

# GreenFirst Announces Amendment to and Conversion of Convertible Debentures

VANCOUVER, BC, June 25, 2021 /CNW/ - GreenFirst Forest Products Inc. (TSXV: GFP) (**GreenFirst** or the **Company**) announces that its shareholders overwhelmingly voted in favour of amending the terms of its Convertible Debentures (as defined below) at the special meeting of shareholders held on June 24, 2021 (the **Meeting**) to allow for their early conversion. GreenFirst also announces that the Convertible Debentures were converted into Units (as defined below) today, as set out greater detail below.

## Meeting Results

At the Meeting, shareholders overwhelmingly approved the resolution to amend the terms of the Company's outstanding Convertible Debentures. 99.5% of the common shares of the Company (**Common Shares**) represented at the Meeting voted in favour of the resolution. A total of 18,277,960 Common Shares were represented at the Meeting, either in person or by proxy, representing 78.94% of GreenFirst's issued and outstanding Common Shares. At the Meeting, Common Shares held by (i) Timber Country Investment Corporation (**Timber Country**), a corporation controlled by Rick Doman, a director of GreenFirst; (ii) Rivett Capital Syndicate Inc. (**Rivett Capital**), a corporation controlled by Paul Rivett, a director of GreenFirst; (iii) any of their respective related parties, associates or affiliates, and (iv) any joint actors of the foregoing were excluded for the purposes of voting on the resolution.

## Amendments to Convertible Debentures

At the Meeting, the shareholders approved certain amendments to the convertible debentures issued by the Company on October 22, 2020 (the **Convertible Debentures**). The amendments permitted the Convertible Debentures to be immediately converted into Units at the option of the holders. The amendments did not impact the conversion price or other terms of the Convertible Debentures. Further details of the amendments can be found in the Company's management information circular dated May 20, 2021 which can be found under the Company's profile on [www.sedar.com](http://www.sedar.com).

## Conversion of the Convertible Debentures

Following the amendments to the Convertible Debentures, each of the holders elected to convert the principal amount of their respective Convertible Debentures into units (the **Units**) at a conversion price of \$0.50 per Unit. Each Unit is comprised of one Common Share and one Common Share purchase warrant (a **Warrant**) having an exercise price of \$0.60 and an expiry date that is five years after the date of issuance of the Convertible Debenture. As a result, there are currently no Convertible Debentures outstanding and GreenFirst issued a total of 8,000,000 Common Shares and 8,000,000 Warrants to the holders of the Convertible Debentures. The accrued but unpaid interest on the Convertible Debentures will be paid to the holders thereof in cash.

Further details on the amendments to and conversion of the Convertible Debentures will be included in a material change report to be filed by the Company. The material change report will be filed less than 21 days before the amendments to the Convertible Debentures became effective because there are less than 21 days between the date of shareholder approval of the amendments to the Convertible Debentures and the effective date thereof.

## Early Warning Reports

In connection with the conversion of the Convertible Debentures: (i) Mr. Rivett, through Rivett Capital (1 Yonge Street, 4th Floor, Toronto, Ontario, M5G 1E6), converted all of his Convertible

Debentures, having a principal amount of \$1,600,000, into 3,200,000 Common Shares and 3,200,000 Warrants; and (ii) Mr. Doman, through Timber Country (3000, 700 - 9th Avenue SW Calgary, Alberta, T2P 3V4), converted all of his Convertible Debentures, having a principal amount of \$2,000,000, into 4,000,000 Common Shares and 4,000,000 Warrants. The amendments to and conversion of the Convertible Debentures constitutes a change in a material fact contained in the early warning reports of Messrs. Rivett and Doman dated October 23, 2020.

Prior to the conversion of the Convertible Debentures: (i) Mr. Rivett beneficially owned or controlled 880,000 Common Shares, representing approximately 3.4% of the outstanding Common Share and 800,000 Warrants; and (ii) Mr. Doman beneficially owned or controlled 1,080,000 Common Shares, representing approximately 4.2% of the outstanding Common Shares and 1,000,000 Warrants.

Following the conversion of the Convertible Debentures, 34,016,626 Common Shares were outstanding, of which: (i) Mr. Rivett has acquired, and has ownership and control over, 4,080,000 Common Shares, representing approximately 12.0% of the outstanding Common Shares (or 8,080,000 Common Shares, representing approximately 18.8% of the outstanding Common Shares on a partially diluted basis, assuming only the exercise of the Warrants held by him); and (ii) Mr. Doman has acquired, and has ownership and control over, 5,080,000 Common Shares (or 10,080,000 Common Shares, representing approximately 23.4% of the outstanding Common Shares on a partially diluted basis, assuming only the exercise of the Warrants held by him).

The Convertible Debentures were converted by Messrs. Rivett and Doman, in each case, for investment purposes, and in the future, each of Messrs. Rivett and Doman may discuss with management and/or the board of directors of the Company any of the transactions listed in clauses (a) to (k) of Item 5 of Form F1 of National Instrument 62-103 – *The Early Warning System and Related Take-over Bid and Insider Reporting Issues* and may further purchase, hold, vote, trade, dispose or otherwise deal in the securities of the Company, in such manner as deemed advisable to benefit from changes in market prices of the Company's securities, publicly disclosed changes in the operations of the Company, its business strategy or prospects or from a material transaction of the Company.

Early warning reports will be filed by each of Messrs. Rivett and Doman in accordance with applicable securities laws and will be available on SEDAR at [www.sedar.com](http://www.sedar.com) or may be obtained directly from GreenFirst upon request at 847-791-6817 (Attention: Michael Liggett) or by mailing the Company at its head office: GreenFirst Forest Products Inc., 1800 – 510 West Georgia Street, Vancouver, British Columbia, V6B 0M3.

## **About GreenFirst**

GreenFirst is a forest-first business, focused on environmentally sustainable forest management and lumber production. We believe that sustainable forest planting and harvesting, coupled with the long-term green advantage of lumber, provide GreenFirst with significant cyclical and secular advantages in building products. GreenFirst's long-term pursuit is to be a global leader in environmentally sustainable lumber. For more information, please visit: [www.gffp.ca](http://www.gffp.ca).

## **Forward Looking Information**

Certain information in this news release constitutes forward-looking statements under applicable securities laws. Any statements that are contained in this news release that are not statements of historical fact are forward-looking statements. Forward looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "potential", "believe", "intend", "estimate" or the negative of these terms and similar expressions. Forward-looking statements in this news release include, but are not limited to statements with respect to the Convertible Debentures, including the anticipated shareholding of Messrs. Rivett and Doman and related filings.

Forward-looking statements are based on assumptions, including expectations and assumptions concerning: interest and foreign exchange rates; capital efficiencies, the lumber industry (and its growth and growth rates) in North America, and the Company's future plans and ability to complete future investments. While the Company considers these assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Readers are cautioned not to place undue reliance on forward-looking statements. In addition, forward-looking statements necessarily involve known and unknown risks, including, without limitation, risks associated with general economic conditions; adverse industry events; future legislative, tax and regulatory developments. Readers are cautioned that the foregoing list is not exhaustive and other risks are set out in the Company's public disclosure record filed under the Company's profile on [www.sedar.com](http://www.sedar.com). Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement and reflect our expectations as of the date hereof, and thus are subject to change thereafter. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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