



## Planting Hope Announces Financial Transactions Resulting in a Combined US\$2.45M (C\$3.27M) Benefit to the Company

*Not for distribution to U.S. news wire services or dissemination in the United States.*

- The Company announces a private placement of convertible debentures totaling up to US\$900,000 (C\$1.2M) and a bridge loan in the amount of US\$332,000 (C\$443,000)
- Planting Hope has settled a total of US\$1.25M (C\$1.67M) in debt, including US\$243,000 and C\$7,500 in account payables, C\$6,000 in interest from a convertible debenture, and the significant reduction of a US\$1M (C\$1.333M) note payable with Betterer Foods related to the RightRice acquisition (based on post-closing working capital adjustments)

CHICAGO, IL and VANCOUVER, BC / ACCESSWIRE / July 20, 2023 – The Planting Hope Company Inc. (TSXV: MYLK) (OTCQB: MYLKF) (FRA: J94) (“Planting Hope” or the “Company”), a plant-based food and beverage company focused on producing the world’s most nutritious and planet-friendly products, is pleased to announce two separate financing transactions and an improvement to the Company’s balance sheet through a debt settlement, conversion of an outstanding debenture and most importantly the negotiation of a substantial reduction to an outstanding note payable.

“Planting Hope continues to demonstrate growth and strength in our business as we execute our plan to scale our brands rapidly in Foodservice and turn the corner on profitability as Company,” said Julia Stamberger, Co-founder and CEO, Planting Hope. “Although limited liquidity in the Canadian capital markets has challenged small cap companies this year, new investors are learning about the Company and joining our shareholder base from North America and internationally. We are pleased to have negotiated and arranged a substantial reduction to our current liabilities as detailed below.”

### **Private Placement of Convertible Debentures**

The Company announces a non-brokered private placement (the “Private Placement”) of unsecured, non-transferable 10% convertible debentures (“Convertible Debentures”) having an aggregate principal amount of up to US\$900,000 (C\$1.2M).

A Convertible Debenture holder (a “Holder”) may, at its option, convert all or a portion of the aggregate principal of their Convertible Debenture at any time prior to the Maturity Date (as defined below) into units (“Units”) at a conversion price of C\$0.42 per Unit (the “Conversion Price”). Each Unit will be comprised of one subordinate voting share of the Company (a “Share”) and one non-transferable warrant (a “Warrant”). Each Warrant will be exercisable by the Holder to purchase one Share at an exercise price of C\$0.50 at any time prior to the Maturity Date.

The Convertible Debentures will mature 36 months after the date of issue (the "Maturity Date") and will bear interest at a rate of 10% per annum from the date of issue, payable semi-annually in arrears. The interest may be paid, at the election of the Company, either in cash or converted into Shares at a conversion price (the "Interest Conversion Price") equal to the maximum discounted market price (as defined under the policies of the TSX Venture Exchange ("TSXV")).

The Company shall have the right to redeem the Convertible Debentures prior to the Maturity Date at any time after 12 months from the closing of the Private Placement by paying Holders the then outstanding aggregate Principal of the Convertible Debentures together with all accrued and unpaid interest and a redemption penalty payment of 8% of the aggregate Principal, by cash payment on giving the Holders 20 business days' notice to do so. On receipt of such notice, a Holder may, at its option, convert all or part of the then outstanding aggregate Principal into Units at the Conversion Price and all accrued and unpaid interest in respect of the Principal amount so converted shall be, at the election of the Holder, either paid in cash or converted into Shares at the Interest Conversion Price, by giving the Company notice within 10 business days of receipt of the redemption notice.

In consideration for arranging the Private Placement, the Company may pay finders' fees in cash. The net proceeds from the Private Placement will be used for general working capital. Completion of the Private Placement is subject to several conditions, including, without limitation, final acceptance of the TSXV.

### **Bridge Loan**

The Company has entered into bridge loan agreements (the "Loan Agreements") with various current and new investors (the "Lenders") to obtain a bridge loan in the principal amount of US\$332,000 (C\$443,000) (the "Loan"). Planting Hope will use the proceeds of the Loan for general working capital.

The Loans will bear interest at a rate of 10% per annum, accruing daily on each amount of the Loan advanced from the date of the advance and compounding monthly. Unless accelerated pursuant to the terms of the Loan Agreements, the Loans will become due on the earlier of the day (i) that is six (6) months from July 19, 2023, and (ii) that Planting Hope closes a financing of any kind or nature resulting in gross proceeds equal to or greater than C\$12.5M.

Under the terms of the Loan Agreements, the Company intends to issue to the Lenders up to 1,302,941 warrants (the "Loan Warrants"). Each Loan Warrant entitles the holder to acquire one Share at a purchase price of C\$0.34 per Share for a period of 12 months following the date of issuance. The price of the Loan Warrants has been calculated pursuant to the "Market Price" calculation as defined under TSXV Policy 1.1 - *Interpretation*. Each Loan Warrant is non-assignable and non-transferable and will be subject to the applicable regulatory hold period.

The Loans and issuance of the Loan Warrants remain subject to receipt of all necessary regulatory and other approvals, including the final approval of the TSXV.

An individual who is a director and officer of the Company is a Lender under a Loan Agreement and loaned the Company the principal amount of US\$10,000. Accordingly, the Loan is to that extent a "related party transaction" as defined under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The Loan is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101, as neither the fair market value of the Loan and any securities issued thereunder to, or the consideration paid, by such individual, will exceed 25 per cent of the Company's market capitalization.

### **Betterer Foods/RightRice Note Settlement**

The Company has reduced and settled the US\$1M (C\$1.3M) note payable with Betterer Foods related to the January 2022 acquisition of the RightRice brand. The note was reduced by US\$900k (C\$1.2M) based on post-closing working capital adjustments. The remaining US\$100k (C\$133k) is to be paid in two tranches: US\$25k (C\$33k) (paid) and \$75k (C\$100k) (due end at the of August).

### **Shares for Debt Settlement**

The Company has issued Shares in respect of ten of its eleven previously announced agreements to issue Shares to settle debt (see the Company's news release dated April 14, 2023). The Company has issued a total of 711,810 Shares at a price of C\$0.47 per Share to settle debts in the aggregate amount of US\$243,297.15 and C\$7,560. The issuance of the Shares fully settles the underlying debts with the creditors.

The Shares are subject to a four month plus one day hold period from the date of issuance, being July 19, 2023, in accordance with applicable securities legislation. The Shares are also subject to restrictions on transfer and will be released from such restrictions in tranches of 15% on the dates that are 6 months, 7 months, 8 months, 9 months, 10 months, and 11 months, respectively, from the date of issuance, and a remaining tranche of 10% on the date that is 12 months from the date of issuance.

The Company will not be issuing Shares or other securities at this time in respect of one of the settlement agreements announced in its news release dated April 14, 2023. The Company will work with the TSXV and the remaining creditor to settle on an acceptable arrangement.

### **Conversion of an Outstanding Convertible Debenture**

The Company has issued 90,909 units ("Conversion Units") and proposes to issue 24,367 Shares upon conversion of a convertible debenture with a face value of C\$56,000 issued by the Company under its private placement completed on October 20, 2022 (see the Company's news release dated October 21, 2022). The principal amount of the convertible debenture of C\$50,000 was converted into 90,909 Conversion Units at a price of C\$0.55 per Conversion Unit. Each Conversion Unit is comprised of one Share and one non-transferable share purchase warrant (a "Conversion Warrant"). Each Conversion Warrant is exercisable by the holder thereof to purchase one Share at an exercise price of C\$0.80 at any time prior to October 20, 2025. Subject to the approval of the TSXV, prepaid and accrued interest under the convertible debenture totaling C\$6,213.70 will be converted into 24,367 Shares at a price of C\$0.255 per Share in accordance with the terms of the convertible debenture.

### **About The Planting Hope Company Inc.**

Planting Hope is driving the next evolution in sustainable global consumer food and beverage products. Through paring cutting-edge food, ingredient, and packaging technology with culinary innovation, Planting Hope unlocks the nutrition in sustainable global crops and delivers it in on-trend staple consumer food and beverages.

Planting Hope's brands and multi award-winning products are disrupting large global categories, and include Hope and Sesame® Sesamemilks and Sesamilk™ creamers (the world's first commercialized sesamemilk and the only upcycled-certified plant milk globally), RightRice® protein rice (made from veggies!), an alternative to white rice with 10% of the methane footprint and 4x the protein, Mozaics™ Real Veggie Chips (packaged in degradable NEO Plastics film), and Veggicopia® Veggie Snacks. Planting Hope

products are available through Grocery retailers, Ecommerce, Alternate channels (including QVC), and are scaling rapidly in Foodservice, from quick service and fast casual restaurants like CAVA Restaurants to independent cafés, across the US and Canada.

For more information about Planting Hope please visit [plantinghopecompany.com](http://plantinghopecompany.com), sign up for Planting Hope news emails [HERE](#) and follow on [LinkedIn](#).

An informational webinar on The Planting Hope Company from CEO and Co-founder Julia Stamberger is available [HERE](#).

To follow the brands on Instagram and Facebook, please visit: @hopeandsesameco, @rightrice, @mozaicschips, @veggicopia.

To find Planting Hope products at a store near you in the United States or Canada, please visit the store locator on each brand website: Hope and Sesame store locator, RightRice store locator, Mozaics Real Veggie Chips store locator. Planting Hope products are also available at [plantinghopebrands.com](http://plantinghopebrands.com) and e-commerce retailers including Amazon.com and Amazon.ca.

## Contacts

### Company Contact:

Julia Stamberger  
CEO and Co-founder  
(773) 492-2243  
[julia@plantinghopecompany.com](mailto:julia@plantinghopecompany.com)

### Investor Relations Contact:

Glen Akselrod, Bristol Capital  
(905) 326-1888 ext. 1  
[glen@bristolir.com](mailto:glen@bristolir.com)

### Media Contact:

Alex Jessup, Jessup PR  
(323) 529-3541  
[alex.jessup@jessuppr.com](mailto:alex.jessup@jessuppr.com)

**This news release does not constitute an offer to sell or solicitation of an offer to sell any securities in the United States. The 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 state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.**

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

*The Company has utilized an exchange rate of approximately US\$1.00 to C\$1.3333 throughout this news release.*

### **Forward-Looking Statements**

*Certain disclosure in this news release, including disclosure regarding the Private Placement and the Loan and the expected use of proceeds therefrom, the potential settlement of the remaining settlement agreement announced in the Company's news release dated April 14, 2023 and the proposed issuance of Shares upon conversion of prepaid and accrued interest (the "Interest Conversion"), constitutes forward-looking statements that are subject to numerous risks, uncertainties and other factors outside of the Company's control that may cause future results to differ materially from those expressed or implied in such forward-looking statements. In preparing the forward-looking statements in this news release, the Company has applied several material assumptions, including, but not limited to, the assumption that all conditions precedent (including TSXV approval) of the Interest Conversion, the Private Placement and the Loan will be satisfied in a timely manner; that general economic and business conditions will not change in a materially adverse manner; and that the Company will be able to raise additional funds on reasonable terms. Although the management of the Company believes that the assumptions made and the expectations represented by such statements are reasonable, there can be no assurance that any forward-looking statement herein will prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.*