

# PlantX

## **PlantX Enters into Share Exchange Agreement to Secure Additional Funding and Further Grow Its U.S. Operations**

*Engages Financial Advisor*

*Announces Close of First Tranche of Financing for \$1 Million*

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**VANCOUVER, BC / March 16, 2023 / PlantX Life Inc.**

(CSE:VEGA)(Frankfurt:WNT1)(OTCQB:PLTXF) ("PlantX" or the "Company"), the digital face of the plant-based community, operating a one-stop shop for plant-based products, today announced that it has entered into a share exchange agreement with a recently-formed company ("NewCo"), pursuant to which NewCo will acquire certain assets of PlantX (the "Transaction"). The Transaction and NewCo Financing (as defined herein) positions NewCo to become a significant player in the plant-based lifestyle market.



In exchange for 6.0 million common shares of NewCo, a recently formed Cayman Islands corporation, PlantX has agreed to exchange a collection of PlantX assets including wholly owned subsidiaries Vegaste Technologies US Corp., Little West LLC, Plant Based Deli LLC, and

PlantX Living Inc., and the Company's 53% interest in Portfolio Coffee, Inc. and 51% interest in Eh Coffee Corp. The Transaction does not include the Company's wholly owned subsidiaries Boombox Club Ltd., PlantX Midwest Inc., PlantX Israel and Score Enterprises Ltd., which operates the Squamish, British Columbia based Locavore Bar & Grill, and other related businesses including the Cloudburst Cafe and Locavore Food Truck. Immediately following the completion of the Transaction, it is expected that PlantX will own approximately 60% of the issued and outstanding shares of NewCo, subject to adjustment based on the NewCo Financing.

Completion of the Transaction is subject to customary closing conditions, including that NewCo will complete an offering and sale of equity securities of NewCo at a deemed valuation of US\$10 million for minimum gross proceeds of US\$1,500,000 (the "NewCo Financing"). The initial tranche of US\$1,000,000 has closed. The Transaction, which has been unanimously approved by the PlantX board of directors, is expected to close in or about the first quarter of 2023.

PlantX also announced today that NewCo has engaged a U.S.-based SEC registered broker-dealer and FINRA and SIPC member as its exclusive Financial Advisor to assist with corporate structuring, the identification of strategic partners, and assistance with capital raising transactions.

"The exchange of PlantX's unique plant-based stores and brands to NewCo is the right step to capitalize on the significant growth opportunities in the emerging plant-based market and to unlock significant unrealized value for PlantX's shareholders," said PlantX CEO, Lorne Rapkin. "PlantX shareholders will retain roughly 60% of an entity that is better capitalized, better positioned for growth and near-term profitability and more highly valued."

"NewCo has the potential to be a truly great platform for all-things plant-based," added PlantX founder Sean Dollinger. "Over the last couple of years PlantX has been fine tuning a collection of assets to serve the needs of the plant-based community and has already established the foundational pillars. With this transaction, we will be better positioned to invest in organic and inorganic growth opportunities. This includes pursuing aggressive M&A to build something incredible in the U.S."

As part of the formation of NewCo, Mr. Dollinger will become its Chief Executive Officer, and was issued 1.0 million common shares of NewCo as partial compensation for services to be provided (the "Dollinger Shares"). These Dollinger Shares are subject to forfeiture if Mr. Dollinger's employment relationship with NewCo is terminated prior to the vesting of date the Dollinger Shares. The Dollinger Shares vest monthly over a period of a year, commencing in [February 2023]. Mr. Dollinger has also entered into a voting rights agreement with PlantX providing PlantX the right to vote the Dollinger Shares for as long as Mr. Dollinger holds the shares.

### **About PlantX Life Inc.**

As the digital face of the plant-based community, PlantX's e-commerce platform is a one-stop shop for plant-based products. With its fast-growing category verticals, PlantX offers customers more than 5,000 plant-based products across North America. PlantX also operates its own brand

portfolio, including Little West Juices, Portfolio Coffee, Bloombox Club, and XMarket. PlantX uses its digital platform to build a community of like-minded consumers and, most importantly, to provide education and accessibility to the plant-based lifestyle. PlantX's digital presence eliminates entry barriers for anyone interested in living a vegan lifestyle and thriving in a longer, healthier, and happier life.

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**About NewCo**

NewCo is a Cayman Islands holding company focused on expanding access to plant-based food products by developing a global portfolio of businesses that offer high-quality plant-based products and bridging the gap between two multi-billion-dollar industries: e-commerce and plant-based foods. Through traditional retail and state-of-the-art websites, the NewCo platform intends to give plant-based products and brands a chance to test new markets by providing direct access to its dedicated vegan customer base. Moreover, the NewCo platform is also a marketing tool with a mission to help vegan and plant-based companies create awareness through social media, brand ambassadors, digital content, search engines, and email campaigns that attract visitors and facilitate purchases online.

**Forward-looking Information**

This press release contains "forward-looking information" within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking information. In some cases, forward-looking information can be identified by words or phrases such as "may," "will," "expect," "likely", "should," "would," "plan," "anticipate," "intend," "potential," "proposed," "estimate," "believe" or the negative of these terms, or other similar words, expressions and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. The forward-looking information contained herein includes, without limitation, statements regarding the Transaction, the NewCo Financing and the business and strategic plans of the Company.

By its nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct, and that objectives, strategic goals and priorities will not be achieved. A variety of factors, including known and unknown risks, many of which are beyond our control, could cause actual results to differ materially from the forward-looking information in this press release

including, without limitation: receiving sufficient demand for the Offering; the Company's ability to comply with all applicable governmental regulations including all applicable food safety laws and regulations; the Company's ability to complete the Transaction; the ability of NewCo to complete the NewCo Financing; impacts to the business and operations of the Company due to the COVID-19 epidemic; the conflict in eastern Europe; having a limited operating history; the ability of the Company to access capital to meet future financing needs; the Company's reliance on management and key personnel; competition; changes in consumer trends; foreign currency fluctuations; and general economic, market or business conditions.

Additional risk factors can also be found in the Company's continuous disclosure documents, which have been filed on SEDAR and can be accessed at [www.sedar.com](http://www.sedar.com). Readers are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information. The forward-looking information contained herein is made as of the date of this press release and is based on the beliefs, estimates, expectations and opinions of management on the date such forward-looking information is made. The Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.

**SOURCE:** PlantX Life Inc.