

GreenSpace Brands Sells its Organic Juice Brand Kiju to Zurban Beverages

TORONTO, May 21, 2019 /CNW/ - GreenSpace Brands (TSXV:JTR) ("GreenSpace") and Zurban Beverages ("Zurban") are pleased to announce the sale by Greenspace of the assets within the Nothing But Nature business relating to the Kiju brand of Organic juice and iced tea, for \$8 million, representing a transaction value of approximately 1x net sales of \$8.3 million. The acquisition of the business is for upfront cash consideration of \$7.5 million, and a revenue based earn out of \$500,000. The Kiju branded business represents approximately 10% of the revenue of GreenSpace and the divestiture represents approximately 40% of the market cap of GreenSpace as of closing on Friday May 17th.

"We're thrilled to be selling the Kiju brand to Zurban, and we're very proud of how we've strengthened and developed the Kiju brand over the last few years, particularly as it relates to the launch of Kiju Fit." said Matthew von Teichman, CEO of GreenSpace Brands. "This transaction is significant for many reasons, not the least of which is that we feel it establishes a value for the rest of the brands in our portfolio of at least 1x sales, it helps to pay down some debt and it gives us some much needed additional working capital. The sale of Kiju, although bittersweet for us, is an important milestone in our evolution as a company."

The Use of Proceeds from the transaction will be used for general working capital purposes, and to pay down debt, which is estimated to be \$13-\$15 million post closing, including the VTB note from the Galaxy transaction.

About Greenspace

GreenSpace is a Canadian-based brand ideation team that develops, markets and sells premium natural food products to consumers across North America. GreenSpace owns Life Choices, convenience meat products made with grass fed and pasture raised meats without the use of added hormones and antibiotics, Love Child, a producer of 100% organic food for infants and toddlers made with the purest, natural and most nutritionally-rich ingredients, Central Roast, a clean snacking brand featuring a wide assortment of nut and seed mixes, Cedar, the leaders in the Canadian Cold Press Juice category and the most recently acquired brand, Go Veggie, one of the leaders in the US plant based dairy market. All brands are wholly owned and retail in a variety of natural and mass retail grocery locations across Canada.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This news release contains certain forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "achieve", "could", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "outlook", "expect", "may", "will", "project", "should" or similar words, including negatives thereof, suggesting future outcomes. Management of the Emblem and GreenSpace (collectively, the "Companies") believe the expectations reflected in such forward-looking statements are reasonable as of the date hereof but no assurance can be given that these

expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. Various material factors and assumptions are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking statements. The forward-looking statements in this release are based on certain assumptions and involve known and unknown risks and uncertainties and other factors that could cause actual events to differ materially from current assumptions and expectations, including, but not limited to, that: the conditions to the completion of the investments and supply agreement contemplated herein will be satisfied, the investments and supply agreement contemplated herein will be completed on the terms substantially described in this release, that applicable regulatory, exchange and third party approvals will for the transactions described herein will be obtained, and that customers will respond positively to the Companies' new product lines. Those material factors and assumptions are based on information currently available to the Companies, including data from publicly available governmental sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Companies believe to be reasonable. However, although generally indicative of relative market positions, market shares and performance characteristics, such data is inherently imprecise. While the Companies are not aware of any misstatement regarding any industry or government data presented herein, the anticipated recreational cannabis industry involves risks and uncertainties and is subject to change based on various factors.

Forward-looking statements are not a guarantee of future performance and are subject to and involve a number of known and unknown risks and uncertainties, many of which are beyond the control of the Companies, which may cause actual performance and results to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, the risks identified in GreenSpace's March 31, 2018 Management's Discussion and Analysis, which have been filed with the Canadian Securities Administrators and available on www.sedar.com. Any forward-looking statements are made as of the date hereof and, except as required by law, the Companies assume no obligation to publicly update or revise such statements to reflect new information, subsequent or otherwise.

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

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