



## NEWS RELEASE

### Biosenta Announces Private Placement

**February 28, 2020 - Toronto, Canada** – Biosenta Inc. (“**Biosenta**” or the “**Company**”) listed on the CNSX (CNSX:ZRO) announces that it has entered into an agreement (the “**Agreement**”) to settle \$327,907.59 of debt through the issuance of 3,279,075 common shares of the Company at a deemed price of \$0.10 per share and 1,604,538 warrants each exercisable for one common share of the Company with an exercise price of \$0.20 per share (the “**Transaction**”). Pursuant to this agreement, the Company issued 1,099,875 shares and 549,938 warrants to DK Financial Canada Inc. to settle \$109,987.50 of debt, 1,109,000 shares and 554,500 warrants to 1698791 Ontario Ltd. to settle \$110,900.00 of debt, 770,200 shares and 385,100 warrants to Amarvir Singh Gill to settle \$77,020.09 of debt and 300,000 shares and 150,000 warrants to various additional creditors, including one employee of the company, to settle \$30,000.00 of debt. The shares and warrants issued to DK Financial Canada Inc., 1698791 Ontario Ltd. and certain other creditors are subject to a four month hold period under applicable securities legislation and the shares and warrants issued to Amarvir Singh Gill and certain other creditors are subject to a four month hold period unless approval is obtained from the Canadian Stock Exchange.

The Transaction is considered a related party transaction subject to Multilateral Instrument 61-101 (“**MI 61-101**”) as 1698791 Ontario Ltd. and Amarvir Singh Gill are considered related parties. The Company is exempt from the formal valuation requirement as per section 5.5(b) of MI 61-101 as the Company is listed only on the CSE, and no exchanges specified in MI 61-101. The Company is exempt from the need to obtain minority shareholder approval as per section 5.7(b) of MI 61-101 as, in addition to being listed only on the CSE, neither the fair market value of the shares and warrants, nor the fair market value of the consideration received therefor exceeds \$2,500,000, each of the independent directors of Biosenta approved the Transaction, and no party to the Transaction nor Biosenta had, to the knowledge of Biosenta after reasonable inquiry, knowledge of material information regarding the Company that had not been previously disclosed.

1698791 Ontario Ltd. is a related party pursuant to the fact that prior to the Transaction, it beneficially controlled over 10% of the Company’s voting securities. Amarvir Singh Gill is a director of Biosenta, as well as President and Chief Executive Officer.

After the Transaction, 1698791 Ontario Ltd., the Company’s largest shareholder will own and control 3,498,385 shares representing 19.51% of the issued and outstanding common shares of the Company (on a partially diluted basis). Amarvir Singh Gill will own and control 1,740,766 shares representing 9.80% of the issued and outstanding common shares of the Company (on a partially diluted basis). DK Financial Canada Inc., will own and control, together with its related parties and associated entities, 2,074,092 shares representing 11.57% of the issued and outstanding common shares of the Company (on a partially diluted basis).

A material change report has been filed on the date of closing the Transaction rather than 21 days prior to closing. The Company deems this reasonable in the circumstances as the Agreement was executed as of the date hereof and all conditions of closing have been satisfied such that there remain no conditions that would require delaying the closing of the Transaction until after such 21 day period and the Company wished to complete the Transaction in a timely manner.

#### **About Biosenta Inc.**

Biosenta Inc. develops and manufactures a range of chemical compounds for household and industrial applications using advanced encapsulated nanotechnology.

Other household disinfectants and cleaners possess similar levels of efficacy as traditional disinfectants. But Biosenta products contain significantly lower concentrations of active ingredients resulting in lower toxicity.

Biosenta disinfectants and cleaners will kill 99.9% of potentially deadly mold, fungi, bacteria and viruses on contact and prevent re-growth. Biosenta disinfectants are very safe due to the very low toxicity. Biosenta industrial compounds are embedded to protect various materials, including drywall, plastic and resins, from microbe formation.

These compounds remain active for decades and protect the drywall of buildings, objects such as resin furniture, and carpet rubber backing and synthetic tufts which contain plastic or resin, as well as textiles and paper from mold, fungi, bacteria and viruses. Both the Biosenta household and industrial products are environmentally safe and biodegradable.

**Disclaimer**

The CSE has in no way passed upon the contents of this news release and further, has neither approved nor disapproved of the contents of this news release. Neither the CSE nor its Regulation Services Provider (as such term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

**Forward-Looking Statements**

This press release contains forward-looking information within the meaning of applicable securities laws ("forward-looking statements"), including forward-looking statements relating to the completion of the Transaction. Such forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements or developments expressed or implied by such forward-looking statements. If any such risks actually occur, they could impact the potential for discussion, agreement or completion of the Transaction and/or materially adversely affect the Company's business, financial condition or results of operations. In that case, the trading price of the Company's common shares could decline, perhaps materially. Readers are cautioned not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. Forward-looking statements are provided for the purposes of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. The Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in the Company's expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law.

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