

A copy of this preliminary prospectus supplement has been filed with the securities regulatory authorities in each of the provinces and territories of Canada, but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary prospectus supplement may not be complete and may have to be amended. The securities may not be sold until a receipt for the prospectus supplement is obtained from the securities regulatory authorities.

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This preliminary prospectus supplement (the "**Preliminary Prospectus Supplement**"), together with the accompanying short form base shelf prospectus dated July 5, 2021 (the "**Base Shelf Prospectus**" and, as supplemented by this Preliminary Prospectus Supplement, collectively the "**Prospectus**") to which it relates, as amended or supplemented, and each document incorporated by reference into this Preliminary Prospectus Supplement and the Base Shelf Prospectus, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any securities laws of any state of the United States. Accordingly, subject to certain exceptions, these securities may not be offered or sold within the United States of America, or its territories or possessions, any State of the United States or the District of Columbia (Collectively, the "**United States**"). This short form prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any of these securities within the United States. See "Plan of Distribution".*

Information has been incorporated by reference in this Preliminary Prospectus Supplement and in the Base Shelf Prospectus from documents filed with the securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Secretary of Organto Foods Inc., at 1090 Hamilton Street, Vancouver, British Columbia, V6B 2R9, Telephone (604) 634-0970, and are also available electronically at www.sedar.com.

PRELIMINARY PROSPECTUS SUPPLEMENT

TO THE SHORT FORM BASE SHELF PROSPECTUS DATED JULY 5, 2021

New Issue

November 3, 2021



ORGANTO FOODS INC.

\$5,000,000

8.0% Convertible Unsecured Debentures

This preliminary prospectus supplement (the "**Preliminary Prospectus Supplement**"), together with the short form shelf prospectus to which it relates dated July 5, 2021 (the "**Base Shelf Prospectus**") qualifies the distribution of \$5,000,000 aggregate principal amount of 8.0% unsecured convertible debentures (the "**Debentures**") of Organto Foods Inc. ("**Organto**" or the "**Corporation**") at a price of \$1,000 (the "**Offering Price**") per \$1,000 principal amount of Debentures (the "**Offering**"). The Debentures will bear interest at an annual rate of 8.0%, payable in Canadian dollars annually in arrears, on November 30th in each year, commencing on November 30, 2022 (each an "**Interest Payment Date**"). The Debentures will mature on November 30, 2026 (the "**Maturity Date**"). Further particulars concerning the attributes of the Debentures are set out under "*Description of the Debentures*".

Debenture Conversion Privilege

Each Debenture will be convertible into freely tradeable (as defined herein) common shares (“**Common Shares**”) of the Corporation at the option of the holder thereof at any time prior to the close of business on the earlier of the business day immediately preceding (i) the Maturity Date, and (ii) the date specified for redemption of the Debentures, at a conversion price of \$[] per Common Share (the “**Conversion Price**”), being a conversion rate of approximately [] Common Shares per \$1,000 principal amount of Debentures, subject to adjustment in certain events as described in the trust indenture (the “**Debenture Indenture**”) between the Corporation and Computershare Trust Company of Canada (the “**Debenture Trustee**”) governing the terms of the Debentures. Holders converting their Debentures will receive accrued and unpaid interest in cash on such Debentures for the period from and including the last interest payment date (or the date of issue of the Debentures if there has not yet been an interest payment date) to, but excluding, the date of conversion. Further particulars concerning the conversion privilege, including provisions for the adjustment of the Conversion Price, are set out under “*Description of the Debentures - Conversion Rights*”.

The Debentures are not redeemable prior to November 30, 2023, except upon the satisfaction of certain conditions after a Change of Control (as defined herein) has occurred. On and after November 30, 2023 and prior to November 30, 2026, the Debentures may be redeemed by the Corporation, in whole or in part, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest in cash, if any, up to but excluding the date of redemption, provided that the Current Market Price (as defined herein) on the date on which notice of redemption is given is at least 125% of the Conversion Price. The Corporation shall provide not more than 60 days nor less than 30 days prior notice of any redemption. See “*Description of the Debentures - Redemption*”.

The Corporation may, at its option, subject to applicable regulatory approval and provided that no Event of Default (as defined herein) has occurred and is continuing, elect to satisfy its obligation to pay, in whole or in part, the principal amount of the Debentures that are to be redeemed or upon maturity, upon not more than 60 days’ and not less than 30 days’ prior notice, by issuing to the holders thereof that number of freely tradeable Common Shares determined by dividing the principal amount of the Debentures being repaid by 95% of the Current Market Price on the date of redemption or maturity, as applicable. In addition, subject to applicable regulatory approval, freely tradeable Common Shares may be issued to the Debenture Trustee and sold, with the proceeds used to satisfy the obligation to pay interest on the Debentures. See “*Description of the Debentures - Method of Payment*”.

There is no market through which the Debentures may be sold and purchasers may not be able to resell Debentures purchased under this Prospectus. This may affect the pricing of the Debentures in the secondary market, the transparency and availability of trading prices, the liquidity of the Debentures, and the extent of issuer regulation. See “Risk Factors”. Investing in the Debentures involves risk. Prospective investors should consider the risk factors described under “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” and in the documents incorporated by reference in this Preliminary Prospectus Supplement.

The Corporation will apply to list the Common Shares issuable upon conversion of the Debentures (including any Debentures issued pursuant to the Over-Allotment Option) and the Compensation Option Shares (as defined herein) and the common shares (the “**Over-Allotment Shares**”) pursuant to the conversion of the Over-Allotment Option (as defined herein) on the TSX-Venture Exchange (the “**TSXV**”). Such listings will be subject to the Corporation fulfilling all of the listing requirements of the TSXV. The Common Shares are listed and posted for trading on the TSXV under the symbol “OGO” and the Frankfurt Stock Exchange (the “**FSE**”) under the symbol “OGF”. On November 2, 2021, the last trading day on each of the TSXV and the FSE before the date of this Preliminary Prospectus Supplement, the closing price of the Common Shares on the TSXV and the FSE was \$0.37 and EUR0.157, respectively.

The terms and offering price of the Debentures have been determined by negotiation between the Corporation, on the one hand, and Beacon Securities Limited (“**Beacon**”) and PI Financial Corp. (“**PI Financial**”) and together with Beacon, the “**Co-Lead Underwriters**”), as co-lead underwriters and bookrunners, on their own behalf and on behalf of a syndicate of underwriters consisting of [], [] and [] (collectively, the “**Underwriters**”), on the other hand.

Price \$1,000 per Debenture

	<u>Price to the Public</u>	<u>Underwriters' Commission⁽¹⁾</u>	<u>Net Proceeds⁽²⁾</u>
Per Debenture	\$1,000	\$60	\$940
Total ⁽³⁾	\$5,000,000	\$300,000	\$4,700,000

Notes:

- (1) Pursuant to the terms of the Underwriting Agreement (as defined herein), the Corporation has agreed to pay to the Underwriters a cash commission (the “**Underwriters’ Commission**”) equal to 6.0% of the gross proceeds of the Offering (including any Debentures sold pursuant to the Over-Allotment Option). The Corporation has also agreed to grant to the Underwriters such number of compensation options (the “**Compensation Options**”) to purchase such number of Common Shares (the “**Compensation Option Shares**”) as is equal to (A) 6.0% of the gross proceeds of the Offering, divided by (B) the Conversion Price. Each Compensation Option will be exercisable to purchase one Common Share at the Conversion Price for a period of 24 months following the Closing Date. This Prospectus also qualifies the distribution of the Compensation Options.
- (2) After deducting the Underwriters’ Commission, but before deducting expenses of the Offering, estimated to be \$300,000, which will be paid from the gross proceeds of the Offering.
- (3) The Corporation has granted the Underwriters an over-allotment option, exercisable at any time up to 30 days after the closing of the Offering, to sell up to \$750,000 aggregate principal amount of additional Debentures, on the same terms as set out above, solely to cover the Underwriters over-allocation position, if any, and for consequent market stabilization purposes (the “**Over-Allotment Option**”). If the Over-Allotment Option is exercised in full, the total “Price to the Public”, “Underwriters’ Commission” and “Net Proceeds” (before deducting the expenses of the Offering) will be \$5,750,000, \$345,000 and \$5,405,000 respectively. This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Debentures offered upon the exercise of such option. A purchaser who acquires Debentures forming part of the Underwriters’ over-allocation position acquires those Debentures under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See “*Plan of Distribution*”.

The following table sets forth the number of securities that may be issued by the Corporation pursuant to the Over-Allotment Option and the Compensation Options:

<u>Underwriters’ position</u>	<u>Maximum number of securities available</u>	<u>Exercise period</u>	<u>Exercise price</u>
Over-Allotment Option ⁽¹⁾	750	Exercisable not later than the 30 th day following the closing of the Offering	\$1,000 per Debenture
Compensation Option Shares ⁽²⁾	300	Exercisable any time on or before the date which is 24 months from the Closing Date	[●] per Compensation Option Share

Note:

- (1) This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Debentures offered upon the exercise of such option.
- (2) This Prospectus qualifies the grant of the Compensation Options.

The Underwriters, as principals, conditionally offer the Debentures, subject to prior sale, if, as and when issued by the Corporation and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under “*Plan of Distribution*”, and subject to the approval of certain legal matters in Canada on behalf of the Corporation by Fasken Martineau DuMoulin LLP and on behalf of the Underwriters by Cassels Brock & Blackwell LLP.

In connection with the Offering and subject to applicable laws, the Underwriters may over-allot or effect transactions that are intended to stabilize or maintain the market price of the Debentures at levels other than those which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time. The Underwriters propose to offer the Debentures initially at the Offering Price. See “*Plan of Distribution*”. After the Underwriters have made reasonable efforts to sell all of the Debentures under this Prospectus at such price, the Offering Price may be decreased, and further changed from time to time, to an

amount not greater than the Offering Price. However, in no event will the Corporation receive less than gross proceeds of \$1,000 per Debenture.

Subscriptions for the Debentures will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Except in limited circumstances, the Debentures will be issued in electronic form or “book-entry only” form through the facilities of CDS Clearing and Depository Services Inc. (“CDS”). Except in limited circumstances, holders of beneficial interests in the Debentures will not have the right to receive physical certificates evidencing their ownership of Debentures. The closing of the Offering is expected to occur on or about November 12, 2021 or such other date as may be agreed upon by the Corporation and the Underwriters, which date shall in any event not be later than 42 days after the date of the receipt of the Preliminary Prospectus Supplement relating to the Offering (the “Closing Date”).

Prospective purchasers should rely only on the information contained or incorporated by reference in this Preliminary Prospectus Supplement. The Corporation and the Underwriters have not authorized anyone to provide prospective purchasers with additional or different information from that contained or incorporated by reference in this Preliminary Prospectus Supplement. The Debentures are being offered only in jurisdictions where, and to persons to whom, offers and sales are lawfully permitted.

The Corporation has a sales and administration office in Breda, the Netherlands and regional satellite offices are located in Mexico, Guatemala and Argentina. The registered and records office is located at 1500-1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7.

The earnings coverage ratios for the Corporation for the twelve-month period December 31, 2020, and for the twelve-month period ended June 30, 2021, are less than one-to-one. See "*Earnings Coverage Ratios*".

Agent for Service of Process:

Peter Gianulis, Alejandro Maldonado, Joost Verrest and Gert van Noortwijk, being directors of the Corporation, reside outside of Canada. Each of Peter Gianulis, Alejandro Maldonado, Joost Verrest and Gert van Noortwijk has appointed the Corporation at 1090 Hamilton Street, Vancouver, British Columbia, V6B 2R9, as his agent for service of process in Canada. Purchasers are advised that it may not be possible for investors to enforce judgements obtained in Canada against any of Peter Gianulis, Alejandro Maldonado, Joost Verrest and Gert van Noortwijk, even though each of Peter Gianulis, Alejandro Maldonado, Joost Verrest and Gert van Noortwijk has appointed an agent for service of process.

Certain of the Underwriters and their affiliates have performed investment banking, brokerage and advisory services for the Corporation from time to time for which they have received customary fees and expenses. The Underwriters and their affiliates may, from time to time, engage in transactions with and perform services for the Corporation in the ordinary course of their businesses.

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IMPORTANT NOTICE ABOUT THE INFORMATION IN THIS PRELIMINARY PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this Preliminary Prospectus Supplement, which describes the specific terms of the securities which the Corporation is issuing and the method of distribution of those securities and also supplements and updates information regarding the Corporation contained in the Base Shelf Prospectus. The second part, being the Base Shelf Prospectus, gives more general information about securities that the Corporation may offer from time to time, some of which may not apply to this Offering. Both documents contain important information you should consider when making your investment decision. This Preliminary Prospectus Supplement may add, update or change information contained in the Base Shelf Prospectus. Before investing, you should carefully read both this Preliminary Prospectus Supplement and the Base Shelf Prospectus together with the additional information about the Corporation referenced under “*Documents Incorporated by Reference*” and “*Available Information.*”

You should rely only on information contained in this Preliminary Prospectus Supplement, the Base Shelf Prospectus and the documents incorporated by reference in this Preliminary Prospectus Supplement and the Base Shelf Prospectus. If information in this Preliminary Prospectus Supplement is inconsistent with the Base Shelf Prospectus or the information incorporated by reference, you should rely on this Preliminary Prospectus Supplement. The Corporation has not authorized anyone to provide you with information that is different. If anyone provides you with any different or inconsistent information, you should not rely on it. The Corporation is not making a distribution of the Debentures in any jurisdiction where the offer or issuance is not permitted by law.

The information contained in this Preliminary Prospectus Supplement and the Base Shelf Prospectus is accurate only as of their respective dates, regardless of the time of delivery of this Preliminary Prospectus Supplement and the Base Shelf Prospectus and you should not assume otherwise. The Corporation’s business, financial condition, results of operations and prospects may have changed since those dates. Information in this Preliminary Prospectus Supplement updates and modifies the information in the Base Shelf Prospectus and information incorporated by reference herein and therein. To the extent that any statement made in this Preliminary Prospectus Supplement differs from those in the Base Shelf Prospectus, the statements made in the Base Shelf Prospectus and the information incorporated by reference herein and therein are deemed modified or superseded by the statements made by this Preliminary Prospectus Supplement.

This Preliminary Prospectus Supplement shall not be used by anyone for any purpose other than in connection with the Offering. The Corporation does not undertake to update the information contained or incorporated by reference herein or in the Base Shelf Prospectus, except as required by applicable securities laws. Information contained on, or otherwise accessed through, the Corporation’s website shall not be deemed to be part of this Preliminary Prospectus Supplement or the accompanying Base Shelf Prospectus and such information is not incorporated by reference herein or therein.

ABOUT THIS PRELIMINARY PROSPECTUS SUPPLEMENT

Market data and certain industry forecasts used in this Preliminary Prospectus Supplement and the documents incorporated by reference herein or therein were obtained from market research, publicly available information and industry publications. The Corporation believes that these sources are generally reliable, but the accuracy and completeness of this information is not guaranteed. The Corporation has not independently verified such information, and the Corporation does not make any representation as to the accuracy of such information.

This Preliminary Prospectus Supplement is deemed to be incorporated by reference into the Base Shelf Prospectus solely for the purposes of the distribution of the Debentures. Other documents are also incorporated or deemed to be incorporated by reference into this Preliminary Prospectus Supplement and into the Base Shelf Prospectus. See the section titled “*Documents Incorporated by Reference.*”

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Preliminary Prospectus Supplement, and the documents incorporated by reference or deemed to be incorporated by reference in this Preliminary Prospectus Supplement, may contain forward-looking statements and forward-looking information (collectively, the “**forward-looking information**”) within the meaning of applicable

securities laws, including the “safe harbour” provisions of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. Forward-looking information is information that is subject to known and unknown risks and other factors that may cause future actions, conditions or events to differ materially from the anticipated actions, conditions or events expressed or implied by such forward-looking information. Forward-looking information is information that does not relate strictly to historical or current facts, and can be identified by the use of the future tense or other forward-looking words such as “believe”, “expect”, “anticipate”, “intend”, “plan”, “potential”, “estimate”, “should”, “may”, “will”, “could”, “would”, “should”, “target”, “objective”, “projection”, “forecast”, “continue”, “strategy”, “position” or the negative of those terms or other variations of them or comparable terminology. In particular, any statements, express or implied, regarding future actions, conditions or events, future operating results or the ability to generate revenue, income, cash flow or to pay dividends on Common Shares is forward-looking information. Examples of such forward-looking information in this Preliminary Prospectus Supplement include, but are not limited to, statements with respect to the following, each of which is subject to significant risks and uncertainties and is based on a number of assumptions that may prove to be incorrect: the closing of the Offering; the listing of the Common Shares issuable upon conversion, redemption or maturity of the Debentures on the TSXV; the closing of the Concurrent Private Placement; the use of proceeds of the Offering and the Concurrent Private Placement; the closing of the acquisition of BeeOrganic; the advancement of the Corporation’s business and growth plans; the exercise of the Over-Allotment Option and the expenses of the Offering. Forward-looking information is not a guarantee of performance. All statements, other than statements of historical facts, included or incorporated by reference in this Preliminary Prospectus Supplement that address activities, events or developments that are expected, believed or anticipated to occur or that may occur in the future are forward-looking information.

While the Corporation anticipates that subsequent events and developments may cause its views to change, the Corporation does not have an intention to update any forward-looking information, except as required by applicable securities laws. **There can be no assurance that the events or results of the forward-looking information will occur, or if any of them do, what impact they will have on the Corporation’s results of operations or financial condition, as actual results and future events could differ materially from those expected or estimated in such information. Accordingly, readers should not place undue reliance on any forward-looking information.** See “*Risk Factors*” in this Preliminary Prospectus Supplement and risks highlighted in materials filed with the securities regulatory authorities Canada from time to time, including, but not limited to, the Base Shelf Prospectus, the AIF (as such term is defined herein), Annual MD&A (as such term is defined herein), Interim MD&A (as such term is defined herein) and the disclosure in the other documents incorporated by reference or deemed to be incorporated by reference herein for further information with respect to forward-looking information in those documents.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks that predictions, forecasts, projections and other forward-looking statements will not be achieved. The factors listed above should be considered carefully and the Corporation cautions readers not to place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations and anticipations, estimates and intentions expressed in such forward-looking statements. Further information regarding these factors may be found under the heading “*Risk Factors*” in this Preliminary Prospectus Supplement, the Base Shelf Prospectus, the AIF, the Annual MD&A and the Interim MD&A.

Readers are cautioned that the foregoing list of factors that may affect future results is not exhaustive. When relying on the Corporation’s forward-looking statements to make decisions with respect to the Corporation, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. No assurance can be given that the expectations reflected in the forward looking statements contained in this Preliminary Prospectus Supplement will prove to be correct. Furthermore, the forward-looking statements contained in this Preliminary Prospectus Supplement are made as of the date of this document and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

The forward-looking statements contained in this Preliminary Prospectus Supplement and the Base Shelf Prospectus, including the documents incorporated by reference herein and therein, are expressly qualified by this cautionary statement. Investors should read this entire Preliminary Prospectus Supplement and the Base Shelf Prospectus to which it relates and consult their own professional advisors to ascertain and

assess the income tax and legal consequences, risk factors and other aspects of their investment in the Debentures.

ELIGIBILITY FOR INVESTMENT

In the opinion of Fasken Martineau DuMoulin LLP, counsel to the Corporation, and Cassels Brock & Blackwell LLP, counsel to the Underwriters, based on the current provisions of the *Income Tax Act* (Canada) (the “**Tax Act**”) and the regulations thereunder (the “**Regulations**”), provided that on the date hereof the Common Shares are listed on a “designated stock exchange”, as defined in the Tax Act, which currently includes the TSXV and the FSE, the Debentures offered pursuant to this Prospectus and the Common Shares issuable on the conversion, redemption or maturity of the Debentures, in all such cases if issued on the date hereof, would be qualified investments under the Tax Act and Regulations for trusts governed by registered retirement savings plans (“**RRSPs**”), registered education savings plans (“**RESPs**”), registered retirement income funds (“**RRIFs**”), deferred profit sharing plans (except, in the case of the Debentures, a deferred profit sharing plan to which the Corporation, or an employer that does not deal at arm’s length with the Corporation, has made a contribution), registered disability savings plans (“**RDSPs**”) and tax-free savings accounts (“**TFSAs**”), each as defined in the Tax Act.

Notwithstanding that the Debentures and Common Shares may be qualified investments as discussed above, if the Debentures or Common Shares are a “prohibited investment” (as defined in the Tax Act) for a TFSA, RESP, RDSP, RRSP or RRIF, the holder of the TFSA or RDSP, the annuitant under the RRSP or RRIF or the subscriber of a RESP, as the case may be, will be subject to a penalty tax as set out in the Tax Act. The Debentures and Common Shares will not be a prohibited investment provided the holder, subscriber or annuitant, as the case may be, deals at arm’s length with the Corporation for purposes of the Tax Act and does not have a “significant interest” (as defined in the Tax Act) in the Corporation. In addition, a Common Share will not be a “prohibited investment” if the Common Share is “excluded property” (as defined in the Tax Act) for the particular trust governed by a TFSA, RESP, RDSP, RRSP or RRIF. Holders, subscribers and annuitants of such plans should consult their own tax advisors to ensure that the Debentures and Common Shares would not be a prohibited investment in their particular circumstances.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents filed with the securities commission or similar regulatory authority in certain of the provinces and territories of Canada are specifically incorporated by reference in, and form an integral part of, this Prospectus:

- (a) the Annual Information Form for the year ended December 31, 2020 dated April 29, 2021 (the “**AIF**”);
- (b) the Corporation’s audited consolidated financial statements as of and for the years ended December 31, 2020 and 2019, together with the independent auditors’ reports thereon and the notes thereto (the “**Annual Financials**”);
- (c) the Corporation’s management’s discussion and analysis of financial position and results of operations of the Corporation for the year ended December 31, 2020 (the “**Annual MD&A**”);
- (d) the Corporation’s unaudited condensed interim consolidated financial statements for the six months ended June 30, 2021 and the notes thereto (the “**Interim Financials**”);
- (e) the Corporation’s management’s discussion and analysis for the six months ended June 30, 2021 (the “**Interim MD&A**”);
- (f) the Corporation’s management information circular dated May 27, 2021 prepared in connection with the annual general meeting of shareholders of the Corporation held on June 28, 2021; and
- (g) the “template version” of the “marketing materials” dated November 3, 2021 (as such terms are defined in National Instrument 41-101 - General Prospectus Requirements (“**NI 41-101**”)) consisting of the term sheet in respect of the Offering.

Any document of the type referred to in Section 11.1 of Form 44-101F1 of National Instrument 44-101 - *Short Form Prospectus Distributions* (excluding confidential material change reports) filed by the Corporation with a securities commission or similar regulatory authority in Canada after the date of this Preliminary Prospectus Supplement and before termination of the distribution of Debentures qualified hereunder, will be deemed to be incorporated by reference in this Preliminary Prospectus Supplement.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained in this Prospectus or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded will not constitute a part of this Prospectus, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document or statement that it modifies or supersedes. The making of such a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

MARKETING MATERIALS

Any “template version” of “marketing materials” (as such terms are defined in NI 41-101) has been incorporated by reference in this Prospectus. However, such “template version” of “marketing materials” will not form part of this Prospectus to the extent that the contents of the “template version” of “marketing materials” are modified or superseded by a statement contained in this Prospectus. Any “template version” of “marketing materials” filed on SEDAR after the date of this Prospectus and before the termination of the distribution of Debentures under the Offering will be deemed to be incorporated by reference in this Prospectus.

CURRENCY AND EXCHANGE RATE INFORMATION

In this Prospectus, unless otherwise specified or the context otherwise requires, “Canadian dollars” or “\$” means lawful currency of Canada and all references to “EUR” are to the Euro currency.

The daily exchange rate on November 2, 2021 as reported by the Bank of Canada for the conversion of Canadian dollars into EUR was \$1.00 equals EUR0.6957 and for the conversion of EUR into Canadian dollars was EUR1.00 equals \$1.4373.

SUMMARY OF THE OFFERING

The following is only a brief summary of the principal features of the Offering and is qualified in its entirety by the more detailed information appearing elsewhere, or incorporated by reference, in this Prospectus. For a more detailed description of the terms of the Debentures, see “Description of the Debentures”.

Offering: 5,000 Debentures (5,750 Debentures assuming the exercise in full of the Over-Allotment Option) having an aggregate principal amount of \$5,000,000 (\$5,750,000 assuming the exercise in full of the Over-Allotment Option).

Over-Allotment Option: The Corporation has granted to the Underwriters the Over-Allotment Option to purchase up to an additional 15% of the Debentures issued at a price of \$1,000 per Debenture on the same terms and conditions as the Offering, exercisable in whole or in part by Beacon on behalf of the Underwriters at any time up until 30 days following the closing of the Offering for the purposes of covering the Underwriters’ over-allocation position, if any, and for consequent market stabilization purposes.

Price: \$1,000 per Debenture.

Use of Proceeds The net proceeds of the Offering will be used for the financing of acquisitions, working capital and for general corporate purposes. See “*Use of Proceeds*”.

Listing and Trading The Corporation will apply to list the Common Shares issuable upon conversion of the Debentures (including any issued pursuant to the Over-Allotment Option) and the Compensation Option Shares on the TSXV. These same Common Shares will be listed on the FSE. Such listings will be subject to the Corporation fulfilling all of the listing requirements of the TSXV.

Closing Date On or about November 12, 2021, or such other date as may be agreed upon by the Corporation and the Underwriters, which date shall in any event not be later than 42 days after the date of the receipt of the Preliminary Prospectus Supplement relating to the Offering.

Risk and Uncertainties An investment in Debentures and/or the Common Shares issuable upon the conversion of Debentures is subject to a number of risks that should be considered by a prospective purchaser. An investment in the Debentures should be considered speculative due to various factors and should only be made by persons who can afford the total loss of their investment. An investment in the Debentures involves certain risks which should be carefully considered by prospective investors, including: market risks relating to changes in the market or fair value of a particular instrument or commodity, liquidity risks relating to not being able to settle its future debt obligations, counterparty risks relating to the potential of a counterparty failing to perform under its contractual obligations, costs or operations, risk relating to a change in customer behaviour, business operations risks relating to any unplanned interruption, risks relating to the Debentures such as credit and liquidity risks and risks relating to the Offering such as management’s discretion in the use of proceeds.

Such risks could have a materially adverse effect on the Corporation’s future results of operations, business, prospects or financial condition, and could cause actual events to differ materially from those described in forward-looking statements.

See “*Risk Factors*” and “*Cautionary Note Regarding Forward-Looking Statements*”.

Maturity Date: November 30, 2026.

Interest: 8.0% per annum. Interest on the Debentures is payable annually in arrears on November 30th of each year, commencing on November 30, 2022. The first interest payment on November 30, 2022 will include interest accrued from and including the Closing Date to, but excluding, November 30, 2022.

Subject to receipt of applicable regulatory approvals and provided that no Event of Default has occurred and is continuing, the Corporation may elect to satisfy, in whole or in part, its obligation to pay interest on the Debentures by issuing and delivering to the Debenture Trustee Common Shares to be sold by the Debenture Trustee, with the proceeds used to pay interest owing on the Debentures. See “*Description of the Debentures — Method of Payment*”.

Conversion

Each Debenture will be convertible into freely tradeable Common Shares at the option of the holder thereof at any time prior to the close of business on the business day immediately preceding the earlier of the Maturity Date and the date specified by the Corporation for redemption of the Debentures, at the Conversion Price of \$[●] per Common Share, being a conversion rate of approximately [●] Common Shares per \$1,000 principal amount of Debentures, subject to adjustment in certain events. Holders converting their Debentures will receive accrued and unpaid interest in cash on such Debentures for the period from and including the last interest payment date (or the date of issue of the Debentures if there has not yet been an interest payment date) to, but excluding, the date of conversion. Further particulars concerning the conversion privilege, including provisions for the adjustment of the Conversion Price, are set out under “*Description of the Debentures - Conversion Rights*”.

“**freely tradeable**” will be defined in the Debenture Indenture to mean in respect of any Common Shares or any other securities of the Corporation or any other person, as the case may be, that they (i) may be issued without the necessity of filing a prospectus or any other similar offering document (other than such prospectus or similar offering document that has already been filed) under applicable securities legislation and such issue does not constitute a distribution (other than a distribution already qualified by prospectus or similar offering document or that is otherwise exempt from prospectus requirements) under applicable securities legislation; and (ii) can be traded in Canada by the holder thereof without any restriction under applicable securities legislation, such as hold periods, except in the case of a control distribution (as defined in the applicable securities legislation) or any other trade prohibited under insider trading rules of applicable securities legislation.

Accelerated Conversion

At any time after November 30, 2023, the Corporation may, at its option, accelerate the conversion of the principal amount of the then outstanding Debentures at the Conversion Price, on not more than 60 days’ and not less than 30 days’ prior notice, should the daily volume weighted average trading price of the Common Shares on the TSXV be greater than 125% of the Conversion Price (the “**Accelerated Conversion Price**”) for the 20 consecutive trading days preceding the notice, representing an acceleration premium of approximately [●]% to the closing price of the Common Shares on the TSXV on [●], 2021.

Anti-Dilution

The Conversion Price and Accelerated Conversion Price are subject to customary anti-dilution adjustments upon, *inter alia*, share consolidations, share splits, spinoff events, rights issues, reorganizations and any cash dividends or distributions paid by the Corporation to its shareholders.

Redemption:

The Debentures are not redeemable prior to November 30, 2023, except upon the satisfaction of certain conditions after a Change of Control has occurred. On and after November 30, 2023 and prior to November 30, 2026, the Debentures may be redeemed by the Corporation, in whole or in part, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date of redemption, provided that the Current Market Price (as defined herein) on the date on which notice of redemption is given is at least 125% of the Conversion Price. The Corporation shall provide not more than 60 days nor less than 30 days prior notice of any redemption. See “*Description of the Debentures - Redemption*”.

Payment upon Redemption or Maturity:

On redemption or at maturity of the Debentures, the Corporation will repay the indebtedness represented by the Debentures by paying to the Debenture Trustee in lawful money of Canada an amount equal to the principal amount of the outstanding Debentures, together with accrued and unpaid interest in cash thereon.

The Corporation may, at its option, on not more than 60 days’ and not less than 30 days’ prior notice, subject to applicable regulatory approval and provided no Event of Default has occurred and is continuing, elect to satisfy its obligation to repay all or any portion of the principal amount of the Debentures that are to be redeemed or are to mature, by issuing and delivering to the holders thereof that number of freely tradeable Common Shares determined by dividing the principal amount of the Debentures being repaid by 95% of the Current Market Price on the date of redemption or maturity, as applicable. No fractional Common Shares will be issued on redemption or at maturity but in lieu thereof the Corporation will satisfy fractional interests by a cash payment equal to the Current Market Price multiplied by the fractional Common Share, less any taxes required to be deducted or withheld. See “*Description of the Debentures - Method of Payment*”.

“**Current Market Price**” will be defined in the Debenture Indenture to mean the volume-weighted average trading price per Common Share for the 20 consecutive trading days, ending on the fifth trading day preceding the date of determination, on the TSXV (or, if the Common Shares are not listed on the TSXV, on such stock exchange on which the Common Shares are listed as may be selected for such purpose by the board of directors of the Corporation (“**Board**” or “**Board of Directors**”), or if the Common Shares are not listed on any stock exchange, then on the over-the-counter market). The volume weighted average trading price shall be determined by dividing the aggregate sale price of all Common Shares sold on the said exchange or market, as the case may be, during the said 20 consecutive trading days by the total number of Common Shares so sold.

Change of Control:

Within 30 days following the occurrence of a Change of Control, the Corporation will be required to make an offer in writing to purchase all of the Debentures then outstanding (the “**Debenture Offer**”), at a price equal to 101% of the principal amount thereof plus accrued and unpaid interest earned thereon up to, but excluding, the date of acquisition (the “**Debenture Offer Price**”). If 90% or more of the aggregate principal amount of the Debentures outstanding on the date of the giving of notice of the Change of Control have been tendered to the Corporation pursuant to a Debenture Offer, the Corporation will have the right to redeem all of the remaining Debentures at the Debenture Offer Price.

“**Change of Control**” will be defined in the Debenture Indenture to mean the acquisition by any person, or group of persons acting jointly or in concert, of voting control or direction of more than 50% of the outstanding voting securities of the

Corporation and, for greater certainty, excludes an acquisition, merger, reorganization, amalgamation, arrangement, combination or other similar transaction involving the Corporation if immediately after the closing of such transaction no person, or group of persons acting jointly or in concert, holds voting control or direction over more than 50% of the outstanding voting securities of the Corporation or the successor entity resulting from such transaction. See *"Description of the Debentures - Change of Control"*.

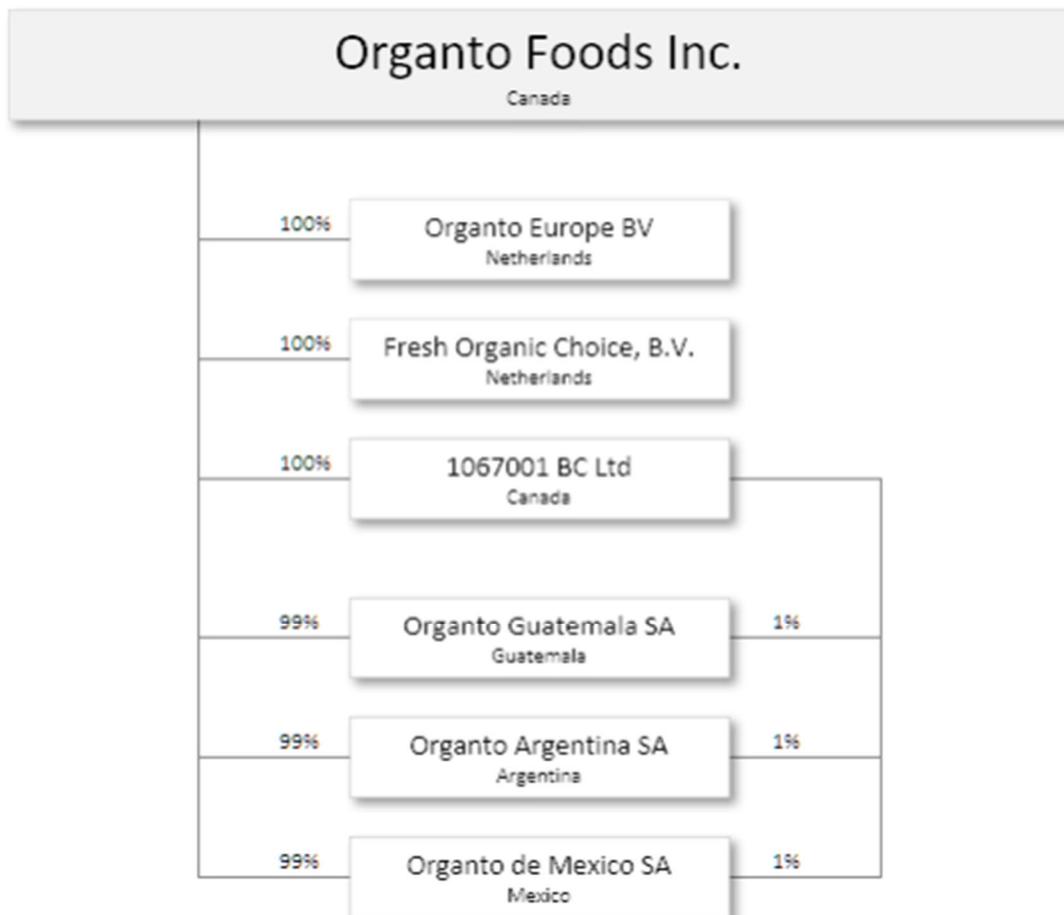
BUSINESS OVERVIEW AND STRATEGY

The following is a summary of information about the Corporation and does not contain all the information about the Corporation that may be important to prospective investors. Prospective investors should read the more detailed information including, but not limited to, the AIF, Annual Financials, Annual MD&A, Interim Financials, and Interim MD&A that are incorporated by reference into and are considered to be a part of this Prospectus.

The Corporation is a corporation governed by the Business Corporations Act (*British Columbia*). The registered and record office of the Corporation is located at 1500-1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7. The Corporation’s telephone number is (604) 634-0970 and its website address is www.organto.com.

The Corporation is engaged primarily in the sourcing, processing, packaging, distribution and marketing of fresh organic and value-added vegetable and fruit products. The Corporation was incorporated on May 18, 2007 under the Business Corporations Act (*British Columbia*) under the name “Columbus Silver Corporation”. On February 26, 2013, the Corporation changed its name from “Columbus Silver Corporation” to “Columbus Exploration Corporation” (“**Columbus Exploration**”). The Corporation was formed upon the completion of a reverse takeover of Columbus Exploration by Agricola Nuova Terra Guatemala S.A. (“**Agricola**”) on November 30, 2015, whereby Agricola became a wholly-owned subsidiary of the Corporation. On December 18, 2015, Columbus Exploration changed its name to “Organto Foods Inc.” and on March 21, 2016, Agricola changed its name to Organto Guatemala, Sociedad Anonima.

The following chart illustrates certain subsidiaries of the Corporation, together with the jurisdiction of incorporation of each such subsidiary and the percentage of voting securities beneficially owned or over which control or direction is exercised by the Corporation.



The Corporation has a sales and administration office in Breda, the Netherlands and regional satellite offices are located in Mexico, Guatemala and Argentina. The Corporation's registered and records office is located at 1500-1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7. The Corporation's operations are currently centered in Europe and carried out by Organto Europe BV, and Fresh Organic Choice BV, both of which are 100% owned subsidiaries of the Corporation. Staff in Europe are responsible for the purchase and sale of the Corporation's products with some assistance with sourcing of products from staff in Latin America. The Corporation currently sells to over 125 active customers in 16 countries in Europe.

As used in this Preliminary Prospectus Supplement, except as otherwise required by the context, reference to "Organto" or the "Corporation" means Organto Foods Inc. and its subsidiaries. Further information regarding the business of the Corporation and its operations, the industry and the markets in which the Corporation operates, the Corporation's competitive strengths and the Corporation's strategy can be found in the Base Shelf Prospectus, the AIF and other documents incorporated herein by reference.

RECENT DEVELOPMENTS

On August 17, 2021, the Corporation announced that it entered into an agreement with the logistics division of The Greenery B.V. ("**Greenery Logistics**"), an international fruit and vegetable company, to consolidate logistics in key European markets, including product handling, quality control and warehousing through value-added packaging and processing services and retail level distribution (the "**Greenery Logistic Agreement**"). There was no upfront consideration paid by the Corporation related to the Greenery Logistics Agreement and the cost to the Corporation for services provided are based on negotiated fees which are subject to change based on certain market considerations.

In September 2021, the Corporation announced that it had expanded its product portfolio by adding an assortment of organic fresh cut fruit, sourced from growers in Europe, Latin America and the Dominican Republic, with further processing and packaging of the raw materials taking place in Europe via strategic partners.

On September 28, 2021, the Corporation entered into an agreement with Gorillas ("**Gorillas**"), a promoter of limited but frequent food purchases delivered by electric bikes, to list a range of the Corporation's I AM Organic branded products (the "**Gorillas Agreement**"). Initial product distribution commenced in the Netherlands and Belgium through the end of September 2021, with a plan to roll-out to other countries where Gorillas is active as the program expands. There was no upfront consideration paid by the Corporation for the Gorillas Agreement and selling prices to Gorillas vary by market based on pre-established pricing, which is subject to changes based on certain market conditions.

On September 29, 2021, the Corporation announced that it entered into a non-binding letter of intent with Tandem International Produce BV and Organic Inspirations BV to acquire 100% of the outstanding shares of BeeOrganic B.V. ("**BeeOrganic**"), an international provider of fresh fairtrade organic bananas. Pursuant to this letter of intent, the Corporation will pay BeeOrganic EUR 600,000 (or approximately \$862,380, as converted on November 2, 2021) in cash and issue Common Shares worth EUR400,000 (or approximately \$574,920, as converted on November 2, 2021). The Common Shares will be subject to escrow provisions and become freely tradeable in equal amounts over three years. In addition, the former owner will be eligible for an earn-out of up to EUR150,000 (or approximately \$215,595, as converted on November 2, 2021) based on pre-established growth targets to be met over a period of three years. As of the date of this Preliminary Prospectus Supplement, the definitive agreements are being finalized and the transaction is expected to close by November 30, 2021.

On November 3, 2021, the Corporation entered into subscription agreements with certain investors in relation to a non-brokered private placement (the "**Concurrent Private Placement**") for the issuance of a total of approximately 18 million Common Shares of the Corporation at a price of \$0.322 per Common Share, for total gross proceeds of approximately \$5.75 million. The Corporation has granted, subject to certain conditions, a pre-emptive right to one of the investors (the "**Private Placement Investor**") to maintain its 5% ownership interest in the event of any future financings of the Corporation. The Concurrent Private Placement is subject to approval by the TSXV and is expected to close on November 12, 2021.

USE OF PROCEEDS

The Corporation estimates that the net proceeds from the Offering will be approximately \$4,400,000, without giving effect to the exercise of the Over-Allotment Option and after deducting the Underwriters' Commission of \$300,000 and the estimated expenses of the Offering of \$300,000 payable by the Corporation. Assuming full exercise of the Over-Allotment Option, the Corporation estimates that the net proceeds from the Offering will be approximately \$5,105,000, after deducting the Underwriters' Commission of \$345,000 and the estimated expenses of the Offering of \$300,000 payable by the Corporation.

The Corporation intends to use the net proceeds of the Offering (the “**Net Proceeds**”), in conjunction with the proceeds from the Concurrent Private Placement of approximately \$6 million (together with the Net Proceeds, the “**Total Proceeds**”), for the financing of acquisitions, working capital and for general corporate purposes. With respect to acquisitions, the Corporation frequently enters into non-disclosure agreements and non-binding letters of intent to assess potential acquisitions, for which the Corporation may or may not proceed with the contemplated acquisitions. Recently, the Corporation signed a non-binding letter of intent with BeeOrganic, which is expected to close by November 30, 2021. See “*Recent Developments*” for more information.

The Corporation's overall business and growth plans, including its investment and acquisition opportunities, remain subject to the normal risks and uncertainties that prevail in the businesses in which the Corporation is engaged. Additionally, the Corporation has a history of negative cash flow from operating activities. To the extent that the Corporation has negative cash flow in future periods, the Corporation may need to allocate a portion of the Total Proceeds to fund such negative cash flow. See “*Cautionary Note Regarding Forward-Looking Statements*” and “*Risk Factors*” in this Preliminary Prospectus Supplement, the Base Shelf Prospectus, the AIF, the Annual MD&A and Interim MD&A.

The Corporation intends to spend the funds available to it as stated in this Preliminary Prospectus Supplement; however, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary. Pending use of the net proceeds of the Offering, such net proceeds will be invested in accordance with determinations by the Board. The actual amount that the Corporation spends in connection with each of the intended uses of funds may vary significantly from the amounts specified above and will depend on a number of factors, including those referred to under “*Risk Factors*”.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Corporation as at June 30, 2021, on an actual basis and an as adjusted basis to give effect to this Offering and the use of the net proceeds therefrom as described under “*Use of Proceeds*”. Prospective investors should read the following table in conjunction with the “*Use of Proceeds*” appearing elsewhere in this Preliminary Prospectus Supplement as well as the Annual Financials and Interim Financials incorporated by reference in this Preliminary Prospectus Supplement.

(in thousands of dollars)	Actual (As of June 30, 2021)	Outstanding as of November 2, 2021	Outstanding after giving effect to the Offering	
			Assuming No Exercise of the Over- Allotment Option	Assuming Exercise of the Over- Allotment Option
Long-term debt				
Bank loan ⁽¹⁾	\$835,034	\$0	\$0	\$0
CEBA loan ⁽²⁾	\$60,000	\$60,000	\$60,000	\$60,000
Convertible debentures ⁽³⁾	\$3,175,289	\$2,914,412	\$7,035,112	\$7,653,212
Total long-term debt	\$4,070,323	\$2,974,412	\$7,095,112	\$7,713,212

(in thousands of dollars)	Actual (As of June 30, 2021)	Outstanding as of November 2, 2021	Outstanding after giving effect to the Offering	
			Assuming No Exercise of the Over-Allotment Option	Assuming Exercise of the Over-Allotment Option
Common Shares	\$26,008,605	\$27,972,703	\$27,972,703	\$27,972,703

Notes:

- (1) In December 2020, the Corporation's Mexican subsidiary obtained a US\$750,000 loan with a Mexican bank for a term of two years, with interest payable monthly at 8% annually. This loan was guaranteed by the Corporation by a convertible debenture that could be issued in order to settle the principal amount borrowed. Costs incurred to issue the loan and the associated security were deducted from the loan proceeds and are amortized over the two-year life of the loan. In July 2021, a convertible debenture with a principal amount of \$963,150 was issued and immediately converted into 3,210,500 Common Shares to settle the entire US\$750,000 bank loan.
- (2) The Corporation received proceeds of \$40,000 in September 2020 and an additional \$20,000 in December 2020 under the Canada Emergency Business Account ("CEBA") program. The loan is a 0% interest bearing loan with no principal payments required. The loan can be repaid at any time and \$20,000 of the loan will be forgiven if repaid in full before December 31, 2022. If the loan is not repaid by December 31, 2022, the loan can be converted into a 3-year term loan at a 5% annual interest rate paid monthly, effective January 1, 2023.
- (3) In addition to the Debentures offered under the Offering:
 - In May 2020, the Corporation completed a private placement of convertible debentures with a total face value of \$720,300. The debentures were unsecured and had a term of two years and bore interest at 10% annually, payable in arrears beginning one year after their date of issuance. The debentures were convertible into shares of the Corporation at \$0.05 per share in the first 12 months and \$0.10 thereafter. Interest was not convertible. The holder could convert all or part of the debentures at any time and the Corporation had the right to force conversion of the debentures. Debentures with a principal amount of \$665,300 were converted in 2020 resulting in the issuance of 13,306,000 Common Shares. The remaining debentures with a face value of \$55,000 were converted in January 2021 resulting in the issuance of 1,100,000 Common Shares.
 - In December 2020, the Corporation completed a private placement of convertible debentures with a total face value of \$3,356,850. The debentures are unsecured and have a term of two years and bear interest at 8% annually, payable in arrears beginning one year after their date of issuance. The debentures are convertible into shares of the Corporation at \$0.30 per share and interest is not convertible. The holder may convert all or part of the debentures at any time. If, at any time after April 29, 2021, the closing price of the Corporation's shares exceeds \$0.45 or more for ten consecutive trading days, the Corporation has the right to force conversion of the debentures. Since the date of issuance up to June 30, 2021, debentures with principal amount of \$157,000 were converted, resulting in the issuance of 523,331 Common Shares. In July 2021, convertible debentures with a face value of \$335,000 were converted and 1,116,664 Common Shares were issued. In August 2021, convertible debentures with a face value of \$30,000 were converted and 100,000 Common Shares were issued.
 - In January 2021, the Corporation completed a private placement of convertible debentures with a principal amount of \$310,000. The debentures are unsecured and have a term of two years and bear interest at 8% annually, payable in arrears beginning one year after their date of issuance. The debentures are convertible into shares of the Corporation at \$0.30 per share and interest is not convertible. The holder may convert all or part of the debentures at any time. If, at any time after May 5, 2021, the closing price of the Corporation's shares exceeds \$0.45 or more for ten consecutive trading days, the Corporation has the right to force conversion of the debentures.

EARNINGS COVERAGE RATIOS

The following earnings coverages are calculated on a consolidated basis for the twelve-month period ended December 31, 2020 and the twelve-month period ended June 30, 2021 and are derived from the Annual Financials and the Interim Financials.

Under IFRS, the Debentures are considered compound financial instruments with a conversion feature. The debt component will be classified as a financial liability at its fair value. The conversion feature will be classified as an equity component at an amount being the difference between the net proceeds of the Debentures and their fair value. The debt component of the Debentures will be accreted to the face value of the Debentures over their 5-year term.

The Corporation's loss before interest expense and income taxes for the twelve-month period ended December 31, 2020 was \$6,692,026 and its borrowing cost requirements and dividend obligations for the twelve-month period ended December 31, 2020 was \$362,719 for an earnings coverage ratio of negative 18.45 for the twelve-month period ended December 31, 2020. The Corporation's loss before interest expense and income taxes for the twelve-month period ended June 30, 2021 was \$7,956,595 and its borrowing cost requirements and dividend

obligations for the twelve-month period ended June 30, 2021 was \$502,250 for an earnings coverage ratio of negative 15.84 for the twelve-month period ended June 30, 2021.

After giving effect to the issuance of the Debentures and the use of proceeds therefrom as described under “*Use of Proceeds*”, and before any exercise of the Over-Allotment Option, the Corporation’s *pro forma* borrowing cost requirements and dividend obligations, which includes interest expense on the Debentures:

- for the twelve-month period ended December 31, 2020 was \$762,719 for an earnings coverage ratio of negative 8.25 for the twelve-month period ended December 31, 2020; and
- for the twelve-month period ended June 30, 2021 was \$902,250 for an earnings coverage ratio of negative 8.38 for the twelve-month period ended June 30, 2021.

The Corporation’s earnings coverage ratios for the twelve-month period ended December 31, 2020 and for the twelve-month period ended June 30, 2021 are less than one-to-one. The Corporation would have required approximately \$7,054,745 and approximately \$8,458,845 of additional earnings before interest expense and income taxes to achieve a one-to-one ratio for the twelve-month period ended December 31, 2020 and for the twelve-month period ended June 30, 2021, respectively.

DESCRIPTION OF THE DEBENTURES

The following is a summary of the material attributes and characteristics of the Debentures. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms of the Debenture Indenture, which will be filed with the applicable Canadian securities regulatory authorities and available on SEDAR at www.sedar.com.

General

The Debentures will be issued under the Debenture Indenture. The Debenture Trustee is the trustee under the Debenture Indenture and the Corporation’s transfer agent.

The Debentures to be issued will be in the aggregate principal amount of \$5,000,000 (\$5,750,000 assuming the Over-Allotment Option is exercised in full). The Corporation may, from time to time, without the consent of the holders of the Debentures (the “**Debentureholders**”), issue additional debentures of a different series under the Debenture Indenture, in addition to the Debentures offered hereby.

The Debentures will be dated as of the Closing Date and will have a maturity date of November 30, 2026. The Debentures will be issuable only in denominations of \$1,000 and integral multiples thereof and will bear interest from and including the date of issue at 8.0% per annum, which will be payable annually in arrears on November 30th of each year, commencing on November 30, 2022, computed on the basis of a 360-day year comprised of twelve 30-day months. The first interest payment will include interest accrued from and including the Closing Date to, but excluding, November 30, 2022. Assuming the Closing Date occurs on November 30, 2021, the first interest payment payable on November 30, 2022 will be approximately \$80 per \$1,000 principal amount of Debentures.

The principal amount of the Debentures is payable in lawful money of Canada or, at the option of the Corporation, subject to the receipt of applicable regulatory approvals and provided that no Event of Default has occurred and is continuing, by delivery of fully paid, non-assessable and freely tradeable Common Shares as further described under “*Description of the Debentures - Method of Payment - Payment of Principal on Redemption or at Maturity*”. The interest on the Debentures is payable in lawful money of Canada, including, at the option of the Corporation, in accordance with the Common Share Interest Payment Election as defined and described under “*Description of the Debentures - Method of Payment - Interest Payment Election*”.

The Debentures are direct obligations of the Corporation and will not be secured by any mortgage, pledge, hypothec or other charge. The Debenture Indenture does not restrict the Corporation from incurring additional indebtedness for borrowed money or otherwise or from mortgaging, pledging or charging the Corporation’s properties to secure any indebtedness.

Conversion Rights

Each Debenture will be convertible into freely tradeable Common Shares at the option of the holder thereof at any time prior to the close of business on the business day immediately preceding the earlier of the Maturity Date and the date specified by the Corporation for redemption of the Debentures, at the Conversion Price of \$[●] per Common Share, being a conversion rate of approximately [●] Common Shares per \$1,000 principal amount of Debentures (the “**Conversion Rate**”), subject to adjustment in certain events. Holders converting their Debentures will receive accrued and unpaid interest in cash on such Debentures for the period from and including the last interest payment date (or the date of issue of the Debentures if there has not yet been an interest payment date) to, but excluding, the date of conversion.

Subject to the provisions thereof, the Debenture Indenture will provide for the adjustment of the Conversion Price in certain events including:

- (a) the subdivision or consolidation of the outstanding Common Shares;
- (b) the distribution or the fixing of a record date for the distribution or issuance to all or substantially all of the holders of Common Shares of:
 - (i) Common Shares, securities convertible into Common Shares by way of stock dividend or other distribution;
 - (ii) options, rights or warrants entitling such holders to acquire Common Shares or other securities convertible into Common Shares at less than 95% of the Current Market Price;
 - (iii) evidence of indebtedness of the Corporation; or
 - (iv) securities or other assets; and
- (c) the payment of cash or any other consideration in respect of an issuer bid (other than a normal course issuer bid) for Common Shares by the Corporation or any of its subsidiaries to all of the holders of Common Shares to the extent that the fair market value of the cash and any other consideration included in the payment per Common Share exceeds the Current Market Price on the date of expiry of such issuer bid.

There will be no adjustment of the Conversion Price in respect of any event described in (b) above if the holders of the Debentures are allowed (with the approval of the TSXV) to participate as though they had converted their Debentures prior to the applicable record date or effective date. The Corporation will not be required to make adjustments in the Conversion Price unless the cumulative effect of such adjustments would change the Conversion Price by at least 1.0%. However, the Corporation will carry forward any adjustments that are less than 1.0% of the conversion rate and take them into account when determining subsequent adjustments.

In the case of any reclassification or capital reorganization (other than a change resulting from consolidation, subdivision or stock dividend) of the Common Shares, or in the case of any consolidation, amalgamation, arrangement, merger or acquisition of the Corporation with or into any person or other entity, or in the case of any sale or conveyance of the property and assets of the Corporation as an entirety or substantially as, an entirety to any other person or other entity, or a liquidation, dissolution or winding-up of the Corporation, the terms of the conversion privilege will be adjusted so that each holder of a Debenture will, after such reclassification, capital reorganization, consolidation, amalgamation, arrangement, merger, acquisition, sale, conveyance, liquidation, dissolution or winding-up, be entitled to receive, and will accept, in lieu of the number of Common Shares then sought to be acquired by such holder, the number of shares or other securities or property that such holder would be entitled to receive if, on the record date or effective date thereof (as the case may be), it had been the holder of the number of Common Shares into which the Debenture was convertible prior to the record date or effective date (as the case may be) of such reclassification, capital reorganization, consolidation, amalgamation, arrangement, merger, acquisition, sale, conveyance, liquidation, dissolution or winding-up. The Corporation shall give notice to the Debentureholders at least 30 days prior to the effective date of such transaction in writing and by release to a business newswire stating the consideration into which the Debentures will be convertible after the effective date of such transaction.

No fractional Common Shares will be issued on any conversion but in lieu thereof the Corporation will satisfy fractional interests by a cash payment equal to the Current Market Price multiplied by any fractional Common Share, less any taxes required to be deducted or withheld (if any), provided, however, that the Corporation shall not be required to make any payment of less than \$10.00.

Accelerated Conversion

At any time after November 30, 2023, the Corporation may, at its option, accelerate the conversion of the principal amount of the then outstanding Debentures at the Conversion Price, on not more than 60 days' and not less than 30 days' prior notice, should the daily volume weighted average trading price of the Common Shares on the TSXV be greater than the Accelerated Conversion Price for the 20 consecutive trading days preceding the notice, representing an acceleration premium of approximately [●] % to the closing price of the Common Shares on the TSXV on [●], 2021.

Anti-Dilution

The Conversion Price and Accelerated Conversion Price are subject to customary anti-dilution adjustments upon, *inter alia*, share consolidations, share splits, spinoff events, rights issues, reorganizations and any cash dividends or distributions paid by the Corporation to its shareholders.

Redemption

The Debentures are not redeemable prior to November 30, 2023, except upon the satisfaction of certain conditions after a Change of Control (as defined herein) has occurred. On and after November 30, 2023 and prior to November 30, 2026, the Debentures may be redeemed by the Corporation, in whole or in part, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest in cash, if any, up to but excluding the date of redemption, provided that the Current Market Price (as defined herein) on the date on which notice of redemption is given is at least 125% of the Conversion Price. The Corporation shall provide not more than 60 days nor less than 30 days prior notice of any redemption. See "*Description of the Debentures - Redemption*".

The Corporation will have the right to purchase Debentures in the market, by tender or by private contract at any time subject to regulatory requirements.

Restriction on Share Redemption or Maturity Right

The Corporation shall not, directly or indirectly (through a subsidiary or otherwise) undertake or announce any rights offering, issuance of securities, subdivision of the Common Shares, dividend or other distribution on the Common Shares or any other securities, capital reorganization, reclassification or any similar type of transaction in which:

- (a) the number of securities to be issued;
- (b) the price at which securities are to be issued, converted or exchanged; or
- (c) any property or cash that is to be distributed or allocated,

is in whole or in part based upon, determined in reference to, related to or a function of, directly or indirectly: (i) the exercise or potential exercise of the right to issue Common Shares on redemption or maturity of the Debentures; or (ii) the Current Market Price determined in connection with the exercise or potential exercise of the right to issue Common Shares on redemption or maturity of the Debentures.

Change of Control

Within 30 days following the occurrence of a Change of Control, the Corporation will be required to make an offer in writing to purchase all of the Debentures then outstanding, at a price equal to 101% of the principal amount thereof plus accrued and unpaid interest thereon up to, but excluding, the date of the acquisition. The Debenture Indenture will contain notification and repurchase provisions requiring the Corporation to give written notice to the Debenture Trustee of the occurrence of a Change of Control within 30 days of such event together with the Debenture

Offer. The Debenture Trustee will thereafter promptly deliver to each holder of Debentures a notice of the Change of Control together with a copy of the Debenture Offer to repurchase all the outstanding Debentures.

If holders of 90% or more of the aggregate principal amount of the Debentures outstanding on the date of the giving of notice of the Change of Control have been tendered to the Corporation pursuant to a Debenture Offer, the Corporation will have the right to redeem all of the remaining Debentures at the Debenture Offer Price. Notice of such redemption must be given by the Corporation to the Debenture Trustee within 10 days following the expiry of the Debenture Offer. The Debenture Trustee will promptly thereafter provide written notice thereof to the holders of the Debentures not tendered pursuant to a Debenture Offer.

Method of Payment

Payment of Principal on Redemption or at Maturity

On redemption or at maturity of the Debentures, the Corporation will repay the indebtedness represented by the Debentures by paying to the Debenture Trustee in lawful money of Canada an amount equal to the principal amount of the outstanding Debentures, together with any accrued and unpaid interest in cash thereon. The Corporation may, at its option, on not more than 60 days' and not less than 30 days' prior notice, subject to applicable regulatory approval and provided no Event of Default has occurred and is continuing, elect to satisfy its obligation to repay all or any portion of the principal amount of the Debentures that are to be redeemed or are to mature, by issuing and delivering to the holders thereof that number of freely tradeable Common Shares determined by dividing the principal amount of the Debentures being repaid by 95% of the Current Market Price on the date of redemption or at maturity, as applicable. No fractional Common Shares will be issued on redemption or at maturity but in lieu thereof the Corporation will satisfy fractional interests by a cash payment equal to the Current Market Price multiplied by the fractional Common Share less any taxes required to be deducted or withheld.

Interest Payment Election

The Corporation may elect, subject to regulatory approval and provided that no Event of Default has occurred and is continuing, from time to time to satisfy its obligation to pay all or any part of the interest on the Debentures (the "**Interest Obligation**"), on the date it is payable under the Debenture Indenture (an "**Interest Payment Date**"), by delivering a sufficient number of Common Shares to the Debenture Trustee to satisfy all or any part, as the case may be, of the Interest Obligation in accordance with the Debenture Indenture (the "**Common Share Interest Payment Election**"). The Debenture Indenture will provide that, upon such election, the Debenture Trustee shall (a) accept delivery from the Corporation of Common Shares, (b) accept bids with respect to, and consummate sales of, such Common Shares on behalf of the Corporation, each as the Corporation may direct in its absolute discretion, (c) invest the proceeds of such sales in Government Obligations (as defined in the Debenture Indenture) which mature prior to the applicable Interest Payment Date, and use the proceeds received from such Government Obligations, together with any proceeds from the sale of Common Shares not invested as aforesaid, to satisfy the Interest Obligation, and (d) perform any other action necessarily incidental thereto as directed by the Corporation.

The Debenture Indenture will set forth the procedures to be followed by the Corporation and the Debenture Trustee in order to affect the Common Share Interest Payment Election. Neither the Corporation's making of the Common Share Interest Payment Election nor the consummation of sales of Common Shares will (a) result in the holders of the Debentures not being entitled to receive on the applicable Interest Payment Date cash in an aggregate amount equal to the interest payable on such Interest Payment Date, or (b) entitle such holders to receive any Common Shares in satisfaction of the Interest Obligation.

Events of Default and Waiver

The Debenture Indenture will provide that an event of default ("**Event of Default**") in respect of the Debentures will occur if any one or more of the following described events has occurred and is continuing with respect to such Debentures: (a) failure for 30 days to pay interest on such Debentures when due; (b) failure to pay the principal or premium (if any) on such Debentures when due, whether at maturity or upon redemption, by declaration or otherwise; (c) default in the delivery when due of cash or any Common Shares or other consideration payable on conversion of the Debentures, which default continues for 30 days; (d) default in the observance or performance of any material covenant or material condition of the Debenture Indenture by the Corporation and the failure to cure (or

obtain a waiver for) such default for a period of 30 days after notice in writing has been given to the Corporation by the Debenture Trustee or by the holders of not less than 25% in principal amount of the Debentures then outstanding specifying such default and requiring the Corporation to remedy such default or obtain a waiver for same; (e) failure to make a Debenture Offer as and when required pursuant to the Debenture Indenture; (f) certain events of bankruptcy, insolvency or certain reorganizations of the Corporation or any material subsidiary of the Corporation under bankruptcy or insolvency laws; or (g) certain events with respect to the winding-up or liquidation of the Corporation occur. If an Event of Default has occurred and is continuing, the Debenture Trustee may, in its discretion (subject to waiver thereof by the Debentureholders), and will upon request of holders of not less than 25% of the principal amount of the Debentures then outstanding, declare the principal of and interest on all outstanding Debentures to be immediately due and payable. In certain cases, the holders of more than 50% of the principal amount of such Debentures then outstanding may, on behalf of the holders of all such Debentures, waive any Event of Default and/or cancel any such declaration upon such terms and conditions as such holders may prescribe.

Modification

The rights of the holders of the Debentures as well as any other series of debentures that may be issued under the Debenture Indenture may be modified in accordance with the terms of the Debenture Indenture. For that purpose, among others, the Debenture Indenture will contain certain provisions which will make binding on all Debentureholders resolutions passed at meetings of the holders of Debentures by votes cast thereat by holders of not less than 66 $\frac{2}{3}$ % of the principal amount of the Debentures present at the meeting or represented by proxy, or rendered by instruments in writing signed by the holders of not less than 66 $\frac{2}{3}$ % of the principal amount of the Debentures then outstanding. In certain cases, the modification will, instead or in addition, require assent by the holders of the required percentage of Debentures of each particularly affected series.

The Corporation and the Debenture Trustee may, without the consent or concurrence of the holders of debentures under the Debenture Indenture, by supplemental indenture or otherwise, make any changes or corrections in the Debenture Indenture which they have been advised by counsel are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provisions or clerical omissions or mistakes or manifest errors contained therein or in any indenture supplemental thereto.

Book-Based System for Debentures

On the Closing Date and except in limited circumstances (i) the Debentures will be issued and deposited in “book entry only” form or electronic form with CDS or its nominee pursuant to the book-based system administered by CDS; (ii) certificates evidencing the Debentures will not be issued to purchasers; and (iii) purchasers will receive only a customer confirmation from the Underwriter or other registered dealer who is a participant in the depository of CDS (a “**Participant**”) and from or through whom a beneficial interest in the Debentures are purchased.

Neither the Corporation nor the Underwriters or the Debenture Trustee will assume any liability for: (a) any aspect of the records relating to the beneficial ownership of the Debentures held by CDS or the payments relating thereto; (b) maintaining, supervising or reviewing any records relating to the Debentures; or (c) any advice or representation made by or with respect to CDS and those contained in this Preliminary Prospectus Supplement and relating to the rules governing CDS or any action to be taken by CDS or at the direction of its Participants. The rules governing CDS provide that it acts as the agent and depository for the Participants. As a result, Participants must look solely to CDS and persons, other than Participants, having an interest in the Debentures must look solely to Participants for the payment of the principal and interest on the Debentures paid by or on behalf of the Corporation to CDS.

As indirect holders of Debentures, investors should be aware that they (subject to the situations described below): (a) may not be able to sell the Debentures to institutions required by law to hold physical certificates for securities they own; and (b) may be unable to pledge Debentures as security.

The Debentures will be issued in fully registered and certificate form (the “**Debenture Certificates**”) only if: (a) required to do so by applicable law; (b) the book-based system ceases to exist; (c) the Corporation or CDS advises the Debenture Trustee that CDS is no longer willing or able to continue as depository with respect to the Debentures and the Corporation has not appointed a successor depository; (d) the Corporation, at its option, decides to terminate the book-based system; or (e) after the occurrence of an Event of Default, Participants acting on behalf of beneficial owners representing, in the aggregate, more than 25% of the aggregate principal amount of the Debentures then outstanding advise CDS in writing that the continuation of a book-based system through CDS is no

longer in their best interest, and provided that the Debenture Trustee has not waived the Event of Default in accordance with the terms of the Debenture Indenture.

Upon the termination of the book-based system on the occurrence of any of the events described in the immediately preceding paragraph, the Debenture Trustee must notify the beneficial owners of the Debentures, through CDS, of the availability through CDS of Debenture Certificates. Upon surrender by CDS of the Debentures and receipt of instructions from CDS for the new registrations, the Debenture Trustee will deliver the Debentures in the form of Debenture Certificates and thereafter the Corporation will recognize the holders of such Debenture Certificates as Debentureholders under the Debenture Indenture.

Interest on the Debentures will be paid directly to CDS while the book-based system is in effect. If Debenture Certificates are issued, interest will be paid by cheque drawn on the Corporation and sent by prepaid mail to the registered holder by the Debenture Trustee or by such other means as may become customary for the payment of interest. Payment of principal, including payment in the form of Common Shares if applicable, and the interest due, at maturity or on a redemption date, will be paid directly to CDS by the Debenture Trustee while the book-based system is in effect. If Debenture Certificates are issued, payment of principal, including payment in the form of Common Shares, if applicable, and interest due, at maturity or on a redemption date, will be paid upon surrender thereof at any office of the Debenture Trustee or as otherwise specified in the Debenture Indenture.

Transfers of beneficial ownership in Debentures will be effected through records maintained by CDS or its nominees for such Debentures (with respect to interests of Participants) and on the records of Participants (with respect to interests of persons other than Participants). Unless the Corporation elects, in its sole discretion, to prepare and deliver Debenture Certificates, beneficial owners who are not Participants in CDS' book-based system, but who desire to purchase, sell or otherwise transfer ownership of or other interests in Debentures, may do so only through Participants in CDS' book-based system.

Governing Law

Each of the Debenture Indenture and the Debentures will be governed by, and will be construed in accordance with, the laws of the Province of Ontario.

DESCRIPTION OF THE COMMON SHARES

The Corporation is authorized to issue an unlimited number of common shares, of which 258,821,591 common shares were issued and outstanding as at November 2, 2021.

Common Shares

In the event of a dissolution, liquidation or winding up, the holders of Common Shares are entitled to share equally and rateably in the assets available for distribution after payments are made to the Corporation's creditors. Other than the Private Placement Investor which has a pre-emptive right to maintain its 5% ownership interest in the event of any future financings of the Corporation (see "*Recent Developments*" for more information), holders of Common Shares have no pre-emptive rights or other rights to subscribe for the Corporation's securities. Holders of Common Shares are entitled to receive notice of any meetings of Shareholders of the Corporation, to attend and to cast one vote per Common Share at all such meetings. Each Common Share entitles the holder thereof to one vote in the election of directors and all other matters submitted to a vote of shareholders, and holders of Common Shares have no rights to cumulate their votes in the election of directors.

Dividend Policy

Holders of Common Shares are entitled to receive on a pro rata basis such dividends, if any, as and when declared by the Board. The Corporation has not paid any cash dividends or distributions since its incorporation. The Corporation currently intends to retain future earnings, if any, for use in its business and does not anticipate paying dividends on its Common Shares in the foreseeable future. Any determination to pay any future dividends will remain at the discretion of the Board and will be made taking into account its financial condition and other factors deemed relevant by the Board. There are no restrictions that prevent the Corporation from paying dividends or distributions. The Corporation is limited in its ability to pay dividends on its Common Shares by generally applicable restrictions under corporate law referred to "solvency tests".

PLAN OF DISTRIBUTION

Pursuant to an underwriting agreement which is expected to be dated November 4, 2021 between the Corporation and the Underwriters (the “**Underwriting Agreement**”), the Corporation has agreed to issue and sell and the Underwriters have severally agreed to purchase, as principals, on the Closing Date, subject to the conditions stipulated in the Underwriting Agreement, an aggregate of 5,000 Debentures offered hereby at a price of \$1,000 per Debenture for total gross consideration of \$5,000,000. The obligations of the Underwriters under the Underwriting Agreement may be terminated at their discretion on the basis of any “market out”, “disaster out”, “material change out”, “regulatory out”, “breach out”, or mutual termination and may also be terminated upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Debentures if any of the Debentures are purchased under the agreement. The Debentures are being offered to the public in each of the provinces and territories of Canada. The offering price and terms of the Debentures were determined by negotiation between the Corporation and the Underwriters.

Pursuant to the terms of the Underwriting Agreement, the Corporation has agreed to pay to the Underwriters the Underwriters’ Commission, which is equal to 6.0% of the gross proceeds of the Offering (including any Debentures purchased pursuant to the Over-Allotment Option). The Corporation has also agreed to grant to the Underwriters such number of Compensation Options to purchase such number of Compensation Option Shares as is equal to (A) 6.0% of the gross proceeds of the Offering, divided by (B) the Conversion Price. Each Compensation Option will be exercisable to purchase one Common Share at the Conversion Price for a period of 24 months following the Closing Date. This Prospectus also qualifies the distribution of the Compensation Options.

The Corporation has granted to the Underwriters the Over-Allotment Option, exercisable in whole or in part at any one time until 30 days following the Closing Date, to purchase up to an additional 750 Debentures on the same terms as set forth above solely to cover the Underwriters’ over-allocation position, if any, and for consequent market stabilization purposes. This Prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Debentures offered upon the exercise of such option. A purchaser who acquires any Debentures forming part of the Underwriters’ over-allocation position acquires such Debentures under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

The obligations of the Underwriters under the Underwriting Agreement are several and not joint nor joint and several and may be terminated by all or any of the Underwriters at their discretion upon the occurrence of any of the following: (i) any inquiry, action, suit, investigation or other proceeding (whether formal or informal) is commenced, announced or threatened or any order made or issued under or pursuant to any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality (including, without limitation, the TSXV, the FSE or any securities regulatory authority) or there is a change in any law, rule or regulation, or in the interpretation or administration thereof, which, in the Underwriters’ reasonable opinion, operates to prevent, restrict or otherwise materially adversely effect the distribution or trading of the Debentures or any other securities of the Corporation, to cease or suspend trading of the Debentures, or to otherwise prohibit or restrict in any manner the distribution or trading of the Debentures; (ii) there shall occur or come into effect any material change in the business, affairs or financial condition or financial prospects of the Corporation and its related entities (taken as a whole) or any change in any material fact, or there shall be discovered any previously undisclosed material fact which in each case, in the reasonable opinion of the Underwriters, has or could reasonably be expected to have a significant effect on the market price or value of the Debentures; (iii) the Corporation is in breach of any material term, condition or covenant of the Underwriting Agreement, or any material representation or warranty given by the Corporation therein, is discovered to be (whether by due diligence of the Underwriters or otherwise) or is materially false, and such material breach or such materially false representation is: (a) in the reasonable opinion of any of the Underwriters (acting reasonably and in good faith) not capable of being cured prior to the Closing Date; (b) would result in the failure of any condition precedent set out in the Underwriting Agreement; or (c) has not been rectified to the reasonable satisfaction of the Underwriter (acting reasonably) within 24 hours of when the Underwriter provides notice to the Corporation of the same; (iv) there should develop, occur or come into effect or existence any event, action, state, condition or occurrence of any nature (including without limitation, terrorism, accident or major financial, political or economic occurrence of national or international consequence or a new or change in any law or regulation or any escalation in the severity of the COVID-19 pandemic) which, in the reasonable opinion of the Underwriters, materially adversely affects or involves, or may materially adversely affect or involve, the financial markets in Canada or Germany, or the business, operations or affairs of the Corporation and its related entities (taken as a whole), or the

market price or value of the Debentures; (v) the state of the financial markets in Canada or Germany is such that in the reasonable opinion of the Underwriters, or any one of them, the Debentures cannot be marketed profitably or if the Co-Lead Underwriters are not satisfied, in their sole discretion, with the due diligence review and investigations in respect of the Corporation; or (vi) the Corporation and the Underwriters mutually agree to terminate the Underwriting Agreement. The Underwriters are, however, obligated to take up and pay for all of the Debentures if any of the Debentures are purchased under the Underwriting Agreement. Subject to the terms of the Underwriting Agreement, the Corporation has also agreed to indemnify the Underwriters and their respective directors, officers, employees and agents against certain liabilities, including civil liabilities under Canadian provincial securities legislation, or to contribute to any payments the Underwriters may be required to make in respect thereof.

The Corporation has also agreed with the Underwriters that from the Closing Date and continuing for a period of 60 days from the Closing Date, the Corporation will not, directly or indirectly, without the prior written consent of Beacon, such consent not to be unreasonably withheld, on behalf of the Underwriters, offer, sell, issue or grant or enter into any agreement or announce any intention to offer, sell, issue or grant any Common Shares or any securities convertible into or exchangeable for Common Shares, other than issuances pursuant to: (i) the grant or exercise of stock options and other similar issuances pursuant to the stock option plan of the Corporation and other share compensation arrangements including, for greater certainty, the sale of any shares issued thereunder; (ii) outstanding options or warrants; (iii) obligations in respect of existing agreements; (iv) Common Shares issuable pursuant to the Concurrent Private Placement; (v) issuances relating to strategic acquisitions in the ordinary course of business payable in cash, Common Shares or any securities convertible into or exchangeable for Common Shares, or other strategic, consulting, licensing, joint venture or similar transactions; (vi) issuances in connection with any acquisition of assets or a business or a strategic partnership or in connection with the grant of convertible securities, options or warrant to advisors or consultants of the Corporation or the resulting issuer; or (vii) any issuances pursuant to an internal reorganization.

As a condition of the Underwriting Agreement, each of the directors and officers of the Corporation have agreed to a 90-day lock-up agreement to be executed concurrently with the closing of the Offering to not directly or indirectly, offer, sell, contract to sell, grant any option to purchase, make any short sale, lend, swap, or otherwise dispose of transfer, or announce any intention to do so, any Common Shares or convertible securities of the Corporation, subject to certain conditions.

The Corporation will apply to list the Common Shares issuable upon conversion of the Debentures (including any issued pursuant to the Over-Allotment Option) and the Compensation Option Shares on the TSXV. Such listings will be subject to the Corporation fulfilling all of the listing requirements of the TSXV. There is currently no market through which any of the Debentures may be sold and purchasers may not be able to resell any of the Debentures purchased under this Prospectus. This may affect the pricing of the Debentures in the secondary market, the transparency and availability of trading prices, the liquidity of the Debentures, and the extent of issuer regulation. See “*Risk Factors*”.

Pursuant to the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada, the Underwriters may not, throughout the period of distribution under the Prospectus, bid for or purchase Debentures and/or Common Shares. The foregoing restriction is subject to certain exceptions, as long as the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in or raising the price of such securities. These exceptions include a bid or purchase permitted under the by-laws and rules of applicable regulatory authorities and the TSXV including the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market-making activities and a bid or purchase made on behalf of a client where the client’s order was not solicited during the period of distribution.

In connection with the Offering, the Underwriters may over-allocate or effect transactions which stabilize or maintain the market price of the Debentures and/or Common Shares at levels other than those which might otherwise prevail on the open market, including: stabilizing transactions; short sales; purchases to cover positions created by short sales; imposition of penalty bids; and syndicate covering transactions.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Debentures while the Offering is in progress. These transactions may also include making short sales of the Debentures, which involve the sale by the Underwriters of a greater number of Debentures than they

are required to purchase in the Offering. Short sales may be “covered short sales”, which are short positions in an amount not greater than the Over-Allotment Option, or may be “naked short sales”, which are short positions in excess of that amount.

The Underwriters may close out any covered short position either by exercising the Over-Allotment Option, in whole or in part, or by purchasing Debentures in the open market. In making this determination, the Underwriters will consider, among other things, the price of the Debentures available for purchase in the open market compared with the price at which they may purchase Debentures through the Over-Allotment Option. If, following the closing of the Offering, the market price of the Debentures decreases, the short position created by the over-allocation position in the Debentures may be filled through purchases in the open market, creating upward pressure on the price of the Debentures. If, following the closing of the Offering, the market price of Debentures increases, the over-allocation position in the Debentures may be filled through the exercise of the Over-Allotment Option.

The Underwriters must close out any naked short position by purchasing Debentures in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Debentures in the open market that could adversely affect investors who purchase in the Offering. Any naked short position would form part of the Underwriters’ over-allocation position. A purchaser who acquires Debentures forming part of the Underwriters’ over-allocation position resulting from any covered short sales or naked short sales will acquire such Debentures under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

The Debentures and the Common Shares have not been, and will not be, registered under the U.S. Securities Act or any state securities laws, and may not be offered or sold within the United States absent registration or pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, except to the extent permitted by the Underwriting Agreement and except for offers and sales made pursuant to an available exemption from the registration requirements of the U.S. Securities Act, the Debentures to be sold pursuant to the Offering may not be offered or sold within the United States. Each Underwriter has agreed that it will not offer or sell Debentures within the United States, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Underwriting Agreement also provides that the Underwriters will offer and sell the Debentures outside the United States in accordance with Regulation S under the U.S. Securities Act. In addition, until 40 days after the closing of the Offering, any offer or sale of the Debentures within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act, unless such offer is made pursuant to an exemption from registration under the U.S. Securities Act.

PRIOR SALES

Common Shares

The following table describes the number of Common Shares and securities convertible into Common Shares issued by the Corporation during the twelve-month period prior to the date of this Preliminary Prospectus Supplement.

<u>Date of Issue/Grant</u>	<u>Price per Security</u>	<u>Number of Securities</u>
	(C\$)	
<i>Common Shares</i>		
October 15, 2020	\$0.085	990,795 ⁽¹⁾
October 19, 2020	\$0.065	169,231 ⁽²⁾
October 22, 2020	\$0.065	535,641 ⁽²⁾

<u>Date of Issue/Grant</u>	<u>Price per Security</u>	<u>Number of Securities</u>
	(C\$)	
October 27, 2020	\$0.05	1,692,000 ⁽³⁾
October 29, 2020	\$0.065	1,500,000 ⁽⁴⁾
October 30, 2020	\$0.05	13,550,000 ⁽⁵⁾
November 3, 2020	\$0.05	4,380,000 ⁽³⁾
November 4, 2020	\$0.05	400,000 ⁽⁶⁾
November 7, 2020	\$0.05	2,500,000 ⁽³⁾
November 17, 2020	\$0.05	1,240,000 ⁽³⁾
November 18, 2020	\$0.05	601,000 ⁽³⁾
December 10, 2020	\$0.05	13,550,000 ⁽⁵⁾
December 21, 2020	\$0.05	500,000 ⁽²⁸⁾
December 23, 2020	\$0.10	600,000 ⁽⁷⁾
December 30, 2020	\$0.10	3,387,500 ⁽⁷⁾
December 31, 2020	\$0.10	663,950 ⁽⁷⁾
December 31, 2020	\$0.065	300,000 ⁽⁴⁾
December 31, 2020	\$0.05	1,993,000 ⁽³⁾
January 6, 2021	\$0.10	3,387,500 ⁽⁷⁾
January 14, 2021	\$0.065	685,384 ⁽²⁾
January 19, 2021	\$0.065	76,923 ⁽²⁾

<u>Date of Issue/Grant</u>	<u>Price per Security</u>	<u>Number of Securities</u>
	(C\$)	
January 29, 2021	\$0.278	839,570 ⁽⁸⁾
February 8, 2021	\$0.05	1,100,000 ⁽⁶⁾
February 10, 2021	\$0.10	7,000,000 ⁽⁷⁾
March 2, 2021	\$0.065	368,585 ⁽²⁾
March 5, 2021	\$0.410	22,500 ⁽⁷⁾
April 28, 2021	\$0.245	1,500,000 ⁽⁹⁾
April 28, 2021	\$0.29	500,000 ⁽¹⁰⁾
April 30, 2021	\$0.18	100,000 ⁽¹¹⁾
April 30, 2021	\$0.135	60,000 ⁽¹²⁾
April 30, 2021	\$0.07	75,000 ⁽¹³⁾
May 4, 2021	\$0.30	266,666 ⁽¹⁴⁾
May 17, 2021	\$0.30	23,333 ⁽¹⁴⁾
June 14, 2021	\$0.08	90,000 ⁽²⁹⁾
June 14, 2021	\$0.07	125,000 ⁽³⁰⁾
June 14, 2021	\$0.265	30,000 ⁽³¹⁾
June 15, 2021	\$0.30	25,840 ⁽³²⁾
June 21, 2021	\$0.30	166,666 ⁽¹⁴⁾
June 25, 2021	\$0.30	33,333 ⁽¹⁴⁾

<u>Date of Issue/Grant</u>	<u>Price per Security</u>	<u>Number of Securities</u>
	(C\$)	
June 29, 2021	\$0.30	33,333 ⁽¹⁴⁾
June 30, 2021	\$0.30	77,200 ⁽³²⁾
July 6, 2021	\$0.30	1,116,664 ⁽¹⁵⁾
July 7, 2021	\$0.30	15,000 ⁽³²⁾
July 12, 2021	\$0.30	10,000 ⁽³²⁾
July 30, 2021	\$0.30	3,210,500 ⁽³⁴⁾
August 11, 2021	\$0.30	100,000 ⁽¹⁵⁾
October 8, 2021	\$0.30	8,000 ⁽³²⁾
<i>Convertible Debentures</i>		
December 29, 2020	\$0.30	11,189,500 ⁽¹⁵⁾
January 4, 2021	\$0.30	1,033,333 ⁽¹⁶⁾
July 30, 2021	\$0.30	3,210,500 ⁽³⁴⁾
<i>Restricted Share Units</i>		
January 21, 2021	\$0.245	1,225,000 ⁽¹⁷⁾
January 28, 2021	\$0.28	75,000 ⁽¹⁹⁾
February 25, 2021	\$0.42	75,000 ⁽¹⁹⁾
<i>Stock Options</i>		
September 1, 2020	\$0.10	400,000 ⁽¹⁸⁾
September 8, 2020	\$0.10	300,000 ⁽¹⁹⁾

<u>Date of Issue/Grant</u>	<u>Price per Security</u>	<u>Number of Securities</u>
	(C\$)	
September 24, 2020	\$0.10	200,000 ⁽²⁰⁾
September 28, 2020	\$0.10	1,000,000 ⁽²¹⁾
December 3, 2020	\$0.18	300,000 ⁽²²⁾
December 22, 2020	\$0.265	1,900,000 ⁽²³⁾
January 13, 2021	\$0.285	250,000 ⁽²⁴⁾
January 28, 2021	\$0.285	450,000 ⁽²⁵⁾
February 25, 2021	\$0.42	300,000 ⁽²⁶⁾
June 17, 2021	\$0.385	200,000 ⁽³³⁾
August 19, 2021	\$0.43	150,000 ⁽³⁵⁾
<i>Warrants</i>		
December 29, 2020	\$0.30	612,910 ⁽²⁷⁾
January 6, 2021	\$0.30	62,000 ⁽²⁷⁾

Notes:

- (1) Issued under shares-for-debt settlements. 300,000 shares at \$0.05 and 690,795 shares at \$0.10.
- (2) Exercise of warrants issued March 2, 2020. Warrants were issued as part of a bridge loan financing. Market price when the financing was announced was \$0.06.
- (3) Issued on conversion of convertible debenture. Convertible debenture issued on May 4, 2020. Market price when debenture financing was announced was \$0.05.
- (4) Exercise of warrants issued July 14, 2020. Warrants were issued as part of a bridge loan financing. Market price when warrants were issued was \$0.045.
- (5) Issued on conversion of convertible debenture which was issued to settle the bank loan of the Corporation's Mexican subsidiary of US\$500,000. Guarantee agreement was signed June 19, 2020. This convertible debenture was included with the announcement of the May 2020 debentures and the market price was \$0.05.
- (6) Issued on conversion of convertible debenture. Convertible debenture was issued on May 1, 2020. Market price when debenture financing was announced was \$0.05.
- (7) Exercise of warrants issued on June 25, 2020. Warrants were issued as part of the Corporation's private placement. Market price when the financing was announced was \$0.05.
- (8) Issued to acquire Fresh Organic Choice BV. EUR150,000 worth of shares issued at \$0.278, that price being the 20 day weighted average closing price as at January 13, 2021.
- (9) Issued to Co-CEO as bonus. Issued at market price when bonus was approved on December 22, 2020.

- (10) Issued to Co-CEO as bonus. Issued at market price when bonus was approved on January 28, 2021.
- (11) Exercise of stock options granted on October 10, 2017. Market price on date of grant was \$0.18.
- (12) Exercise of stock options granted on December 12, 2018. Market price on date of grant was \$0.08.
- (13) Exercise of stock options granted on December 4, 2019. Market price on date of grant was \$0.06.
- (14) Issued on conversion of convertible debenture. Convertible debenture issued on December 29, 2020. Market price when debenture financing was announced was \$0.25.
- (15) Convertible debentures issued on December 29, 2020. Market price when debenture financing was announced was \$0.25.
- (16) Convertible debentures issued on January 4, 2021. Market price when debenture financing was announced was \$0.25.
- (17) Restricted share units were granted under the Corporation's restricted share unit plan. The price was the market price on date of grant.
- (18) Stock options granted under the Corporation's stock option plan. The market price on the date of grant was \$0.075.
- (19) Stock options granted under the Corporation's stock option plan. The market price on the date of grant was \$0.09.
- (20) Stock options granted under the Corporation's stock option plan. The market price on the date of grant was \$0.085.
- (21) Stock options granted under the Corporation's stock option plan. The market price on the date of grant was \$0.095.
- (22) Stock options granted under the Corporation's stock option plan. The market price on the date of grant was \$0.15.
- (23) Stock options granted under the Corporation's stock option plan. The market price on the date of grant was \$0.255.
- (24) Stock options granted under the Corporation's stock option plan. The market price on the date of grant was \$0.285.
- (25) Stock options granted under the Corporation's stock option plan. The market price on the date of grant was \$0.28.
- (26) Stock options granted under the Corporation's stock option plan. The market price on the date of grant was \$0.42.
- (27) Warrants were issued as part of the Corporation's convertible debenture financing. Market price when debenture financing was announced was \$0.25.
- (28) Issued on conversion of convertible debenture. Convertible debenture was issued on May 12, 2020. Market price when debenture financing was announced was \$0.05.
- (29) Exercise of stock options granted on June 3, 2019. Market price on the date of grant was \$0.05.
- (30) Exercise of stock options granted on December 4, 2019. Market price on the date of grant was \$0.06.
- (31) Exercise of stock options granted on December 22, 2020. Market price on the date of grant was \$0.255.
- (32) Exercise of warrants granted on December 29, 2020. Market price on the date of grant was \$0.26.
- (33) Stock options granted under the Corporation's stock option plan. The market price on the date of grant was \$0.355.
- (34) Issued on immediate conversion of convertible debenture which was issued to settle the bank loan of the Corporation's Mexican subsidiary of US\$750,000. Guarantee agreement was signed December 23, 2020. This convertible debenture was included with the announcement of the December 2020 debentures and the market price was \$0.25.
- (35) Stock options granted under the Corporation's stock option plan. The market price on the date of grant was \$0.40.

TRADING PRICE AND VOLUME

Common Shares

The Common Shares are listed and posted for trading on the TSXV under the symbol “OGO” and the FSE under the symbol “OGF”. The following table sets forth, for the periods indicated, the high and low sale prices per share and total monthly trading volumes, as reported on the FSE and the TSXV.

Period	TSXV			FSE		
	High (\$)	Low (\$)	Volume	High (EUR)	Low (EUR)	Volume
2020						
September	0.095	0.075	1,154,209	N/A	N/A	0
October	0.180	0.080	3,989,184	0.087	0.059	100
November	0.220	0.145	6,780,411	N/A	N/A	0
December	0.315	0.150	15,682,098	N/A	N/A	0
2021						
January	0.325	0.230	6,064,593	0.220	0.072	2,678
February	0.440	0.265	10,833,453	0.286	0.150	17,849
March	0.580	0.340	7,106,331	0.368	0.176	9,166
April	0.420	0.305	6,093,528	0.212	0.157	5,000
May	0.410	0.280	4,434,114	N/A	N/A	0
June	0.500	0.335	5,372,281	N/A	N/A	0
July	0.52	0.37	7,453,086	N/A	N/A	0
August	0.495	0.385	4,952,571	N/A	N/A	0
September	0.47	0.40	1,907,300	N/A	N/A	0
October	0.42	0.35	1,866,289	N/A	N/A	0
November 1-2	0.37	0.35	143,512	N/A	N/A	0

On November 2, 2021, the last trading day on each of the TSXV and the FSE before the date of this Preliminary Prospectus Supplement, the closing price of the Common Shares on the TSXV and the FSE was \$0.37 and EUR0.157, respectively.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Fasken Martineau DuMoulin LLP, counsel to the Corporation, and Cassels Brock & Blackwell LLP, counsel to the Underwriters, the following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations pursuant to the Tax Act that generally apply to a holder of Debentures who acquires Debentures pursuant to the Offering and who, for purposes of the Tax Act and at all relevant times holds the Debentures and the Common Shares, if any, issued on the conversion, redemption or maturity of the Debentures (collectively, the “**Securities**”) as capital property, deals at arm’s length with the Corporation and the Underwriters and is not affiliated with the Corporation or the Underwriters (a “**Holder**”). Generally, the Securities will be considered to be capital property to a Holder provided that the Holder does not hold the Securities in the course of carrying on a business of buying and selling, trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a Holder: (i) that is a “financial institution” (as defined in the Tax Act for purposes of the mark-to-market rules); (ii) that is a “specified financial institution” (as defined in the Tax Act); (iii) an interest in which is a “tax shelter investment” (as defined in the Tax Act); (iv) who makes or has made a functional currency reporting election pursuant to section 261 of the Tax Act; or (v) who has entered or will enter into a “derivative forward agreement” or a “synthetic disposition arrangement” as such terms are defined in the Tax Act with respect to any of the Securities. Any such Holder should consult its own tax advisor with respect to an investment in the Securities. In addition, this summary does not address the deductibility of interest by a Holder who has borrowed money or otherwise incurred debt in connection with the acquisition of the Securities.

This summary does not address the possible application of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act to a Holder that (i) is a corporation resident in Canada and (ii) is, or becomes, or does not deal at arm's length with a corporation resident in Canada that is or becomes, as part of a transaction or event or series of

transactions or events that includes the acquisition of the Debentures or Common Shares issuable upon the conversion, redemption or maturity of the Debentures, controlled by a non-resident corporation, individual or trust (or a group of such persons that do not deal at arm's length) for the purposes of such rules. Such Holders should consult their own tax advisors with respect to the possible application of these rules.

This summary is based on the provisions of the Tax Act and the Regulations in force at the date hereof, all specific proposals to amend the Tax Act or the Regulations which have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Proposed Amendments**”), as well as counsel’s understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (“**CRA**”) made publicly available prior to the date hereof. This summary assumes the Proposed Amendments will be enacted in the form proposed; however, no assurance can be given that the Proposed Amendments will be enacted in the form proposed or at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposed Amendments, does not take into account any changes in the law or in administrative policies or assessing practices, whether by legislative, governmental or judicial action, nor does it take into account any other federal or any provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to a particular Holder or prospective Holder of Securities, and no representation with respect to the income tax consequences to any Holder or prospective Holder is made. This summary is not exhaustive of all Canadian federal income tax consequences. Consequently, prospective Holders should consult their own tax advisors for advice with respect to the tax consequences to them of acquiring the Securities pursuant to the Offering, having regard to their particular circumstances.

Holders Resident in Canada

The following section of this summary only applies to Holders who, for the purposes of the Tax Act, are or are deemed to be resident in Canada at all relevant times (“**Resident Holders**”).

Certain Resident Holders who might not otherwise be considered to hold their Debentures and Common Shares as capital property may, in certain circumstances, be entitled to have their Debentures and Common Shares and all other “Canadian securities” (as defined in the Tax Act) owned or subsequently acquired by them treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Resident Holders should consult their own tax advisors regarding this election.

Taxation of Interest on Debentures

A Resident Holder who holds Debentures and who is a corporation, partnership, unit trust or any trust of which a corporation or a partnership is a beneficiary will be required to include in computing its income for a taxation year any interest on the Debentures that accrues (or is deemed to accrue) to it to the end of the taxation year or that has become receivable by or is received by the Resident Holder before the end of that taxation year, including on a conversion, redemption or repayment at maturity, except to the extent that such interest was included in computing the Resident Holder’s income for a preceding taxation year.

Any other Resident Holder, including an individual (and certain trusts) will be required to include in computing income for a taxation year all interest on the Debentures that is received or receivable by the Resident Holder in that taxation year (depending upon the method regularly followed by the Resident Holder in computing income), including on a conversion, redemption or repayment at maturity, except to the extent that the interest was included in the Resident Holder’s income for a preceding taxation year. In addition, if at any time a Debenture should become an “investment contract” (as defined in the Tax Act) in relation to a Resident Holder, such Resident Holder will be required to include in computing income for a taxation year any interest that accrues to the Resident Holder on the Debenture up to the end of any “anniversary day” (as defined in the Tax Act) in that year to the extent such interest was not otherwise included in computing the Resident Holder’s income for that year or a preceding year.

A Resident Holder of Debentures and who throughout the relevant taxation year is a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay additional tax, which may be refundable, on its “aggregate investment income”, which is defined in the Tax Act to include a Resident Holder’s interest income from Debentures.

As described above under “*Description of the Debentures – Method of Payment – Interest Payment Election*”, the Corporation may elect to pay interest by issuing Common Shares to the Debenture Trustee for sale on behalf of the Corporation, in which event a Holder would be entitled to receive a cash payment equal to the interest owed to the Holder from the proceeds of sale of such Common Shares by the Debenture Trustee. If the Corporation were to pay interest in this manner, the Canadian federal income tax consequences to a Resident Holder would generally be the same as those described above.

Conversion of Debentures

A Resident Holder who converts a Debenture into Common Shares (or Common Shares and cash delivered in lieu of a fraction of a Common Share) pursuant to the conversion privilege under the terms of the Debenture will be deemed not to have disposed of the Debenture and, accordingly, will not recognize a capital gain (or capital loss) upon such conversion. Under the current administrative practice of CRA, a Resident Holder who, upon conversion of a Debenture, receives cash not in excess of \$200 in lieu of a fraction of a Common Share may either treat this amount as proceeds of disposition of a portion of the Debenture, thereby recognizing a capital gain (or capital loss), or reduce the adjusted cost base of the Common Shares that the Resident Holder receives on the conversion by the amount of the cash received.

Upon a conversion of a Debenture, interest accrued thereon, to the extent not otherwise previously included in income, will be included in computing the income of the Resident Holder as described above under “*Taxation of Interest on Debentures*”.

The aggregate cost to a Resident Holder of the Common Shares acquired on the conversion of a Debenture into Common Shares (or Common Shares and cash delivered in lieu of a fraction of a Common Share) will generally be equal to the aggregate of the Resident Holder’s adjusted cost base of the Debenture immediately before the conversion, minus any reduction of adjusted cost base for fractional shares as discussed above. The adjusted cost base to a Resident Holder of Common Shares acquired at any time will be determined by averaging the cost of such Common Shares with the adjusted cost base of any other Common Shares owned by the Resident Holder as capital property immediately before such time.

Disposition of Debentures

A disposition or deemed disposition of a Debenture by a Resident Holder, including on a redemption, payment on maturity or purchase for cancellation, but not including the conversion of a Debenture into Common Shares pursuant to the Resident Holder’s right of conversion described above, will generally result in the Resident Holder realizing a capital gain (or capital loss) equal to the amount by which the proceeds of disposition (net of any amount otherwise required to be included in the Resident Holder’s income as interest), are greater (or less) than the aggregate of the Resident Holder’s adjusted cost base thereof and any reasonable costs of disposition. Such capital gain (or capital loss) will be subject to the tax treatment described below under “*Taxation of Capital Gains and Capital Losses*”.

If the Corporation elects to pay any amount upon the redemption, purchase or maturity of a Debenture by issuing Common Shares to a Resident Holder (but not including by the conversion of a Debenture into Common Shares pursuant to the Resident Holder’s conversion privilege as described above), the Resident Holder’s proceeds of disposition of the Debenture will be equal to the fair market value, at the time of disposition of the Debenture, of the Common Shares and any other consideration so received (except consideration received in satisfaction of any accrued interest). The Resident Holder’s cost of the Common Shares so received will be equal to the fair market value of such Common Shares received on the date of redemption, purchase or maturity. The adjusted cost base to a Resident Holder of Common Shares acquired at any time will be determined by averaging the cost of such Common Shares with the adjusted cost base of any other Common Shares owned by the Holder as capital property immediately before such time.

Upon an assignment or other transfer of a Debenture, interest accrued thereon from the last Interest Payment Date to the date of assignment or other transfer, to the extent that such interest has not otherwise been included in computing the income of the Resident Holder for the taxation year or a preceding taxation year, will be included in computing the income of the Resident Holder and will be excluded in computing the Resident Holder’s proceeds of disposition of the Debentures.

Receipt of Dividends on Common Shares

A Resident Holder generally will be required to include in computing its income for a taxation year any dividends received or deemed to be received on such Resident Holder's Common Shares during such taxation year.

In the case of a Resident Holder who is an individual (and certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules that apply to dividends received from "taxable Canadian corporations" (as defined in the Tax Act). An enhanced gross-up and dividend tax credit will be available to individuals in respect of "eligible dividends" designated by the Corporation in accordance with the provisions of the Tax Act. There may be limitations on the Corporation's ability to designate dividends as "eligible dividends".

Taxable dividends received by a Resident Holder who is an individual (and certain trusts) may result in such Resident Holder being liable for alternative minimum tax under the Tax Act. Resident Holders who are individuals should consult their own tax advisors in this regard.

In the case of a Resident Holder that is a corporation, the amount of any such dividend that is included in its income for a taxation year will generally be deductible in computing its taxable income for that taxation year. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

Certain corporations, including a "private corporation" or a "subject corporation" (as such terms are defined in the Tax Act), may be liable to pay additional tax under Part IV of the Tax Act, which may be refundable, on dividends received (or deemed to be received) on Common Shares in a taxation year to the extent that such dividends are deductible in computing the corporation's taxable income for the year.

Disposition of Common Shares

A disposition or deemed disposition of a Common Share by a Resident Holder (except to the Corporation, other than a purchase by the Corporation in the open market if the Corporation acquired the Common Shares in the manner in which shares would normally be purchased by any member of the public in the open market) will generally result in the Resident Holder realizing a capital gain (or capital loss) equal to the amount by which the proceeds of disposition of the Common Share are greater (or less) than the aggregate of the Resident Holder's adjusted cost base thereof and any reasonable cost of disposition. Such capital gain (or capital loss) will be subject to the tax treatment described below under "*Taxation of Capital Gains and Capital Losses*".

Taxation of Capital Gains and Capital Losses

Generally, one-half of any capital gain realized by a Resident Holder (a "**taxable capital gain**") in a taxation year will be included in the Resident Holder's income for the year, and one-half of any capital loss realized by a Resident Holder (an "**allowable capital loss**") in a taxation year must be deducted from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses for a taxation year in excess of taxable capital gains for that year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition of a Common Share may be reduced by the amount of any dividends received or deemed to be received by the Resident Holder on such Common Share (or on a share for which the Common Share has been substituted) to the extent and under the circumstances described in the Tax Act. Similar rules may apply where a Common Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary.

A Resident Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay additional tax, which may be refundable, on its "aggregate investment income", which is defined in the Tax Act to include amounts in respect of taxable capital gains.

Capital gains realized by Resident Holder who is an individual (and certain trusts) may give rise to liability for alternative minimum tax as calculated under the detailed rules set out in the Tax Act.

Holders Not Resident in Canada

The following discussion only applies to a Holder who, at all relevant times, for purposes of the Tax Act, (i) is neither resident or deemed to be resident in Canada; (ii) does not, and is not deemed to, use or hold the Securities in, or in the course of carrying, a business carried on in Canada; (iii) is entitled to receive all payments (including principal and interest) made on a Debenture; (iv) deals at arm's length with any person or partnership who is a resident or deemed to be a resident in Canada to whom the Holder assigns or otherwise transfers a Debenture; (v) is not a person who carries on an insurance business in Canada or elsewhere; (vi) is not an "authorized foreign bank" as defined in the Tax Act, and (vii) is neither a "specified shareholder" (as defined in subsection 18(5) of the Tax Act) of the Corporation nor any person who does not deal at arm's length with a specified shareholders of the Corporation (a "**Non-Resident Holder**").

Interest on Debentures

A Non-Resident Holder will not be subject to Canadian income or withholding tax in respect of amounts paid or credited or deemed to have been paid or credited by the Corporation as, on account or in lieu of, or in satisfaction of, interest or principal on the Debentures, except as described below. See "*Risk Factors — Debentures may be Subject to Withholding Tax and Participating Debt Interest.*"

Conversion of Debentures

The conversion of a Debenture into Common Shares (or Common Shares and cash delivered in lieu of a fraction of a Common Share) on the exercise of a conversion privilege under the terms of the Debenture (including pursuant to a mandatory conversion) by a Non-Resident Holder will generally be deemed not to constitute a disposition of the Debenture and, accordingly, a Non-Resident Holder will not recognize again (or loss) on such conversion. Upon the conversion of a Debenture into Common Shares (or Common Shares and cash delivered in lieu of a fraction of a Common Share), any payment representing interest accrued from the most recent Interest Payment Date to the date of conversion will be subject to the Canadian federal income tax considerations described above under "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Interest on Debentures*".

In the event that a Debenture is converted into Common Shares (or Common Shares and cash in lieu of a fraction of a Common Share) for an amount which exceeds the issue price thereof, all or a portion of such excess should not be subject to Canadian withholding tax. See "*Risk Factors — Debentures may be Subject to Withholding Tax and Participating Debt Interest.*"

If on a conversion of a Debenture under its terms a Non-Resident Holder receives consideration wholly or in part in the form of cash (other than cash delivered in lieu of fractional shares as described above in under "*Holders Resident in Canada – Conversion of Debentures*"), the Non-Resident Holder will be considered to have disposed of the Debentures for the purposes of the Tax Act. See "*Holders Not Resident in Canada – Disposition of Securities.*"

Disposition of Securities

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain realized on the disposition or deemed disposition of a Security, nor will capital losses arising therefrom be recognized under the Tax Act, unless the Security constitutes "taxable Canadian property" to the Non-Resident Holder thereof for purposes of the Tax Act, and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty. Provided the Common Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSXV and the FSE) at the time of disposition, the Security generally will not constitute taxable Canadian property of a Non-Resident Holder at that time, unless at any time during the 60-month period immediately preceding the disposition the following two conditions are met concurrently: (i) the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm's length, partnerships in which the Non-Resident Holder or such non-arm's length person holds a membership interest (either directly or indirectly through one or more partnerships), or the Non-Resident Holder together with all such persons, owned 25% or more of the issued shares of any class or series of shares of the Corporation; and (ii) more than 50% of the fair market value of the Common Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Tax Act), "timber resource properties" (as defined in the Tax Act) or an option, an interest or right in such property, whether or not such property exists. Notwithstanding the foregoing, the Security may also be deemed to be taxable Canadian property to a Non-Resident Holder under other provisions of the Tax Act.

Even if a Security is “taxable Canadian property” to a Non-Resident Holder, such Non-Resident Holder may be exempt from tax under the Tax Act on the disposition of such Security by virtue of an applicable income tax treaty or convention.

A Non-Resident Holder’s capital gain (or capital loss) in respect of a Security that constitutes or is deemed to constitute taxable Canadian property (and is not exempt from tax under an applicable income tax treaty or convention) will generally be computed in the manner described above under the subheading “*Resident Holders – Disposition of Debentures*” and “*Resident Holders – Disposition of Shares.*”

Non-Resident Holders whose Securities are taxable Canadian property should consult their own tax advisors.

Dividends on Common Shares

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder on the Common Shares by the Corporation are subject to Canadian withholding tax at the rate of 25% on the gross amount of the dividend, unless such rate is reduced by the terms of an applicable tax treaty. Under the *Canada-United States Tax Convention (1980)* (the “**Treaty**”) as amended, the rate of withholding tax on dividends paid or credited to a Non-Resident Holder who is resident in the U.S. for purposes of the Treaty and fully entitled to benefits under the Treaty is generally limited to 15% of the gross amount of the dividend. Non-Resident Holders should consult their own tax advisors concerning the application of any applicable tax treaty.

RISK FACTORS

An investment in Debentures and/or the Common Shares issuable upon the conversion of Debentures is subject to a number of risks that should be considered by prospective investors and their advisors. An investment in the Debentures should be considered speculative due to various factors and should only be made by persons who can afford the total loss of their investment. Before deciding whether to purchase the Debentures, investors should consider carefully the risks described below relating to the ownership of the Debentures and the Offering as well as the other information in this Preliminary Prospectus Supplement and the documents incorporated by reference herein, including, in particular, under the heading “*Risk Factors*” in the Base Shelf Prospectus, AIF, Annual MD&A and Interim MD&A, as such disclosure may be modified by any disclosure made in this Preliminary Prospectus Supplement. Such information does not purport to be an exhaustive list. If any of the identified risks were to materialize, it could have a materially adverse effect on the Corporation’s future results of operations, business, prospects or financial condition, and could cause actual events to differ materially from those described in forward-looking statements. Additional risks and uncertainties not currently known to the Corporation, or which the Corporation currently deems to be immaterial, may also have an adverse effect on the Corporation and/or its future results of operations, business, prospects or financial condition.

In addition to the risk factors described in this Preliminary Prospectus Supplement, prospective investors should consider the risk factors described in the Base Shelf Prospectus, AIF, Annual MD&A and Interim MD&A, including, but not limited to, risks associated with the Corporation’s limited operating history, future capital needs, dilution and restrictions concerns associated with additional financing, competition, recruiting and retraining key personnel, customers and customers’ food preferences, supply chain, weather conditions and natural disasters, international operations, information technology, environmental and food safety regulations, the COVID-19 pandemic, integration and management of the Corporation’s growth and management of acquired companies, impairment charges, investment in a cannabis business, volatility in the Corporation’s share price, the Corporation’s shares being historically thinly-traded, the intention to retain future earnings and not pay dividends, and corporate governance related regulations and disclosure requirements.

History of negative cash flows from operating activities.

The Corporation has a history of negative cash flow from operating activities. To the extent that the Corporation has negative cash flow in future periods, the Corporation may need to allocate a portion of the net proceeds from the Offering to fund such negative cash flow. There can be no assurance that additional capital or other types of financing will be available when needed or that these financings will be on terms at least as favourable to the Corporation as those previously obtained, or at all.

Credit Risk and Earnings Coverage Ratios

The likelihood that purchasers of the Debentures will receive payments owing to them under the terms of the Debentures will depend on the financial health and creditworthiness of the Corporation and the ability of the Corporation to earn revenues. The earnings coverage ratios for the Corporation for the twelve-month period ended December 31, 2021, and for the twelve-month period ended June 30, 2021, are less than one-to-one. See “*Earnings Coverage Ratios*”, which is relevant to an assessment of the risk that the Corporation may be unable to pay interest or principal on the Debentures when due.

No Prior Public Market for the Debentures

There is currently no market through which the Debentures may be sold and purchasers may not be able to resell the Debentures purchased under this Prospectus. Although the Corporation will apply to list the Common Shares issuable upon conversion of the Debentures (including any issued pursuant to the Over-Allotment Option and on the TSXV, such listing will be subject to the Corporation fulfilling all of the listing requirements of the TSXV. No assurance can be given that an active or liquid trading market for the Debentures will develop or be sustained. If an active or liquid market for the Debentures fails to develop or be sustained, the price at which the Debentures trade may be adversely affected.

The market price of the Debentures may be volatile and subject to wide fluctuations and will be based on a number of factors, including: (i) the prevailing interest rates being paid by companies similar to the Corporation; (ii) the overall condition of the financial and credit markets; (iii) interest rate volatility; (iv) the markets for similar securities; (v) actual or anticipated fluctuations in the financial condition, results of operations and prospects of the Corporation; (vi) the publication of earnings estimates or other research reports and speculation in the press or investment community; (vii) the market price and volatility of the Common Shares (including the Compensation Option Shares); (viii) changes in the industry in which the Corporation operates and competition affecting the Corporation; and (ix) general market and economic conditions in North America and globally.

The condition of the financial and credit markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. Fluctuations in these factors could have an adverse effect on the market price of the Debentures.

Prior Ranking Indebtedness

In addition, all of the Corporation’s business is conducted through its subsidiaries. None of the Corporation’s subsidiaries has guaranteed or otherwise become obligated with respect to the Debentures and, as a result, the Debentures will be structurally subordinated to all liabilities and other obligations of the Corporation’s subsidiaries. Accordingly, the Corporation’s right to receive assets from any of its subsidiaries upon the Corporation’s bankruptcy, liquidation or reorganization, and the right of Debentureholders to participate in those assets, is structurally subordinated to claims of that subsidiary’s creditors, including trade creditors. Even if the Corporation were a creditor of any of its subsidiaries, the Corporation’s rights as a creditor would be subordinate to any security interest in the assets of that subsidiary and any indebtedness of that subsidiary senior to that held by the Corporation.

Repayment of the Debentures

The Debentures will mature on November 30, 2026. The Corporation may not be able to refinance the principal amount of the Debentures in order to repay the principal outstanding or may not have generated enough cash from operations to meet this obligation. There is no guarantee that the Corporation will be able to repay the outstanding principal amount upon maturity of the Debentures.

Absence of Covenant Protection

The Debenture Indenture will not restrict the Corporation from incurring additional indebtedness for borrowed money or from mortgaging, pledging or charging its properties to secure any indebtedness. Nor will the Debenture Indenture prohibit or limit the ability of the Corporation to pay dividends, except where an Event of Default has occurred and such default has not been cured or waived. The Debenture Indenture will not contain any provision specifically intended to protect holders of the Debentures in the event of a future leveraged transaction involving the Corporation.

Prevailing Yields on Similar Securities

Prevailing yields on similar securities will affect the market value of the Debentures. Assuming all other factors remain unchanged, the market value of the Debentures will decline as prevailing yields for similar securities rise, and will increase as prevailing yields for similar securities decline.

Possible Dilutive Effects on Holders of Common Shares

The Corporation may determine to redeem outstanding Debentures for Common Shares, to repay outstanding principal amounts of the Debentures at maturity by issuing additional Common Shares or, subject to regulatory approval, satisfy all or part of the Corporation's obligation to pay interest on the Debentures in accordance with the Debenture Indenture by delivering sufficient Common Shares to the Debenture Trustee. Accordingly, holders of Common Shares may suffer dilution.

Possible Dilutive Effects of Future Financings

Future sales or issuances of debt or equity securities could increase the Corporation's debt service obligations, decrease the value of any existing Common Shares, dilute investors' voting power, reduce the Corporation's earnings per share and make future sales of the Corporation's equity securities increasingly difficult. Sales of Common Shares by shareholders might also make it more difficult for the Corporation to sell equity securities at a time and price that it deems appropriate. The Corporation cannot predict the effect, if any, that future sales and issuances of debt or equity securities will have on the market price of the Common Shares. Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares.

Redemption Prior to Maturity

The Debentures may be redeemed, at the option of the Corporation, on and after November 30, 2023 and prior to the Maturity Date at any time and from time to time (provided that, in the case of any redemption on or after November 30, 2023 and prior to November 30, 2026, the Current Market Price of the Common Shares on the date on which notice of redemption is given is not less than 125% of the Conversion Price), upon payment of the principal, together with any accrued and unpaid interest in cash. The Corporation may exercise this redemption option if the Corporation is able to refinance at a lower interest rate or it is otherwise in the interest of the Corporation to redeem the Debentures. The Corporation's ability to redeem the Debentures may be limited by law, by the Debenture Indenture, by the terms of other credit facilities and other indebtedness and agreements that the Corporation may enter into in the future which may replace, supplement or amend its future debt. See "*Description of the Debentures - Redemption*".

Change of Control

The Corporation will be required to make an offer to purchase all of the outstanding Debentures for cash in the event of certain transactions that would constitute a Change of Control. See "*Description of the Debentures - Change of Control*". The Corporation cannot assure holders of Debentures that, if required, it would have sufficient cash or other financial resources at that time or would be able to arrange financing to pay the purchase price of the Debentures in cash. The Corporation's ability to purchase the Debentures in such an event may be limited by law, by the Debenture Indenture governing the Debentures, by the terms of other present or future agreements relating to the Corporation's credit facilities and other indebtedness and agreements that the Corporation may enter into in the future which may replace, supplement or amend the Corporation's future debt. The Corporation's future credit agreements or other agreements may contain provisions that could prohibit the purchase by the Corporation of the Debentures without the consent of the lenders or other parties thereunder. If the Corporation's obligation to offer to purchase the Debentures arises at a time when the Corporation is prohibited from purchasing or redeeming the Debentures, the Corporation could seek the consent of lenders to purchase the Debentures or could attempt to refinance the borrowings that contain this prohibition. If the Corporation does not obtain consent or refinance these borrowings, the Corporation could remain prohibited from purchasing the Debentures. The Corporation's failure to purchase the Debentures would constitute an Event of Default under the Debenture Indenture, which might constitute a default under the terms of the Corporation's other indebtedness at that time.

Volatility of Market Price of the Debentures

The price of the Debentures was established by negotiation between the Corporation and the Underwriters with reference to the market price of the Common Shares and other factors, and may not be indicative of the price at which the Debentures will trade following the completion of the Offering. The market price of the Debentures may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Corporation's control, including the following: (i) the prevailing interest rates being paid by companies similar to the Corporation; (ii) the overall condition of the financial and credit markets; (iii) interest rate volatility; (iv) the markets for similar securities; (v) actual or anticipated fluctuations in the financial condition, results of operations and prospects of the Corporation; (vi) the publication of earnings estimates or other research reports and speculation in the press or investment community; (vii) the market price and volatility of the Common Shares (discussed below); (viii) changes in the industry in which the Corporation operates and competition affecting the Corporation; and (ix) general market and economic conditions globally, and in particular those conditions in Canada and the Netherlands along with a variety of additional factors, including, without limitation, those set forth under "*Cautionary Note Regarding Forward-Looking Statements*".

The condition of the financial and credit markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. Fluctuations in these factors could have an adverse effect on the market price of the Debentures.

Volatility of Market Price of Common Shares

The market price of the Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Corporation's control, including the following: (i) the Corporation's operating results failing to meet the expectations of securities analysts or investors in any quarter; (ii) the publication of earnings estimates or other research reports and speculation in the press or investment community; (iii) actual or anticipated fluctuations in the financial condition, results of operations and prospects of the Corporation; (iv) changes in the industry in which the Corporation operates and competition affecting the Corporation; (v) general market and economic conditions globally, and in particular those conditions in Canada and the Netherlands; and (vi) acquisitions, dispositions or other material public announcements by the Corporation or its competitors, along with a variety of additional factors, including, without limitation, those set forth under "*Cautionary Note Regarding Forward-Looking Statements*".

In addition, the market price for securities in the stock markets have at times experienced significant price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often has been unrelated or disproportionate to changes in operating performance. These broad market fluctuations may adversely affect the market prices of the Debentures and the Common Shares. The volatility in the price of the Common Shares may affect the ability of holders of Debentures to sell the Debentures at an advantageous price and may result in greater volatility in the market price of the Debentures than would otherwise be expected for non-convertible securities.

Dilution Risk

The conversion of the Debentures into, and the issuances by the Corporation of Common Shares, may significantly dilute the shareholders' interests in the Corporation as the shareholders of the Corporation have no pre-emptive rights. Pursuant to this Preliminary Prospectus Supplement, when Debentureholders convert the Debentures into Common Shares of the Corporation, it may dilute the interests of the shareholders of the Corporation, including those who become shareholders upon conversion of their respective Debentures. Furthermore, pursuant to the Concurrent Private Placement, the Private Placement Investor has a pre-emptive right to participate on a pro rata basis in any future financings of the Corporation to maintain such investor's percentage interest of at least 5% of the issued and outstanding Common Shares of the Corporation (the "**Pre-emptive Right**"). In the event that the Corporation proposes or commences any future financing for cash consideration, the Private Placement Investor has the first opportunity to participate and may choose to do so, which may substantially dilute the interests of the shareholders of the Corporation, including those who become shareholders upon conversion of their respective Debentures, and reduce the value of their respective investments. In both cases, the shareholders of the Corporation will have no pre-emptive rights and their interest in the Corporation may be substantially diluted. The Corporation is permitted to issue an

unlimited number of Common Shares, and the shareholders of the Corporation will have no pre-emptive rights in connection with future issuances.

Change in Tax Laws

The Debenture Indenture will not contain a requirement that the Corporation increase the amount of interest or other payments to holders of Debentures in the event that the Corporation is required to withhold amounts in respect of income or similar taxes on payment of interest or other amounts on the Debentures. At present, the Corporation will not withhold from such payments to holders of Debentures resident in Canada or who deal at arm's length with the Corporation, but no assurance can be given that applicable income tax laws will not be changed in a manner that may require the Corporation to withhold amounts in respect of tax payable on such amounts.

Investment Eligibility

The Corporation will endeavour to ensure that the Debentures continue to be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts. No assurance can be given in this regard. The Tax Act imposes penalties for the acquisition or holding of non-qualified investments by such plans.

Debentures may be Subject to Withholding Tax and Participating Debt Interest

The Tax Act generally provides that withholding tax is not payable on interest paid or credited to non-residents of Canada that deal at arm's length with the payor. However, Canadian withholding tax continues to apply to payments of "participating debt interest." For purposes of the Tax Act, participating debt interest is generally interest that is paid on an obligation where all or any portion of such interest is contingent or dependent on the use of or production from property in Canada or is computed by reference to revenue, profit, cash flow, commodity price or any similar criterion.

Under the Tax Act, when a debenture or other debt obligation issued by a person resident in Canada is assigned or otherwise transferred by a non-resident person to a person resident in Canada (which would include a conversion of the obligation or payment on maturity), the amount, if any, by which the price for which the obligation was assigned or transferred exceeds the price for which the obligation was issued is deemed to be a payment of interest on that obligation made by the person resident in Canada to the non-resident (an "excess").

The deeming rule does not apply in respect of certain "excluded obligations", although it is not clear whether a particular debenture would qualify as an "excluded obligation". If a debenture is not an "excluded obligation", issues that arise are whether any excess would be considered to exist, whether any such excess which is deemed to be interest is "participating debt interest", and if the excess is participating debt interest, whether that results in all interest on the obligation being considered to be participating debt interest. The CRA has stated that no excess, and therefore no participating debt interest, would in general arise on the conversion of a "standard debenture" (as that term was defined in a letter from the Joint Committee on Taxation of the Canadian Bar Association and the Canadian Institute of Chartered Accountants sent to the CRA on May 10, 2010) and therefore, there would be no withholding tax in such circumstances (provided that the payor and payee deal at arm's length for purposes of the Tax Act).

The Corporation believes the Debentures should meet the criteria set forth in the CRA's statement. However, the application of CRA's published guidance to the Debentures is uncertain and there is a risk that the CRA could take the position that amounts paid or payable to a non-resident holder of Debentures on account of interest or any excess may be subject to Canadian withholding tax at a rate of 25% (subject to any reduction in accordance with any applicable income tax treaty or convention). As noted under "*Risk Factors - Change in Tax Laws*" above, the Debenture Indenture will not contain a requirement that the Corporation increase the amount of interest or other payments to holders of Debentures in the event that it is required to withhold Canadian withholding tax on payments of interest (including any excess that may be considered to be participating debt interest).

Use of Proceeds of the Offering

The Corporation currently intends to allocate the net proceeds received from the Offering as described under "*Use of Proceeds*". However, the Corporation's management will have discretion concerning the use of proceeds of

the Offering as well as the timing of their expenditures. As a result, investors will be relying on the judgment of the Corporation's management as to the application of the net proceeds of the Offering. The Corporation's management may use the net proceeds of the Offering in ways that an investor may not consider desirable. The results and effectiveness of the application of the net proceeds are uncertain. If the proceeds are not applied effectively, the Corporation's results of operations may suffer.

Potential Acquisition, Investment and Disposition Opportunities

In the normal course of business, the Corporation evaluates and considers potential acquisition, investment and disposition opportunities that it believes may assist it in achieving its business and growth plans. Furthermore, the Corporation has signed a non-binding letter of intent to acquire BeeOrganic, as further described in "*Recent Developments*" and "*Use of Proceeds*". There can be no assurance that any of these evaluations or considerations will result in a definitive agreement with respect to an acquisition, investment or disposition, and, if they do, what the terms or timing of such would be or that such acquisition, investment or disposition will be completed by the Corporation. If the Corporation does complete any such transaction, it cannot assure investors that the transaction will ultimately strengthen the Corporation's financial or operating results, prospects or competitive position or that it will not be viewed negatively by securities analysts or investors. Such transactions may also involve significant commitments of the Corporation's financial and other resources. Any such activity may not be successful in generating revenue, income or other returns to the Corporation, and the resources committed to such activities will not be available to the Corporation for other purposes.

Non-Resident Directors

Peter Gianulis, Alejandro Maldonado, Joost Verrest and Gert van Noortwijk, being directors of the Corporation, reside outside of Canada. As a result, it may not be possible for shareholders to effect service of process against the directors who are not resident in Canada. In the event a judgment is obtained in a Canadian court against one or more of the directors for violations of Canadian securities laws or otherwise, it may not be possible to enforce such judgment against those directors not resident in Canada. Additionally, it may be difficult for an investor, or any other person or entity, to assert Canadian securities law claims or otherwise in original actions instituted in foreign courts. Courts in this jurisdiction may refuse to hear a claim based on a violation of Canadian securities laws or otherwise on the grounds that such jurisdiction is not the most appropriate forum to bring such a claim. Even if a foreign court agrees to hear a claim, it may determine that the local law, and not Canadian law, is applicable to the claim. If Canadian law is found to be applicable, the content of applicable Canadian law must be proven as a fact, which can be a time-consuming and costly process. Certain matters of procedure will also be governed by foreign law.

LEGAL MATTERS

Certain legal matters in connection with the Offering will be passed upon by Fasken Martineau DuMoulin LLP, on behalf of the Corporation, and by Cassels Brock & Blackwell LLP, on behalf of the Underwriters. As at the date hereof, the partners and associates of Fasken Martineau DuMoulin LLP, as a group, and of Cassels Brock & Blackwell LLP, as a group, beneficially own, directly or indirectly, less than 1% of the outstanding Common Shares of the Corporation.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Corporation are Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, through its offices at 1140 W Pender St #1500-1700, Vancouver, BC V6E 4G1. Dale Matheson Carr-Hilton Labonte LLP has confirmed that they are independent with respect to the Corporation within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc. through its offices at 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, Canada, V6C 3B9.

The Debenture Trustee is Computershare Trust Company of Canada at its principal office in Vancouver, British Columbia.

STATUTORY AND CONTRACTUAL RIGHTS OF RESCISSION AND STATUTORY RIGHTS OF WITHDRAWAL

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment thereto. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

Under the Debenture Indenture, original purchasers of Debentures will have a non-assignable contractual right of rescission against the Corporation following the conversion of such Debentures in the event that this Prospectus or any amendment thereto contains a misrepresentation. The contractual right of rescission will entitle such original purchasers to receive from the Corporation, upon surrender of the Common Shares issued upon conversion of such Debentures, the amount paid for such Debentures, provided that the right of rescission is exercised within 180 days from the date of the purchase of such Debentures under this Prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under section 131 of the Securities Act (British Columbia), and is in addition to any other right or remedy available to original purchasers under section 131 the Securities Act (British Columbia) or otherwise at law.

In an offering of convertible securities such as the Debentures, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in a prospectus is limited, in certain provincial and territorial securities legislation, to the price at which the convertible security is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces and territories, if the purchaser pays additional amounts upon conversion of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces and territories. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of this right of action for damages, or consult with a legal adviser.

CERTIFICATE OF THE CORPORATION

Dated: November 3, 2021

The short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces and territories of Canada.

<u>“Steve Bromley”</u> (Signed): Steve Bromley Co-Chief Executive Officer	<u>“Rients Van Der Wal”</u> (Signed): Rients Van Der Wal Co-Chief Executive Officer	<u>“Ralf Langner”</u> (Signed): Ralf Langner Chief Financial Officer
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<u>“Joost Verrest”</u> (Signed): Joost Verrest Director	On behalf of the Board of Directors	<u>“Jeremy Kendall”</u> (Signed): Jeremy Kendall Director
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CERTIFICATE OF THE UNDERWRITERS

Dated: November 3, 2021

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces and territories of Canada.

BEACON SECURITIES LIMITED

“Justin Gilman”

By: Justin Gilman

PI FINANCIAL CORP.

“Vay Tham”

By: Vay Tham