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NEWS RELEASE

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Organto Announces \$3.45 Million Unit Private Placement

Vancouver, BC, Canada, May 11, 2017 – Organto Foods Inc. (TSX-V: OGO, OTC: OGOFF) (“Organto”) is pleased to announce its intention to complete a non-brokered private placement of 23,000,000 units of Organto (“Units”) at a price of \$0.15 per unit for gross proceeds of up to \$3,450,000. Each Organto unit will consist of one common share and one warrant exercisable to purchase one additional Organto common share at a price of \$0.25 for a period of 24 months after the closing date. The exercise date of the warrants will be subject to acceleration in the event that the volume-weighted average closing price of Organto’s common shares on the TSX Venture Exchange, or such other stock exchange on which Organto common shares are primarily traded from time to time, is greater than or equal to \$0.35 per share for a period of 10 consecutive trading days (an “Acceleration Event”) and such Acceleration Event occurs any time after the expiration of the Hold Period (as hereinafter defined).

Subject to the approval of the TSX Venture Exchange (the “TSX-V”), Organto may pay to eligible finders cash finders’ fees equal to 8% of the gross proceeds raised and issue finders’ warrants equal to 8% of the number of Units issued to applicable subscribers under the private placement. Each finder’s warrant will be exercisable into one Organto common shares at a price of \$0.15 for a period of 24 months from the closing date.

Organto intends to use the proceeds of the private placement to fund ongoing operations, to meet working capital requirements and for general corporate purposes. Organto reserves the right to re-allocate funds from time to time in accordance with company requirements.

All securities issued pursuant to the private placement are expected to be subject to a four month hold period (the “Hold Period”). The private placement is subject to the acceptance of the TSX-V.


ON BEHALF OF THE BOARD,

Arnoud Maas
CEO

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

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The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer of securities for sale, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the company and management, as well as financial statements.

This news release may include certain forward-looking information and statements, as defined by law including without limitation Canadian securities laws and the “safe harbor” provisions of the US Private Securities Litigation Reform Act of 1995 (“forward-looking statements”). In particular, and without limitation this news release contains forward-looking statements respecting the company’s intention to conduct a private placement; the proposed terms of the private placement and the securities expected to be issued thereunder; the intended use of proceeds raised from the private placement; management’s beliefs, assumptions and expectations; and general business and economic conditions. Forward-looking statements are based on a number of assumptions that may prove to be incorrect, including without limitation assumptions about the following: the ability to complete the proposed private placement at all, or on the terms specified; that target production levels will be achieved as forecast; cost increases; dependence on suppliers, partners and contractual counter-parties; changes in the business or prospects of Organto; unforeseen circumstances; risks associated with the organic produce business generally, including inclement weather, unfavourable growing conditions, low crop yields, variations in crop quality, spoilage, import and export laws and similar risks; transportation costs and risks; general business and economic conditions; and ongoing relations with distributors, customers, employees, suppliers, consultants, contractors, partners and joint venturers. The foregoing list is not exhaustive and Organto undertakes no obligation to update any of the foregoing except as required by law.