



Up to \$3,250,000 Private Placement Offering of Convertible Debentures

KINGSVILLE, ON, Oct. 20, 2023 /CNW/ - Greenway Greenhouse Cannabis Corporation (CSE: GWAY) (OTC: GWAYF) ("**Greenway**" or the "**Company**"), a cultivator of high-quality greenhouse cannabis for the Canadian market, is pleased to announce a proposed non-brokered private placement (the "**Offering**") of up to \$3,250,000 of 13% secured convertible debentures (the "**Debentures**"), subject to an over-allotment option. All dollar amounts referenced in this release are in Canadian dollars.

The Debentures will mature on the date that is five years from the initial closing date (the "**Maturity Date**") and the principal amount of each Debenture will be convertible into common shares of the Company (each, a "**Common Share**") at the option of the holder at any time prior to the close of business on the last business day immediately preceding the Maturity Date, at a conversion price of \$0.20 per Common Share, subject to adjustment upon certain customary events.

"Greenway is pleased to announce this private placement," said Jamie D'Alimonte, CEO of Greenway. "which will enable the Company to fulfill the increasing demand of high-quality cannabis to our partners, and it will help jumpstart our plans to go to market with branded consumer products."

"I want to thank the existing and new investors who have shown trust and faith in the Greenway team to continue to deliver on our business plan, despite the headwinds in this sector. We will continue our strategy of a profitable and responsible public company in the Canadian cannabis market." said Darren Peddle, CFO of Greenway. "We truly value the continued support we have received from all shareholders."

Semi-annual interest payments will be comprised of a cash payment at a rate of 10% per annum and a payment-in-kind at a rate of 3% per annum, which shall be fulfilled by delivering Common Shares at an issuance price per Common Share equal to the five-day volume-weighted average price of the Common Shares on the Canadian Securities Exchange ("**CSE**") immediately preceding the date which is two trading days prior to the date that the interest payment is due, subject to such deemed issuance price being no less than the maximum allowable discount permitted by the CSE.

The Company may accelerate the Maturity Date at any time following three years from the initial closing date by providing 30 days written notice to holders. If such a right is exercised between 36 and 48 months from the initial closing date, holders shall receive a bonus equal to 5% of the principal amount of Debentures held and if exercised between 48 months and 60 months, holders shall receive a bonus equal to 3% of the principal amount of Debentures held.

The Company has engaged Abingdon Capital Corporation (the "**Advisor**") as an advisor to assist with the Offering. The Company and the Advisor have agreed to that the Offering can be increased by up to \$750,000. The Company will pay the Advisor a cash fee equal to 7% of the aggregate proceeds raised from the Offering and will issue such number of broker warrants as is equal to 7% of the number of Common Shares issuable on conversion of the Debentures (the "**Broker Warrants**"). Each Broker Warrant will be exercisable into one Common Share at an exercise price of \$0.20 for a period of three years following the initial closing date. The Company has also agreed

to pay all participants in the Offering a one-time arrangement fee equal to 2% of the principal amount of the participant's Debentures.

The net proceeds from the Offering will be used to make final payments of the outstanding expenses related to the recently completed facility expansion. Any remaining proceeds will be used for general corporate expenses and working capital requirements.

The Offering is anticipated to close on or about October 27, 2023, or such later date as the Company may determine. The closing is subject to certain conditions including, but not limited to, the approval of the CSE.

All securities issued in connection with the Offering will be subject to a statutory hold period of four months and one day from the closing date in accordance with applicable securities legislation.

The securities to be offered pursuant to the Offering have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

[About Greenway](#)

Greenway Greenhouse Cannabis Corporation is a federally licensed cultivator for the Canadian cannabis marketplace. Greenway is headquartered in Kingsville, Ontario, and leverages its agriculture and cannabis expertise in its aspiration to be a leading cannabis cultivator in Canada. More information can be found on [Greenway.ca](https://www.greenway.ca) and updates can be followed on [Instagram](#), [Twitter](#), [Facebook](#), and [LinkedIn](#).

The CSE has in no way passed upon the merits of the business of the Company and has neither approved nor disapproved the contents of this news release and accepts no responsibility for the adequacy or accuracy hereof.

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements that constitute forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian securities legislation. All statements in this news release that are not purely historical statements of fact are forward-looking statements, including statements regarding the successful closing of the Offering, the anticipated closing date of the Offering, and the anticipated use of proceeds. Although the Company believes that such statements are reasonable and reflect expectations of future developments and other factors which management believes to be reasonable and relevant, the Company can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: "believes", "expects", "aim", "anticipates", "intends", "estimates", "plans", "may", "should", "would", "will", "potential", "scheduled" or variations of such words and phrases and similar expressions, which, by their nature, refer to future events or results that may, could, would, might or will occur or be taken or achieved.

Forward-looking statements involve known and unknown risks, assumptions, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements, and includes those risks described in the Company's annual management's discussion and analysis for the year ended March 31, 2023 and the Company's final

prospectus dated September 3, 2021, both of which are available under the Company's profile at www.sedarplus.ca. Forward-looking statements are made as of the date of this news release and, unless required by applicable law, the Company assumes no obligation to update the forward-looking statements or to update the reasons why actual results could differ from those projected in these forward-looking statements.

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