



Organto Foods Inc.
1090 Hamilton Street
Vancouver, B.C. V6B 2R9
Canada

Phone: +1 604 634-0970
Fax: +1 604 634-0971
Toll Free: 1 888 818-1364
www.organto.com

NEWS RELEASE

NOT FOR DISSEMINATION IN THE UNITED STATES OR TO UNITED STATES NEWSWIRE SERVICES

Organto Announces \$2 Million Convertible Debenture Private Placement

Vancouver, BC, Canada, February 23, 2017 – Organto Foods Inc. (TSX-V: OGO, OTC: OGOFF) (“Organto”) is pleased to announce a non-brokered convertible debenture private placement of \$2,035,000. The convertible debentures (the “**Debentures**”) issued pursuant to the private placement will be 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.

The Debentures held by each subscriber will have a call feature allowing Organto to require conversion of the principal amount of the Debentures in the event that Organto’s common shares trade at a premium to the conversion price, calculated based on the volume-weighted average closing price of the Organto common shares (the “**VWAP**”) for 5 consecutive trading days or more (the “**5 day VWAP**”). If the call feature is exercised by Organto, Organto will pay outstanding interest in cash to the holders of the Convertible Debentures.

The proportion of Debentures to be converted under the call feature will be 20% in the event that the 5 day VWAP is at a 100% premium to the Conversion Price (i.e. 5 day VWAP of \$0.70), and will increase by 20% increments for each additional 25% premium increase to the Conversion Price of the 5 day VWAP. Full 100% conversion of the Debentures will be required when the 5 day VWAP premium over the Conversion Price is 200% (i.e. 5 day VWAP of \$1.05).

Finders may be issued common shares as compensation pursuant to the private placement, equal to 6% of the total dollar amount of Debentures sold by any finder, divided by the 20 day VWAP prior to the closing date of the financing.

Organto intends to use the proceeds of the private placement for general working capital purposes. The private placement is subject to the acceptance of the TSX Venture Exchange (“**TSX-V**”).

ON BEHALF OF THE BOARD,

Peter L Gianulis
President & CEO

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



For more information contact:

Investor Relations

604-634-0970

1-888-818-1364

info@organto.com

The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer of securities for sale, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the company and management, as well as financial 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 the company’s intention to conduct a private placement; the proposed terms of the private placement and the securities expected to be issued thereunder; the intended use of proceeds raised from the private placement; 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 to complete the proposed private placement at all, or on the terms specified; levels of agricultural production; establishing market share; cost increases; dependence on suppliers, partners and contractual counter-parties; changes in the business or prospects of the company; unforeseen circumstances; risks associated with the organic produce business, including inclement weather, unfavourable growing conditions, low crop yields and similar risks; general business and economic conditions; and ongoing relations with employees, consultants, partners and joint venturers. The foregoing list is not exhaustive and we undertake no obligation to update any of the foregoing except as required by law.