

GreenSpace Brands Inc. Announces Private Placement Financing and Tentative Agreement with its Two Largest Term Debt Holders

TSXV: JTR

www.greenspacebrands.ca

(all amounts in Canadian dollars unless otherwise noted)

TORONTO, Aug. 20, 2020 /CNW/ - GreenSpace Brands Inc. ("**GreenSpace**" or the "**Company**") is pleased to announce that the Company has entered into an agreement with a syndicate of agents led by PI Financial Corp., (collectively the "Agents") in connection with a marketed best efforts private placement of units (the "Units") of the Company (the "Offering") to raise aggregate gross proceeds of up to C\$6 million.

A Unit will consist of one common share in the capital of the Company ("Common Shares") and one common share purchase warrant (a "Warrant"). In addition, the Company has granted the Agents an option, exercisable in whole or in part at any time up to two days prior to closing of the Offering, to offer an additional number of Units representing up to 30% of the Offering, on the same terms as the Offering.

The net proceeds of the Offering will be used for working capital and general corporate purposes. The closing of the Offering is anticipated to occur in early September 2020 (the "Closing Date") and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory approvals, including the acceptance of the TSX Venture Exchange. All securities issued under the Offering will be subject to a statutory hold period in Canada expiring four months and one day from the Closing Date.

Previously, on July 15, 2020, GreenSpace announced that it was in the post-credit approval/legal documentation phase with a lending institution to re-finance its existing revolving debt facility and that it was in discussions with other debt holders for extensions under promissory notes. That documentation phase is progressing on schedule and today, GreenSpace is pleased to announce that it has reached a tentative agreement with its two largest term debt lenders (the "Lenders"). The basic terms of the agreement, which are subject to execution of definitive agreements and the approval of the TSX Venture Exchange, will see maturity of the existing debt extended by one year plus one day from the effective date of the agreement and will defer the Company's obligation to repay 10% of the total debt and accrued interest until January 2021. In exchange for these extensions, the Company has agreed to issue to the Lenders up to \$550,000 in Common Shares as a loan bonus. Additionally, during calendar 2021, if the Company fails to make the 10% debt repayment in January 2021, it will be required to issue to the Lenders up to \$183,000 in Common Shares, as a loan bonus, and if the loan is not repaid in full at the maturity date, the Company has agreed to issue to the Lenders up to \$345,000 in Common Shares (and pay the Lenders \$20,000 in cash), as a loan bonus, to extend the loan for an additional year. The Lenders may choose to accept the shares (and cash) and extend the loan or decline the shares (and cash) and the loan extension, at their sole discretion. Each issuance of shares is subject to a hold period of four months and one day from the issuance date.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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 natural and nutritionally-rich ingredients, Central Roast, a clean snacking brand featuring a wide assortment of nut and seed mixes and GO VEGGIE, one of the leaders in the US plant-based dairy market. All brands are wholly-owned and retail in a variety of natural and mass retail grocery locations.

For more information, GreenSpace's filings are also available at 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 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 successful completion of the Offering; entering into a definitive agreement with the Lenders; cyclical nature of the construction and agriculture industries; general and market conditions (including equity, commodity, foreign exchange and interest rate); increased funding costs and market volatility due to market illiquidity and competition for funding; operational outcomes (including technology and infrastructure); insurance; environmental conditions; capital adequacy; the general business and economic conditions in the regions in which the Company operates; the ability of the Company to execute on key priorities; the ability to implement business strategies and pursue business opportunities; the failure of third parties to comply with their obligations to the Company or its affiliates; the impact of new and changes to, or application of, current laws and regulations; critical accounting estimates and changes to accounting standards, policies, and methods used by the Company; the occurrence of natural and unnatural catastrophic events and claims resulting from such events; and risks related to COVID-19 including various recommendations, orders and measures of governmental authorities to try to limit the pandemic, including travel restrictions, border closures, nonessential business closures, quarantines, self-isolations, shelters-in-place and social distancing, disruptions to markets, economic activity, financing, and supply chains, and a deterioration of general economic conditions including a possible national or global recession, 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 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.

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.

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CNW 18:34e 20-AUG-20