

Organto Foods Inc. 1090 Hamilton Street Vancouver, B.C. V6B 2R9 Phone: +1 604 634-0970 Fax: +1 604 634-0971 Toll Free: 1 888 818-1364 www.organto.com

**NEWS RELEASE** 

# NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES.

# Organto Announces Unit Private Placement For Up to \$1.6 Million

Vancouver, BC, Canada, June 7, 2018 – Organto Foods Inc. (TSX-V: OGO, OTC: OGOFF) ("Organto" or "the Company"), today announced its intention to complete a non-brokered private placement of 20,000,000 units of Organto ("Units") at a price of \$0.08 per unit for gross proceeds of up to \$1,600,000. Each Organto unit will consist of one common share and one-half warrant, exercisable to purchase one additional Organto common share at a price of \$0.15 for a period of 12 months after the closing date. The exercise date of the warrants will be subject to acceleration in the event that the closing price of Organto's common shares on the TSX Venture Exchange, or such other stock exchange on which Organto common shares are primarily traded from time to time, is greater than or equal to \$0.25 per share for a period of 10 consecutive trading days (an "Acceleration Event") and such Acceleration Event occurs any time after the expiration of the Hold Period (as hereinafter defined).

Subject to the approval of the TSX Venture Exchange (the "TSX-V"), Organto may pay to eligible finder's fees equal to 6% of the gross proceeds raised in cash or shares.

Organto intends to use the proceeds of the private placement to fund ongoing operations, to meet working capital requirements and for general corporate purposes. Organto reserves the right to re-allocate funds from time to time in accordance with company requirements.

All securities issued pursuant to the private placement are expected to be subject to a four month hold period (the "Hold Period"). The private placement is subject to the acceptance of the TSX-V.

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.

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.

For more information contact:

#### **Investor Relations**

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.

### **About Organto**

Organto is an integrated provider of year-round value-added branded organic vegetables and seasonal organic and non-GMO fruit and vegetables produce 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 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; that target production levels will be achieved as forecast; 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, unfavourable 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 venturers. The foregoing list is not exhaustive and Organto undertakes no obligation to update any of the following except as required by law.