TSXV: JTR
www.greenspacebrands.ca
(all amounts in Canadian dollars unless otherwise noted)

FOR IMMEDIATE RELEASE

GREENSPACE PROVIDES UPDATE ON PRIVATE PLACEMENT

TORONTO, Dec. 9, 2020 /CNW/ - GreenSpace Brands Inc. (the "**Company**") (TSXV: JTR) is pleased to announce that, further to its news release of August 20, 2020, it has engaged a syndicate of agents led by PI Financial Corp. (collectively, the "**Agents**") to act as agents on a commercially reasonable best-efforts basis in connection with a proposed brokered private placement ("**Offering**"). The Offering was oversubscribed and will consist of up to 125,000,000 units (the "**Units**") of the Company at a price of $0.05 per Unit for gross proceeds of up to $6,250,000. Each Unit will consist of one common share in the capital of the Company ("**Common Share**") and one Common Share purchase warrant (a "**Warrant**"). Each Warrant will entitle the holder of the Warrant to purchase one Common Share for $0.08 per share ("**Exercise Price**") for up to 24 months from the date of closing ("**Expiry Date**"), provided that if at any time between the date that is four months and one day from the closing of the Offering and the Expiry Date, the daily volume weighted average closing price of the Common Shares on the TSX Venture Exchange is greater than $0.15 for ten consecutive trading days, the Company shall have the option to accelerate the expiry of the Warrants by delivering a notice to holders of the Warrants (the "**Acceleration Notice**"). In such instance, the Warrants will be exercisable only until the 30th day following the delivery of the Acceleration Notice. The net proceeds of the Offering will be used for working capital and general corporate purposes.

PenderFund Capital Management Ltd. ("**PenderFund**"), an insider and control person of the Company, will subscribe for 80,000,000 Units under the Offering for gross proceeds of $4,000,000. PenderFund and its affiliates currently own 63,699,000 Common Shares, representing approximately 26.58% of the issued and outstanding Common Shares. Upon completion of the Offering, PenderFund and its affiliates would beneficially own or control, directly or indirectly, 143,669,000 Common Shares, representing approximately 39.40% of the issued and outstanding Common Shares (on a non-diluted basis).

In Connection with the Offering, the Agents are to receive as compensation: (i) a cash commission of 7% of the gross proceeds raised pursuant to the Offering; and (ii) non-transferable broker warrants exercisable at $0.05 from the end of the hold period to the day that is 18 months from the Closing date to acquire in aggregate that number of Common Shares which is equal to 7% of the number of Units sold, subject to reduction to 3% in each case for certain agreed subscribers (collectively, the "**Agents' Fee**"). Closing of the Offering is expected to occur on or about December 22, 2020.

The Offering is made upon the unanimous recommendation of the Company's independent directors. The independent directors evaluated a broad number of financing alternatives for the Company. Closing of the offering is subject to receipt of all necessary corporate and regulatory approvals, including the approval of the TSX Venture Exchange ("**TSXV**"). The Units and the securities issuable thereunder will be subject to a statutory hold period of four months plus a day from the closing date in accordance with applicable securities legislation.

RELATED PARTY TRANSACTION

The portion of the Offering that PenderFund subscribes to will be considered a "related party transaction" under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("**MI 61-101**") as PenderFund is an insider and control person of the Company. If not for the exemption described below, the Company would be required to obtain a formal valuation and "minority approval", being approval of disinterested shareholders of the Company.

As reported in the Risks and Uncertainty section of the Management Discussion and Analysis related to its year ended March 31, 2020 and its first two quarters ending June 30, 2020 and September 30, 2020 respectively, management believes that the most meaningful risk to the business stems from that lack of appropriate levels of working capital, which has made it difficult for the business to effectively service its customers. This inability to effectively service its customers is considered to be the primary reason for the Company's financial losses in recent times, which are expected to continue without a meaningful improvement in its working capital position.

The Company is relying on the exemption from a formal valuation in available in section 5.5(b) of MI 61-101 and the exemption from minority approval available in section 5.7(g) of MI 61-101. The Company meets the requirements set out in section 5.5(b) of MI 61-101 because the Common Shares are only traded on the facilities of the TSXV. The Company meets the requirements set out in section 5.7(g) of MI 61-101 based on the board of directors of the Company, acting in good faith, having determined, and the Company's independent directors, acting in good faith, unanimously having determined that the Company is in serious financial difficulty with limited alternatives, that the Offering (including PenderFund's participation thereunder) is designed to improve the Company's financial position (including its working capital position), that the terms of the Offering are reasonable in the Company's circumstances, that the Company's need for financing is immediate, and that the Offering is fair to, and in the best interest of, the shareholders of the Company.

Tracy Tidy and Paul Henderson, directors of the Company, are not independent and, as such, declared their respective interests to the board of directors of the Company in connection with the Offering and abstained from voting in respect of the resolution to approve the Offering.

About GreenSpace

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.**

The securities being offered 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 In the United States or to, or for the account of benefit of, US persons absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

FORWARD-LOOKING STATEMENTS

Certain statements in this document 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; 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; 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. 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.

ADDITIONAL INFORMATION

Additional information is on SEDAR at www.sedar.com.

For further information, please contact:
Jan Faryaszewski
Chief Financial Officer
GreenSpace Brands Inc.
Tel: (416) 934-5034