

Organto Closes Over-Subscribed CDN \$4.6 Million Convertible Note Financing

Funding To Be Used To Capitalize on Accelerating Growth Opportunities

Vancouver, BC, Canada and Breda, the Netherlands, January 7, 2021 – **Organto Foods Inc. (TSX-V: OGO, OTC: OGOFF, FSE: OGF) (“Organto” or “the Company”)**, an integrated provider of organic and value-added organic fruits and vegetables today announced the closing of its recently announced non-brokered private placement of convertible notes (“Convertible Notes”). The financing was significantly over-subscribed with gross proceeds of CDN \$4,630,000 including strong participation from insiders and existing shareholders as well as a diverse group of investors located in Canada, Mexico, and for the first time in the Netherlands. Proceeds from the financing will be used primarily to fund Organto’s planned business development initiatives plus capitalize on further accelerating growth opportunities.

“We are extremely pleased to close this financing which was very well received and over-subscribed. The proceeds will be used to fund our aggressive growth plans including achieving our previously announced target revenues for fiscal 2021 of CDN \$35 to \$37 million, an approximate 200% increase over 2020, including an expected annualized revenue run rate of CDN \$50 million by the end of 2021.” commented Steve Bromley, Chair and Co-CEO and Rients van der Wal, Co-CEO and CEO of Organto Europe BV. “We believe that demand for fresh organic fruits and vegetables will continue to grow globally, driven by increased consumer interest in healthy foods that are produced in a sustainable and transparent manner, and this presents an exciting opportunity for Organto. We continue to make great progress, leveraging both the strong market demand and our cost effective and flexible business model to drive record results.”

The Convertible Notes issued as part of this financing have a term of 2 years maturing in December 2022 and January 2023. The Notes carry an annual interest rate of 8% (payable annually), and are convertible into common shares of Organto (TSX-V: OGO) at a price of CDN \$0.30 per share. If at any time after four months from the date of issuance of the Notes, the closing price of Organto's common shares as traded on the TSX Venture Exchange is equal to or greater than CDN \$0.45 for 10 consecutive trading days or more, Organto may, in its sole discretion, accelerate conversion of the Notes. There is no pre-payment penalty.

Organto paid finder’s fees of CDN \$202,473 in cash and issued 674,910 broker warrants related to the placement of certain of the Convertible Notes. These broker warrants are exercisable at a price of \$0.30 and expire in December 2022 and January 2023. Any common shares issued upon the conversion of the Convertible Notes or exercise of the broker warrants will be subject to hold periods expiring in April and May 2021.

The Convertible Note financing remains subject to final acceptance of the TSX Venture Exchange.

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 they are making great progress leveraging strong market demand to drive record results; Organto's belief that demand for fresh organic fruits and vegetables continues to grow; Organto's belief that it will realize fiscal 2021 revenues of \$35-\$37 million and an annualized revenue exit rate of \$50 million; Organto's belief that the proceeds of the convertible note financing will fund a number of key growth initiatives; 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.

