

Form 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Organto Foods Inc. (the “**Company**” or “**Organto**”)
1090 Hamilton Street
Vancouver, BC V6B 2R9

Item 2 Date of Material Change

August 4, 2017

Item 3 News Release

A news release, as attached, was disseminated on August 4, 2017 to the TSX Venture Exchange (the “**TSX-V**”) and through FSC Wire and filed on SEDAR with the securities commissions of British Columbia, Alberta and Ontario.

Item 4 Summary of Material Change

Organto closes the 2nd tranche of its previously announced non-brokered private placement for gross proceeds of approximately \$324,781 from the sale of 2,165,208 units at a price of \$0.15 per unit.

Item 5 Full Description of Material Change

Organto announced that it closed the second tranche of its previously announced non-brokered private placement. Gross proceeds of approximately \$324,781 were raised from the sale of 2,165,208 units at a price of \$0.15 per unit. Each unit consists of one common share and one transferrable warrant to purchase one additional common share of Organto exercisable at a price of \$0.25 for a period of 24 months from the closing date. Together with the closing of the 1st Tranche back in late June total proceeds of approximately \$2.25 million before costs and finders fees has been raised.

The proceeds of the private placement are being used primarily to accelerate the rollout of Organto’s vertically integrated value added fresh-cut, branded organic produce business.

In connection with the second tranche closing, Organto paid 8% finder’s fees to two finders totaling \$13,200 and issued 8% non-transferrable finders’ warrants exercisable to acquire up to 88,000 common shares of Organto for a period of 24 months from the closing date at a price of \$0.15 per share.

The shares, warrants and finder’s warrants are subject to a four month hold period expiring on December 4, 2017.

See the attached news release for a full description of the material changes described herein.

Item 6 **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

Item 7 **Omitted Information**

Not applicable.

Item 8 **Executive Officer**

Arnoud Maas, CEO

Phone: (604) 634-0970

Item 9 **Date of Report**

August 18, 2017



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NEWS RELEASE

NOT FOR DISSEMINATION IN THE UNITED STATES OR TO UNITED STATES NEWSWIRE SERVICES

Organto Closes 2nd Tranche of Private Placement for \$324k

Vancouver, BC, Canada, August 4, 2017 – Organto Foods Inc. (OGO: TSX-V, OGOFF: OTC) (“Organto”) announces that it has closed the second tranche of its previously announced non-brokered private placement. Gross proceeds of approximately \$324,781 were raised from the sale of 2,165,208 units at a price of \$0.15 per unit. Each unit consists of one common share and one transferrable warrant to purchase one additional common share of Organto exercisable at a price of \$0.25 for a period of 24 months from the closing date. Together with the closing of the 1st Tranche back in late June total proceeds of approximately \$2.25 million before costs and finders fees has been raised.

The proceeds of the private placement are being used primarily to accelerate the rollout of Organto’s vertically integrated value added fresh-cut, branded organic produce business. Organto currently employs a business model that is integrated from the “seed to the table”, addressing growing consumer demand for fresh, healthy and organic food products. The funding will accelerate the development of increased supply to meet market demand via both company operated operations and strategic third party supply relationships and fund needed working capital as the business grows.

“We continue to advance our year-round, vertically integrated business model as we address the market opportunity for fresh, organic value-added packaged vegetables,” commented Arnoud Maas, CEO of Organto Foods Inc. “This capital is instrumental as we are rolling out numerous initiatives over the coming months in support of our go-to-market strategy. We will continue to assess financing alternatives to meet our capital needs as our business grows.” added Mr. Maas.

In connection with the second tranche closing, Organto paid 8% finder’s fees to two finders totaling \$13,200 and issued 8% non-transferrable finders’ warrants exercisable to acquire up to 88,000 common shares of Organto for a period of 24 months from the closing date at a price of \$0.15 per share.

The shares, warrants and finder’s warrants are subject to a four month hold period expiring on December 4, 2017.

ON BEHALF OF THE BOARD,

Arnoud Mass
CEO

Neither the TSX-V nor its Regulation Services Provider (as that term is defined in the policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this news release.



For more information contact:

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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.

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 assess financing alternatives as the business grows; the company’s intended use of proceeds raised from the private placement to increase product supply; Organto’s business model and markets; 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, 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 foregoing except as required by law.