

Organto Streamlines Receiving and Packaging Operations

Enters Into New Agreement with Established Service Provider

Vancouver, BC, Canada, October 2, 2018 – Organto Foods Inc. (TSX-V: OGO, OTC: OGOFF) (“Organto” or “the Company”), an integrated provider of value-added organic vegetables and fruits today announced that it has entered into an agreement with DLB Inpakbedrijf BV (“DLB”) to provide receiving, packaging and other services for the European market and as a result has closed its receiving and packaging operation located in Amsterdam.

“The closure of our location in Amsterdam is part of our plan to resize our organization and move from a fixed cost to a variable cost model. By exiting our own packaging operations, we eliminate fixed costs and move to a more cost-efficient variable cost model, while at the same time, gaining access to a wider range of packaging and warehousing options, critically important as we continue to diversify and expand our product offering.” commented Rients van der Wal, CEO of Organto Europe BV. “We are pleased to be working with DLB as they have the experience we require to cost-effectively serve our valued customer base”.

DLB is an established third-party provider of a range of logistic services for fruits and vegetables, including quality management, receiving, sorting, repacking and warehousing. Based in Breda in the Netherlands, DLB have over 15 years of experience providing these services and use their extensive platform to provide a wide range of cost-effective solutions to a broad client base.

The move to a strategic third-party service provider is part of Organto’s three-pronged strategy to increase revenue streams, expand and diversify supply relationships, and down size the organization by shifting from fixed to variable costs where possible. In this regard Organto has recently commenced sales into an expanded European distributor network, in addition to its historical sales into bricks and mortar retail, and has continued to expand its year-round supply capabilities with the addition of strategic growing relationships in Mexico, Peru, Argentina, Zimbabwe and Thailand. Organto continues to add new products and recently began selling organic blueberries, organic ginger, organic avocados and organic asparagus, available in both branded “I am Organic” and bulk distributed formats.

Organto also announced that it has entered into an agreement with a former service provider to settle outstanding claims for a combination of cash and 100,000 common shares. Final issuance of these shares is subject to acceptance of the TSX Venture Exchange.

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 is an integrated provider of year-round value-added branded organic vegetables and seasonal organic and non-GMO fruit and vegetable products serving a growing socially responsible and health conscious consumer around the globe. Organto employs a business model that is integrated from the “table to the field”. Driven by consumer demand for healthy and organic food products, it operates an integrated business model with sourcing, logistical and processing capabilities, providing complete traceability from the table back to the field. Operations are currently located in Guatemala, The Netherlands and the USA, as well as third-party supply from a variety of regions, with plans to continue to expand supply capabilities via strategic third-party growers and processors in Africa, Mexico and other growing regions. 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.

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 business model and markets; Organto’s integrated year-round supply capabilities and plans to continue to develop and expand these capabilities; plans to expand product offerings; plans to shift from fixed costs to variable costs where possible; the benefits of closing Organto’s receiving and repacking operation and contracting with DLB; 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 and product supply will be increased; 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; and ongoing relations with distributors, customers, employees, suppliers, consultants, contractors, partners and joint ventures. The foregoing list is not exhaustive and Organto undertakes no obligation to update any of the foregoing except as required by law.

