

## FOR IMMEDIATE RELEASE

### **GreenSpace Brands announces changes to the terms of the Private Placement previously announced, the resignation of 4 directors, the appointment of 3 new directors and the appointment of Paul Henderson as Executive Chairman**

**TORONTO, ONTARIO, February 19, 2020** – GreenSpace Brands Inc. (the "Company") (TSXV: JTR) today announces that it has signed a definitive investment agreement (the "Agreement") with PenderFund Capital Management Ltd. ("Pender") which, among other things, alters the terms of the Company's previously announced and amended non-brokered private placement (the "Private Placement") and grants Pender certain rights to acquire a control position in the Company, including the right to appoint a majority of the Company's board of directors. Subject to receipt of TSX Venture Exchange approval, the transaction will constitute a Change of Control of the Company under the policies of the TSX Venture Exchange.

Under the terms of the new Private Placement, Pender Growth Fund Inc. (TSXV: PGF) ("PGF"), an investment corporation managed by Pender, will become the lead order of the financing and the Company will issue up to 100 million common shares (the "Shares") at a price of \$0.065 per Share (the "Issue Price"), for aggregate gross proceeds of \$6.5 million. The Private Placement will be made available to accredited investors in all provinces of Canada, and is expected to close in tranches until no later than April 15, 2020. Certain finders will receive a cash fee equal to 6% of the gross proceeds of the Private Placement.

Pender's control position and the related restructuring of the board will occur in two stages. At the closing of the first tranche of the Private Placement, it is anticipated that PGF will acquire up to 19.9% of the Company's outstanding common shares, four (4) members of the Company's current board of directors will resign and three (3) new directors nominated by Pender will be appointed. One of Pender's nominees, Paul Henderson, will also be appointed as Executive Chairman of the Company. Mr. Henderson brings over 30 years of experience in the food industry including serving as CEO of Golden Boy Foods until 2015.

Subject to receipt of TSX Venture Exchange approval and the approval of the Company's disinterested shareholders authorizing Pender's control position, PGF will acquire the balance of Shares in the Private Placement not taken up by other investors, and one additional director of the Company's current board will resign. On completion of the proposed transaction, Pender may acquire up to 30% of the Company's outstanding common shares and the Company's board of directors will be comprised of five directors, three of whom will have been appointed by Pender. Pender's right to nominate the majority of the board will continue for two years following completion of the initial tranche of the Private Placement. After such two year period, and for so long as Pender and its affiliates own at least 5% of the outstanding common shares of the Company, Pender will be entitled to nominate one director to the Company's board.

Proceeds of the Private Placement will be used to pay or otherwise satisfy the Company's accounts payable and inventory build needs and for general corporate purposes.

Completion of the transaction as contemplated by the Agreement, including the Private Placement and the appointment of the Pender nominees, are subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the TSX Venture Exchange. The Shares will be subject to a four-month hold period.

In addition, Primary Capital has agreed to settle a substantial portion of its outstanding debt in the Company, including accumulated interest, through conversion of such debt into Shares at the Issue Price in a separate shares for debt transaction ("Shares for Debt Transaction"). It is anticipated that approximately \$3.6 million in Primary Capital debt, including accumulated

interest, will be converted to equity. The Shares issued under the Shares for Debt Transaction will be subject to a four-month hold period.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

*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 release.*

#### **About GreenSpace Brands Inc.**

GreenSpace is a Canadian-based brand ideation team that develops, markets and sells premium natural food products to consumers across North America. GreenSpace owns Love Child, a producer of 100% organic food for infants and toddlers made with the purest, natural and most nutritionally-rich ingredients, Central Roast, a clean snacking brand featuring a wide assortment of nut and seed mixes, CEDAR, a Canadian based Cold Press Juice business and GO VEGGIE, one of the leaders in the US plant-based cheese market. All brands are wholly owned and retail in a variety of natural and mass retail grocery locations across Canada.

For more information, visit [www.greenspacebrands.ca](http://www.greenspacebrands.ca). GreenSpace's filings are also available at [www.SEDAR.com](http://www.SEDAR.com).

#### **Forward-Looking Statements**

Certain statements in this press release constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements include, but are not limited to, statements made concerning the Company's future objectives, strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans" or "continue", or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements, and there can be no assurance that actual results will be consistent with these forward-looking statements. Factors that could cause such differences include the cyclical nature of the construction and agriculture industries, changes in general economic conditions and interest rates, adverse weather, cost and availability of materials used to manufacture the Company's products, competitive developments, legislative and government policy changes, volatility in interest and exchange rates, volatility in the capital or credit markets, as well as other risk factors included in the Company's Annual Information Form under the heading "Risks and Uncertainties Related to the Business" and as described from time to time in the reports and disclosure documents filed by the Company with Canadian securities regulatory agencies and commissions. This list is not exhaustive of the factors that may impact the Company's forward-looking statements. These and other factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements or levels of dividends and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements. The factors underlying current expectations are dynamic and subject to change. Certain statements included in this press release may be considered "financial outlook" for purposes of applicable securities laws, and such financial outlook may not be appropriate for all purposes. All forward-looking statements in this press release are qualified by these cautionary statements. The forward-looking statements contained herein are made as of the date of this press release and is based only on information currently available to us and speaks only as of the date on which it is made, and except as required by applicable law, the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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