

Organto Closes Sale of Colombian Cannabis Subsidiary

Vancouver, BC, Canada, December 20, 2019 - Organto Foods Inc. (TSX-V: OGO, OTC: OGOFF) (“Organto” or the “Company”). Organto today announced that it has closed the sale of the Company’s former Colombian cannabis subsidiary, Medicannabis S.A.S. (“Medicannabis”) to Xebra Brands Ltd. (“Xebra”). Organto had announced previously that it had received both shareholder approval and acceptance of the TSX Venture Exchange, subject to certain closing deliverables which have now been completed.

Xebra is a private cannabis company, focused on the design and delivery of unique wellness and leisure products. It has acquired cultivation and processing licences in Colombia, and is developing brands, and cannabis-infused beverages, for sale globally where cannabis is legal. Trademarks are being filed worldwide for Xebra’s inaugural cannabis infused beverage brands, including: MADCAP soft drinks, HIGHJACK energy drinks, HolaHi iced teas, VICIOUS CITRUS lemonade, and CONQUER sports drinks. Xebra’s Mexican subsidiaries Elements Bioscience and Sativa Group, specialize in CBD wellness products, with 13 applications awaiting approval. Xebra is aiming for a public listing in Q2 2020. As per the terms of the agreement with Xebra, Organto received 7,124,630 common shares of Xebra, representing approximately 7.44% of the current proforma outstanding shares of Xebra.

“We are pleased to have closed this transaction and are excited to be a shareholder of Xebra, providing Organto with an important asset for the future. We believe Xebra’s continued execution of their business plan should create tremendous shareholder value that can be monetized in the future for the benefit Organto’s shareholders,” commented Steve Bromley, Chair and Interim CEO of Organto Foods Inc. “With this transaction we will continue to have an investment in this exciting and fast-growing sector while focusing operationally on our fast-growing organic vegetables and fruit platform.”

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'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. The Organto Foods Group is an integrated provider of year-round value-added branded organic vegetables and seasonal 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 current business model and related expertise; Organto's belief that Xebra's execution of their business plan should create tremendous value for shareholder's of Organto that may be monetized; Organto's belief that the opportunity in organic vegetables and fruits is fast growing; 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; 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; ongoing relations with distributors, customers, employees, suppliers, consultants, contractors and partners and joint venturers; and risks associated with cannabis operations and receipt of required licenses in Colombia. The foregoing list is not exhaustive and Organto undertakes no obligation to update any of the foregoing except as required by law.

