

October 11, 2023

Dear Shareholders,

Navigating the venture markets for the past 18 months has been challenging for many organizations due to current global economic conditions, especially the junior companies. Clean Seed Capital Group Ltd. ("Clean Seed" or the "Company") (TSX-V: CSX) has not been impervious to these challenges; however, we keep moving forward leveraging the profound fact that our technology portfolio and related offerings are comprehensive, timely and remain valuable in resolving some of the key challenges faced by the agricultural industry and farmers around the world.

On February 13, 2023, Clean Seed proudly announced a Memorandum of Understanding (the "MOU") with Mahindra and Mahindra Limited ("Mahindra") to bring the SMART Seeder<sup>TM</sup> technology to India and to collaborate on other related opportunities to benefit each other's business interests. **Despite the challenging headlines in recent weeks both parties remain committed to finalizing our definitive agreement and implementing our collective efforts.** Our steadfast efforts in India with the introduction and demonstration of our scaled-down SMART Seeder technology has provided tangible, clear benefits that is now proven to be suitable for all markets.

Mahindra's Farm Equipment Sector (FES) is the world's largest tractor company by volume and owns India's two largest selling tractor brands. With a presence in over 50 countries, Mahindra FES has technology centers in Japan, Turkey, Finland and India, with a wide range of tractors and a growing presence in farm machinery for crops across the value chain.

Pursuant to the MOU, Clean Seed and Mahindra have agreed on the exclusive territories in which Mahindra will distribute the Mini-MAX under its own brand **(India – Turkey – Africa – Asia). The majority of Mahindra's US\$8 Billion farm equipment revenues is generated in these regions.**

Clean Seed will also be seeking acceptance for the Mini-MAX into the India Carbon Accreditation Program; acceptance of this program would further benefit the farmer with an estimated income of US\$25-US\$35 per acre per season, further supporting the adoption rate of MINI-MAX<sup>TM</sup>. The Carbon Accreditation Program will be a strong asset for the technology in India and other countries and will set a new carbon offset benchmark for our technology.

Clean Seed remains reluctant to conduct equity financings in these challenging markets and considers its M&A efforts and prospective Mahindra license arrangement critical commercialization mechanisms to facilitate improved capitalization outcomes.

To that end, Clean Seed:

- has completed a small non-brokered private placement of promissory notes for gross proceeds of \$150,000 (the “Notes”) for working capital purposes. The Notes will mature 12 months from the date of issue. The Company may elect to satisfy the interest payments due under the Notes by the issuance of common shares (the “Shares”) subject to acceptance of the TSX-V at each such instance. In connection with the Notes, the Company will issue an aggregate of 428,571 Shares to the subscribers at a market price of \$0.07 per Share (the “Bonus Shares”);
- has extended certain promissory notes due September 30, 2023 to March 31, 2024 aggregating \$1,710,500. As consideration for amending the promissory notes, the Company will issue the creditors 3,000,000 bonus warrants (the “Bonus Warrants”). Each Bonus Warrant will entitle the holder to purchase one Share of the Company at a price of \$0.20 per Share until March 31, 2024, and
- intends to issue 675,324 Shares, at a deemed price of \$08 per Share (the “Interest Shares”), to settle accrued interest of \$54,026, in accordance with TSX-V Policies in relation to the promissory notes announced in the news release of April 21, 2023. One noteholder, an insider of the Company, will receive 112,191 Shares to settle accrued interest. The Company has relied on the exemptions from the valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 -- *Protection of Minority Security Holders in Special Transactions* under sections 5.5(b) and 5.7(1)(a) of MI 61-101 in respect of such related party transaction.

The Bonus Warrants, Bonus Shares and Interest Shares issued will be subject to approval of the TSX-V and will be subject to a regulatory hold period of four months and a day in accordance with the rules and policies of the TSX-V and applicable Canadian securities laws and such other further restrictions as may apply under foreign securities laws.

The Company has granted consultants an aggregate of 1,100,000 stock options exercisable at a price ranging from \$0.08 to \$0.15 per share. The options have a one-year term.

We would also like to thank Mr. Steve Sommerfeld for his service as a director and audit committee chair. Steve has elected to move onto other activities that require more of his time, and we wish him well in those endeavours. Mr. Sommerfeld states “The Clean Seed team has built a world class product and I wish the Company all the best as it continues its journey towards commercialization.”

We look forward to closing the definitive agreement with Mahindra in the coming weeks.

ON BEHALF OF THE BOARD

*“Graeme Lempriere”*

Chairman and CEO

### About Clean Seed Capital Group Ltd.

The common shares of Clean Seed Capital Group Ltd. are listed on the TSX Venture Exchange and trade under the symbol "CSX".

We are a team of innovators and business management professionals with a proven track record of game changing innovation and production of patented agricultural technologies at an incredibly high level. We pride ourselves as progress facilitators that turn solutions for modern agricultural problem into commercially viable products to fulfill new demand.

Clean Seed's SMART Seeder MAX™ technologies are revolutionary seeding tools that utilize the unique synergy of sophisticated electronic metering and intuitive software control putting row-by-row variable rate technology at the forefront of agricultural innovation. Our innovations create a new class of highly accurate seeding equipment designed specifically for today's farmer.

For further information please contact us at 604-566-9895 and visit our website at [www.cleaneedcapital.com](http://www.cleaneedcapital.com).

*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.*

This press release is not an offer or a solicitation of an offer of securities for sale in the United States. The common shares of Clean Seed Capital Group Ltd. have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration.

### CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION:

This news release includes certain "forward-looking statements" as defined under applicable Canadian securities legislation. All information and statements contained herein that are not clearly historical in nature constitute forward-looking information, and the words "anticipate", "estimate", "believe", "continue", "could", "expects", "intend", "plans", "postulates", "predict", "will", "may" or similar expressions suggesting future conditions or events or the negative of these terms are generally intended to identify forward-looking information. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. In particular, there is no assurance that Clean Seed will be successful in finalizing a definitive licensing agreement with Mahindra, that any of Clean Seed's machines will be manufactured or sold in India, that any new financings or business opportunities will be sourced or closed on, or that all conditions and regulatory approvals will be satisfied, waived or received to enable any of the above mentioned opportunities to be realized. Clean Seed 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.