

Organto Finalizes European Accounts Receivable Factoring Facility

Vancouver, BC, Canada, December 6, 2018 – Organto Foods Inc. (TSX-V: OGO, OTC: OGOFF) (“Organto” or “the Company”), an integrated provider of value-added organic vegetable and fruit products today announced that it has entered into a non-recourse accounts receivable factoring facility (“the Facility”) with a multinational corporation that provides financial services to small and medium sized enterprises (“the Lender”).

“We are very pleased to have finalized this facility as it represents a non-dilutive form of financing which is important as we continue to build out our organic foods operations.” commented Steve Bromley, Chair and Interim Chief Executive Officer of Organto Foods Inc. “We are working to add further financing vehicles in the future to support operations as we rapidly expand our supply of healthy and nutritious fresh organic vegetable and fruit products in response to growing global demand.”

Under the terms of the Facility, the Lender will initially provide accounts receivable financing of up to €500,000 (approximately CDN \$750,000), with potential for expansion as Organto’s business grows and customer base is expanded. The initial Facility has a term of two years and a cost of approximately 1.1% of factored revenues. Initial draws on the Facility have commenced and will grow as customers are added.

Over the past number of months, Organto has restructured its management team and repositioned its organic foods business with a focus on three core strategies, including: (1) increasing revenue models; (2) diversifying and deepening supply relationships; and (3) right sizing the organization – moving from primarily a fixed to variable cost model. Significant progress has been realized on all strategies with Organto realizing a 228% increase in Q-3 2018 revenues versus the same quarter in the prior year, with Q-4 2018 revenues and results expected to show continued improvement.

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.

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ABOUT ORGANTO

Organto is an integrated provider of year-round value-added branded organic vegetables and seasonal organic and non-GMO fruit and vegetable products serving a growing socially responsible and health conscious consumer around the globe. Organto has also recently expanded into medicinal cannabis in order to capture expected global growth in this sector and leverage Organto's diverse sourcing, processing, logistics, import, export and organic certification expertise. Driven by consumer demand for healthy and organic food products, its organic foods business 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 medicinal cannabis operations were recently established with the acquisition of Medicannabis S.A.S. based in Colombia. Subject to receipt of required licenses which have been applied for, Organto plans to cultivate, process and sell medicinal cannabis initially in the Colombia market. 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 Organto's current business model and related expertise; Organto's belief that the accounts receivable financing facility represents an important non-dilutive form of financing; Organto's intent to add further financing vehicles to support the growth of its business; Organto's belief that the recent restructuring of its foods operations will lead to continued improvements in revenues and results; 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 customers, 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 continued growth in global demand for cannabis products and the continued increase in jurisdictions legalizing cannabis; and the timely receipt of regulatory approval for the acquisition of Medicannabis and their license applications as well as shareholder approval of the Medicannabis transaction. The foregoing list is not exhaustive and Organto undertakes no obligation to update any of the foregoing except as required by law.

