Pontus Announces Non-Binding LOI with Leading Beverage Developer and Manufacturer

VANCOUVER, BC, March 4, 2021 /CNW/ - Pontus Protein Ltd. (TSXV: HULK) (FSE: 8YC) ("**Pontus**" or the "**Company**"), in a move to develop value added products, Pontus has signed a non-binding letter of intent (the "**LOI**") with Blue Ocean Tea Company ("**Blue Ocean**"), a private arm's length British Columbia corporation, and leading tea beverage designer and manufacturer who has worked with Revolution Tea, Ministry of Tea, UK, Wize Tea, JusTea Beverages, to develop ready to drink and portion packed beverages using Pontus Plant Protein.

The LOI is an expression of interest between Pontus and Blue Ocean covering product development, production, distribution and sales. Through Blue Ocean's market understanding and market connections, both companies anticipate the development of an international tea brand that will be able to secure significant sales in this large and growing market. In addition, Blue Ocean will be able to sell Pontus Water Lentils to its supply chain and distribute the raw ingredient to its current clients.

"The Tea and Herbal Association of Canada has polled consumers over the past six months and identified that during COVID, people wanted beverages that they can feel good about. As we return to normality, people want products to take care of themselves. I believe with Pontus, we can be post pandemic ready with a range of products," said Mark Arathoon, Blue Ocean CEO and fourth generation tea industry expert. "When I saw Pontus in the media, I reached out to the company as I could see a real opportunity with the high protein, fibre, iron and amino acids in Pontus' products to meet the growing demand for functional beverages. My initial analysis has been very positive, I like the taste and working with the product, and there is an interest from my clients, too. When I was in the US, I identified the potential of Rooibos, I can see Pontus Protein being bigger than Rooibos, especially in North America."

Connor Yuen, CEO of Pontus stated, "Our market analysis identified the $55 billion global tea market as an effective early target for Pontus' added value products. The tea market's stated forecast growth is 6.6% CAGR*, with the fastest growth predicted in products with the addition of other healthful ingredients, such as Pontus Plant Protein. We are so fortunate to have Mark and his team's experience on our doorstep and look forward to exploring both ready to drink and packaged beverages, to capture this market opportunity."

* https://www.reportlinker.com/p05844091/Tea-Market-by-Type-Packaging-Distribution-Channel-and-Application-Global-Opportunity-Analysis-and-Industry-Forecast.

It is the intentions of Pontus and Blue Ocean to continue good faith negotiates to settle upon a definitive agreement (a "**Definitive Agreement**") covering product development, production, distribution and sales which will also include the economic terms of the arrangement.

About Pontus Protein Ltd.

Pontus Protein Ltd. is a Vancouver, B.C. based company that grows water lentil protein for commercial use. Pontus is reinventing agriculture with their proprietary Closed Environment Vertical Aquaponic System (CEVAS™) – the farming of the future. Pontus specializes in the indoor vertical farming of water lentils that use 95 percent less water than traditional agriculture and no pesticides or chemicals. Pontus is committed to solving the global food crisis by providing access to sustainable indoor biosecure pure plant based proteins. Pontus' water lentils can be harvested every 24 hours, exceed organic certification, and can be grown in any climate in a relatively small area. Our water lentil protein is filled with antioxidants, minerals, vitamins and all the amino acids, making a complete protein food source. Pontus aims to revolutionize the plant-based sector as the entire sector is currently based on two main protein sources: soy and pea. Lentil protein is far superior to pea and soy protein. It contains over 40% protein vs. 5-36% protein*, and Pontus aims at being the base protein for plant based food products, which will lead this movement that has begun in the world transitioning from meat based to plant based protein.

To learn more, please visit pontuswaterlentils.com.

*https://food-nutrition.canada.ca/cnf-fce/report-rapport.do

About Blue Ocean Tea Company

Blue Ocean Tea Company is a global provider of contract manufacturing for Specialty Tea Brands, founded by Preet and Mark Arathoon, working with 30 brands across North America, including product development, production, business advisory, sales and distribution. Mark is a fourth generation tea expert who has worked in the gardens in Assam and Darjeeling and built relationships with global suppliers and has developed products for Numi Organic Tea, Starbucks and several other North American and International brands. Following his passion for tea and tea blending, he was the Head of the Tea Division at one of the largest tea contract manufacturers in the world. In their 18,000 sq ft facility just outside Vancouver, the team creates custom formulations, tea sourcing and importing, contract manufacturing, warehousing and logistics, consultation, research and development and wholesale of bulk ingredients. The company holds multiple organic tea certifications and is Rainforest Alliance certified and a member of the Global Food Safety Initiative.

Tea is considered a healthy beverage owing to the presence of several potent antioxidants and minerals such as potassium, manganese, magnesium, & calcium. Regular tea consumption helps reduce cell damage caused due to free radicals as well as lowers cholesterol levels and facilitates healthy weight loss.

Moreover, introducing additional healthy ingredients in tea by different market players are some other factors that drive the growth of the market. (Allied Market Research Global Opportunity Analysis and Industry forecast 2020 - 2027).

On behalf of the Board of Directors

"Connor Yuen"

Connor Yuen, CEO
Pontus Protein Ltd.

Forward-Looking Information

Certain statements in this release are forward-looking statements, which reflect the expectations of management regarding the Company. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future, including but not limited to, progression of the letter of intent to a formal business relationship. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements, including risks related to factors beyond the control of the Company. The risks include, but are not limited to, the following: the unknown magnitude and duration of the effects of the COVID-19 pandemic. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change, unless required by law. The reader is cautioned not to place undue reliance on forward-looking information.

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