

PBIC ANNOUNCES INTERNALIZATION OF MANAGEMENT COMPANY STRUCTURE AND RELATED MATTERS

TORONTO, ON – May 6, 2022 – Plant-Based Investment Corp. (“**PBIC**”, or the “**Company**”) (**CSE: PBIC**), is pleased to announce that it has entered into a share purchase agreement (the “**SPA**”) with Four Eleven Technical Services Inc., Grayfor 2017 Trust, and 2017 Blundell Family Trust (collectively, the “**Vendors**”), pursuant to which the Company agreed to acquire 100% of the issued and outstanding shares of CGOC Management Corp. (“**Management Corp.**”), which provides management services to the Company pursuant to the management agreement (the “**Management Agreement**”) dated January 16, 2018, between Management Corp. and PBIC. The acquisition (the “**Acquisition**”) contemplated by the SPA is expected to close on or around May 9, 2022, subject to the satisfaction or waiver of customary closing conditions, and the satisfaction of applicable stock exchange requirements.

According to the terms of the SPA, PBIC will acquire the outstanding shares of Management Corp. from the Vendors for an aggregate purchase price of \$1,400,000 (Canadian dollars). The purchase price will be satisfied and paid through the sale, transfer and assignment by the Company of an aggregate of 31,650,000 common shares (“**GRIN Shares**”) in the capital of Grown Rogue International Inc. currently held by the Company.

The Company now holds an aggregate of 33,957,444 GRIN Shares and warrants to acquire an additional 17,000,000 GRIN Shares, representing approximately 19.9% of the issued and outstanding GRIN Shares on an undiluted basis and 27.2% of the issued and outstanding GRIN Shares on a partially diluted basis, assuming the exercise of the warrants. Following the completion of the Acquisition, PBIC is expected to hold 2,307,444 GRIN Shares and warrants to acquire 17,000,000 GRIN Shares, representing approximately 1.4% of the issued and outstanding GRIN Shares on an undiluted basis and 10.3% of the issued and outstanding GRIN Shares on a partially diluted basis, assuming the exercise of the warrants. A copy of the early warning report to be filed by the Company in connection with the disposition of the GRIN Shares pursuant to the Acquisition will be available under Grown Rogue’s issuer profile on SEDAR at www.sedar.com or by contacting Paul Crath, Chief Executive Officer of the Company, by telephone at (647) 660-0566.

The SPA was negotiated and recommended for approval by a special committee (the “**Special Committee**”) of the board of directors of the Company (the “**Board**”), which consisted of all of the independent directors. The Special Committee engaged Evans & Evans, Inc. to provide guidance on the valuation ranges and approaches for the Acquisition and the purchase price consideration used in the Acquisition, and received extensive advice and guidance from a leading governance and compliance advisory company, in addition to independent legal advice. Based on the foregoing, the Special Committee determined that the Acquisition on the terms set out in the SPA was fair and reasonable to the Company, and in the best interests of the Company, and recommended that the Board approve the Acquisition. Subsequently, the Board unanimously (with any interested directors having abstained from voting) approved the Acquisition and the entry by the Company into the SPA. More information regarding the prior valuations will be contained in a material change report to be filed by the Company under its profile on SEDAR at www.sedar.com. A copy of the material change report and the prior valuations may also be obtained without charge by contacting Paul Crath, Chief Executive Officer of the Company, by telephone at (647) 660-0566.

Rationale and Benefits of the Acquisition

The Acquisition will effectively result in the in-housing by PBIC of management functions previously outsourced to Management Corp. under the Management Agreement. The Special Committee and the Board believe that the Acquisition will have the following benefits for the Company:

- Certain rights and obligations granted to Management Corp. to enable it to manage PBIC, including the right to nominate up to three directors and select the Chief Executive Officer, Chief Financial Officer, President, and Chief Investment Officer of the Company, will be terminated.
- Provides the Board with greater flexibility to determine the compensation of the Company’s senior management.
- Options previously held by Management Corp. will be cancelled in connection with the Acquisition, providing additional option-pool availability for key managers at the direction of the Board.

“The Acquisition is designed to reposition PBIC to drive long-term shareholder value, by providing a more traditional corporate governance and operational structure, and to make it more attractive for future capital providers,” stated Graham Simmonds, Chairperson of PBIC. He added: “This transition will allow the Company’s shareholders to be more aligned with management and the Board of the Company on the future vision for the Company”.

Management Corp. is a person that manages and directs the affairs and operations of the Company pursuant to the Management Agreement and, accordingly, the Acquisition constitutes a “related party transaction” within the meaning on Multilateral Instrument 61-101- Protection of Minority Security Holders in Special Transactions (“**MI 61-101**”).

In respect of the Acquisition, PBIC is relying upon the exemptions from the formal valuation and minority shareholder approval requirements pursuant to sections 5.5(a) and 5.7(1)(a), respectively, of MI 61-101 on the basis that the time the Acquisition was agreed to, neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the Acquisition, insofar as it involved interested parties, exceeded 25% of PBIC’s market capitalization, as calculated in accordance with MI 61-101.

In connection with the Acquisition, a material change report will be filed in accordance with applicable securities laws. A copy of the material change report will be available for review under PBIC’s profile on SEDAR at www.sedar.com. The Company did not file a material change report in respect of the related party transaction at least 21 days before the expected closing date of the of the Acquisition because the parties desire to complete the acquisition in an expeditious manner, which the Company has determined is necessary and reasonable in the circumstances to allow for the Company’s management to focus its attention on other matters related to the Company’s business.

About Plant-Based Investment Corp.

Plant-Based Investment Corp. is an investment corporation that seeks to provide shareholders long-term total returns through capital appreciation and periodic distributions by investing in an actively managed portfolio of securities in public and private companies that derive a portion of their revenues, earnings or intellectual property-based value from products, equipment, services and/or technologies related to plant-based industries, including the cannabis plant family and its various compounds, the fungi industry (including medicinal, functional and psychedelics), super-foods and/or organic ingredients industries in addition to investing in specialty retail locations, functional medicine and wellness-based clinics and treatment centers.

Forward-looking Statements

This press release contains certain forward-looking statements with respect to the Company, including with respect to the timing and completion of the Acquisition. These forward-looking statements, by their nature, involve risks and uncertainties that could cause actual results to differ materially from those contemplated in those forward-looking statements and information. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the risk that all of the conditions of closing of the Acquisition will not be met in order to meet the expected timing for closing the transaction or at all, risks associated with the Company’s business plan and matters relating thereto, and risks associated with the Company’s investments and financial objectives, as well as other risks and uncertainties, including but not limited to those detailed from time to time in the Company’s public filings on SEDAR. Forward-looking statements are made based on management’s beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change. Investors are cautioned against attributing undue certainty to forward-looking statements.

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