belief that Xebra’s execution of their business plan should create tremendous shareholder value that can be monetized; Organto’s belief that the opportunity in organic vegetables and fruits is significant as healthy eating and wellness trends continue to drive growth; Organto’s belief that they are well positioned to capture the organic foods market opportunity; 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 and time frame within which Organto’s business model will be implemented; cost increases; dependence on suppliers, partners and contractual counter-parties; 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 and similar risks; transportation costs and risks; general business and economic conditions; ongoing relations with distributors, customers, employees, suppliers, consultants, contractors and partners and joint venturers; and risks associated with cannabis operations and receipt of required licenses in Colombia. The foregoing list is not exhaustive and Organto undertakes no obligation to update any of the foregoing except as required by law.

