



FOR IMMEDIATE RELEASE

SUSTAINCO ANNOUNCES SECURED CONVERTIBLE DEBENTURE FINANCING

Toronto, Ontario, June 15, 2020 – SustainCo Inc. ("**SustainCo**" or the "**Company**", TSXV: SMS) is pleased to announce a non-brokered private placement of 2020 Series A secured convertible debentures of the Company (each, a "**Debenture**"), to raise up to \$2,000,000 (the "**Offering**"). Each \$1,000 principal amount of Debentures will be issued 10,000 common share purchase warrants (each, a "**Warrant**").

The principal amount of the Debentures will be repaid, in cash, by the Company on the third anniversary of issuance ("**Maturity**") and will carry an interest rate of 12% per year compounded monthly and payable at Maturity. Subject to receipt of shareholder and TSX Venture Exchange approval, the Debentures are convertible into common shares of the Company at \$0.05 per share prior to Maturity. Each Warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of \$0.10 for a period of 36 months from the date of issuance.

The Debentures will be secured by way of a general security agreement made in favour of a collateral agent acting as agent for all of the holders of the Debentures, granting a security interest in substantially all of the Company's assets. The Company will have the right to prepay any or part of the Debentures at any time prior to the Maturity Date by paying the principal amount of the Debentures.

The Debentures will be subject to a four month statutory hold period commencing on the date of their issuance.

The Company will use the net proceeds from the sale of the Debentures to repay outstanding debt, including to former insiders of the Company, and for general working capital purposes. The closing is anticipated to occur on or about June 30, 2020, and is subject to certain conditions, including receipt of the approval of the TSX Venture Exchange.

About SustainCo Inc.

SustainCo conducts its operations through its wholly-owned subsidiary, VCI Controls.

VCI Controls is a leading supplier of building technologies and services that improve comfort, safety, energy efficiency, and occupant productivity. It is an industry leader in the development of intelligent building technology, including the integration of all building systems utilizing the latest in communications technologies and standards. VCI Controls' business focuses on digital controls and mechanical services, performance monitoring, and energy efficiency solutions.

With headquarters in Toronto, SustainCo has offices across Canada including, Halifax, Montreal, Pembroke, Ottawa, and Vaughan.

Forward Looking Statements

Certain information provided in this press release constitutes forward-looking statements and information within the meaning of applicable securities laws. Forward-looking information typically contains statements with words such as "anticipate", "believe", "forecast", "expect", "plan", "intend", "estimate", "propose", "project", or similar words suggesting future outcomes. The Company cautions readers and prospective investors in the Company's securities not to place undue reliance on forward-looking information as, by its nature, it is based on current expectations regarding future events that involve a

number of assumptions, inherent risks and uncertainties, which could cause actual results to differ materially from those anticipated by the Company.

The forward-looking information included herein is expressly qualified in its entirety by this cautionary statement. The forward-looking information included herein is made as of the date hereof and the Company assumes no obligation to update or revise any forward-looking information to reflect new events or circumstances, except as required by law.

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 release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

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