

Organto Enters into Exclusive Organic Avocado Supply Agreement with Strategic Mexican Supply Partner

Revenue Potential of Approximately CDN \$65 Million

Vancouver, BC, Canada and Breda, the Netherlands, March 31, 2021 – Organto Foods Inc. (TSX-V: OGO, OTC: OGOF, FSE: OGF) (“Organto” or “the Company”), an integrated provider of organic and value-added organic fruits and vegetables today announced that it has entered into a 5 year exclusive supply agreement (“Supply Agreement”) with a Mexican based supplier of organic avocados. The agreement provides for supply beginning in 2021 and through the end of calendar 2025 with an estimated revenue potential over the contract period of approximately CDN \$65.0¹ million.

“We are extremely pleased to enter into this strategic long-term Supply Agreement, significantly expanding our supply of organic avocado from Mexico, a key growing region with a significant presence in the organic fruits and vegetables industry. Organic avocado is a key product in our expanding portfolio, supported by a year-round supply chain comprised of strategic supply partners from around the globe.” commented Riens van der Wal, Co-CEO of Organto and CEO of Organto Europe B.V. “We are seeing demand for avocado continuing to grow, driven by its nutrient dense nutritional profile and a consumer focus on health and wellness. This strategic Supply Agreement significantly increases our capabilities and will play a key role as we scale our business to meet the demands of our customers.”

Under the terms of the exclusive Supply Agreement, Organto will have the right to market all production from the supplier for the next five years running through December 31, 2025. The supplier currently has approximately 100 hectares under production in the Nayarit region of Mexico, with harvests expected to increase as the existing orchards mature and additional capacity is added in the coming years. Products are currently Global GAP, SMETA and European Union organic certified, and the supplier has undertaken to work with Organto to obtain Fairtrade certification by the start of the 2021 season and Bio Suisse certification by the start of the 2022 season. Supply over the contract period is estimated to be in the range of 12.5 million to 14.0 million kgs. In order to obtain exclusive distribution rights, Organto has agreed to issue up to 1 million common shares to the supplier over the term of the agreement based on the delivery of minimum annual volume targets. The issue of these shares under the Supply Agreement is subject to the acceptance of the TSX-V.

Organto’s year-round supply chain for organic avocado includes supply from four continents including sources in Morocco, Spain, Columbia, Peru, Mexico, South Africa, Tanzania and Kenya. Mexican supply is key in the August to November time periods. The Company is continually working to develop additional sources of supply in order to meet the increasing demand from its customer base located throughout Europe.

¹ Forecast is based on shipping 13.0 million kgs of organic avocado over the term of the agreement with an average selling price of CDN \$5.00/kg.



ON BEHALF OF THE BOARD,

Steve Bromley
Chair and Co-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.

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ABOUT ORGANTO

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. Organto is an integrated provider of private label and bulk distributed organic and non-GMO fruit and vegetable products using an asset-light business model to serve a growing socially responsible and health conscious consumer around the globe.

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 Organto's business model and markets; Organto's belief that this new Supply Agreement will expand supply of organic avocado with revenue potential over the term of the agreement of approximately CDN \$65 million; Organto's belief that demand for fresh organic avocado will continue to grow globally; Organto's belief that it will receive supply in the range of 12.5 million to 14.0 million kgs over the term of this Supply Agreement; 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 and time frame within which Organto's business model will be implemented and product supply will be increased; 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, unfavorable 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 and partners. The foregoing list is not exhaustive and Organto undertakes no obligation to update any of the foregoing except as required by law.

