

NatureBank Asset Management Inc.

News Release

July 10, 2018

NatureBank Asset Management Inc. Announces Restructuring of Debt

July 10, 2018, Vancouver, British Columbia: NatureBank Asset Management Inc. (“NatureBank” or the “Company”) (TSX-V: COO, Frankfurt: 9EA) is pleased to announce that the Company has entered into a non-binding letter of intent (the “LOI”) for the restructuring of debt (“Debt Restructuring”) which the Company currently holds on its balance sheet. The debt subject to the Debt Restructuring totals approximately CDN \$1.65M (\$1.56M of principal and \$90,000 of accrued interest) (the “Debt”) and is owed under the Company’s agreement (the “Acquisition Agreement”), announced November 7, 2012 whereby NatureBank acquired its subsidiaries, Offsetters Clean Technology Inc. and Carbon Credit Corporation, from a third party Seller (the “Seller”).

Under the proposed Debt Restructuring, and following the signing of necessary amendments to the Acquisition Agreement (the “Amending Agreement”), the Company and Seller would proceed as follows:

1. On the closing date of the Amending Agreement, the Seller would agree to convert 50% of the Debt (“**Converted Debt**”) into common shares of the Company (“**Shares**”) at a price per common share of \$0.10.
2. The Debt less the Converted Debt (“**Remaining Debt**”) would bear interest at the rate of 10% calculated and payable monthly.
3. The Remaining Debt would be repaid by the Company to the Seller in accordance with paragraphs 4 and 5 below.
4. Upon the completion of the Company’s sale of 80% of the issued and outstanding shares of its wholly owned subsidiary Forest Finest Consulting GMBH (“**FCC Deal**”), as detailed in a press release dated March 28, 2018, the Seller would receive \$432,000.00 from the proceeds of the sale under the FCC Deal, payable in two separate cash payments of \$216,000.00. The first payment of \$216,000.00 (“**Cash Payment 1**”) to be paid to the Seller on or about the closing of the FCC Deal, and the second payment of \$216,000.00 (“**Cash Payment 2**”) to be paid to the Seller on the date that is 2 months from the date of closing of the FCC Deal
(Cash Payment 1 and Cash Payment 2, collectively the “**FCC Payments**”).
5. The Company would pay the Seller the balance of the Remaining Debt less the FCC Payments (“**Post-FCC Debt**”), in three separate cash payments as follows:
 - (a) First, a payment equal to 50% of the Post-FCC Debt, to be paid to the Seller on the date of the second FCC Payment (“**Cash Payment 3**”);
 - (b) Second, a payment equal to 25% of the Post-FCC Debt, to be paid to the Seller on the date that is 1 year from the date of the closing of the FCC Deal (“**Cash Payment 4**”); and
 - (c) Third, a payment equal to 25% of the Post-FCC Debt, to be paid to the Seller on the date that is 2 years from the date of the closing of the FCC Deal (“**Cash Payment 5**”).
(Cash Payment 3, Cash Payment 4, and Cash Payment 5, collectively the “**Naturebank Payments**”).
(the FCC Payments and the Naturebank Payments being the “**Debt Payments**”).
6. Upon the last Debt Payment being made in accordance with paragraphs 4 and 5 above, the Seller would agree that the Debt has been satisfied in full, and would discharge its security interests under the Agreement and the Amending Agreement.

7. In the event of a default of any of the Debt Payments, subject to a reasonable cure period, the Company would agree to pay to the Seller an amount equal to the amount of the Converted Debt, plus interest of 10% calculated and payable monthly from the date of the event of default entitling the Seller to such amounts, (the “**Reverted Debt**”), and the security interests under the Agreement and the Amending Agreement would continue to be effective until the repayment of the Reverted Debt. Notwithstanding the foregoing, in the event that the Seller becomes entitled to the Reverted Debt and despite the repayment of the Reverted Debt by the Company, the Seller will retain the Shares.

The proposed transaction is subject to, amongst other conditions, the completion of a definitive Amending Agreement, the FCC Deal having been completed, the approval of the corresponding Boards of both NatureBank and the Seller, and approval of the TSX Venture Exchange. Should the FCC deal not be completed by December 30th 2018 then the LOI will automatically terminate.

“We have been keenly focused on debt reduction over the last 18 months, and this LOI represents significant progress” stated Phil Cull, CEO of NatureBank. “The proposed restructuring provides the Company with a clear pathway to removing the debt from our books, which we believe to be in the best interest of the Company and its shareholders. I would like to thank our creditors for their patience and support as we continue to improve the long term financial viability of the company. The environmental markets within Canada are forecast to experience significant growth of the next 3-5 years and this restructuring will allow us to focus our energies on participating in that buoyant market.”

In addition, the Company has agreed to an amendment with the purchasers of Forest Finest Consulting GmbH, whereby the 5 year loan contemplated in that deal will be repaid in the initial closing period, and the royalty payments will be removed. Please refer to the press release dated March 28, 2018 for additional background.

About NatureBank

NatureBank specializes in advisory, technology and project investment services applied to sustainable commodities and ecological assets, with a primary focus on cocoa, timber and carbon. We provide our customers with a multidisciplinary approach to investing, managing risk, enhancing asset performance and securing commercial returns. While managing climate change risk, we improve livelihoods and sustainability in project regions. Through our advisory services team and our subsidiary companies, Offsetters and CO2OL, we help organizations understand, reduce and offset their climate impact. With offices in Vancouver, British Columbia; Portland, Oregon; Zurich, Switzerland and Bonn, Germany, our team has a global reach. Our team has worked with over 200 leading business organizations including Aimia, Vancity, lululemon athletica, Catalyst Paper, Harbour Air, HSE - Entega, and Shell Canada Limited. NatureBank is publicly listed company on the Toronto Venture Exchange (TSX-V:COO) and in Frankfurt:9EA. Please visit us at www.NatureBank.com.

Forward Looking Statements

This news release includes forward-looking information and statements, which may include, but are not limited to, information and statements regarding or inferring the future business, operations, financial performance, prospects, and other plans, intentions, expectations, estimates, and beliefs of the Company. Such statements include statements regarding the the proposed transaction. Information and statements which are not purely historical fact are forward-looking statements. Forward-looking information and statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors which may cause actual events, results, performance, or achievements of the Company to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking information and statements herein, including the risks that required approvals will not be obtained or that other conditions to completion of the transaction will not be satisfied or waived and that the transaction will not close on the expected terms or at all. The assumptions on which the forward looking statements contained herein rely include that required approvals will be obtained and the other conditions to completion of the transaction will be satisfied and the transaction will close on the expected terms. Although the Company believes that any forward-looking information

and statements herein are reasonable, in light of the use of assumptions and the significant risks and uncertainties inherent in such information and statements, there can be no assurance that any such forward-looking information and statements will prove to be accurate, and accordingly readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance upon such forward-looking information and statements. Any forward-looking information and statements herein are made as of the date hereof, and except as required by applicable laws, the Company assumes no obligation and disclaims any intention to update or revise any forward-looking information and statements herein or to update the reasons that actual events or results could or do differ from those projected in any forward looking information and statements herein, whether as a result of new information, future events or results, or otherwise, except as required by applicable laws.

David Rokoss
NatureBank Asset Management Inc.
Suite 1000 - 675 West Hastings Street,
Vancouver BC, V6B 1M8
Telephone: 604-760-1997
Email: david.rokoss@NatureBank.com

Neither 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.