

# Agrios Announces Closing of First Tranche of Upsized Convertible Credit Facility

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VANCOUVER, Sept. 9, 2019 /CNW/ - Agrios Global Holdings Ltd. (CSE: AGRO) (OTCQB: AGGHF) (FSE: ØSA - WKN-A2N62K) ("**Agrios**" or the "**Company**") announces that it has increased the size of its previously announced unsecured convertible credit facility (the "**Facility**") from C\$8,113,000 (US\$6,100,000) to C\$8,571,500 (US\$6,444,737). In addition, the Company has closed the first tranche of the Facility for a total of C\$1,256,500. As consideration to the lenders for making the Facility available, the Company issued to the lenders an aggregate of 679,190 common shares of the Company (the "**Bonus Shares**"). The Bonus Shares are subject to transfer restrictions for one year from the date of issuance.

The Company has provided notice to the lenders of its first drawdown of C\$1,256,500 (the "**First Drawdown**"). The Company intends to use the net proceeds from drawdowns from the Facility to fund the future capital needs of the business and general working capital. Upon receipt of the funds from the First Drawdown, the Company will issue to the lenders an aggregate principal amount of C\$1,256,500 convertible debentures (the "**Notes**").

All Notes shall have a maturity date of 36 months from the date of the advance (the "**Maturity Date**"), and shall bear interest at a rate equal to 18% per annum, payable in cash or common shares of the Company (the "**Shares**"), at the discretion of the Company, on the last business day of each calendar year. The principal and any accrued interest on the Notes are convertible at the option of the holder into Shares at a price of C\$0.37 per Share (the "**Conversion Price**").

The Notes will be subject to early redemption, either in whole or part, by the Company at any time following the date of issuance, a price equal to the outstanding principal amount of the Notes plus all accrued and unpaid interest as at and including the redemption date. The Company may force the conversion of all of the then outstanding Notes, including accrued and unpaid interest at the Conversion Price if the volume weighted average closing price of the Common Shares is C\$0.74 for any 10 consecutive trading day period.

## Management Changes

The Company also announces that it has accepted the resignation of Savio Chiu from the Company's board of directors effective September 9, 2019, and Andrew Lange, Chief Technology Officer, was appointed as a director of the Company. The Company would like to thank Mr. Chiu for his contributions to the Company and welcomes Mr. Lange to the board. The Company is also pleased to announce that Larry Ellison, a director of the Company, has been appointed Chief Administrative Operating Officer and James Foster, a director of the Company, has been appointed as Executive Chairman.

## Option Grants

The Company has granted incentive stock options (the "**Options**") to purchase up to 1,000,000 common shares of the Company to directors, officers and a consultant of the Company. The Options are subject to the terms of the Company's stock option plan and are exercisable for a period of five years at C\$0.36 per share.

## About Agrios Global Holdings Ltd.

Agrios Global Holdings is a data analytics driven agriculture technology and services company

advancing the latest innovations in indoor growing science. The Company owns, leases and manages properties and equipment for eco-sustainable agronomy and provides advisory services to support all aspects of aeroponic cultivation in the cannabis sector. Agrios is actively pursuing new opportunities to expand its portfolio of tenant growers and infrastructure assets in strategic licensed jurisdictions. Based in Vancouver, BC. Agrios is managed by a highly accomplished team of experienced industry and capital markets experts who are committed to the growth of the company.

This news release was prepared by management of Agrios, which takes full responsibility for its contents. The Canadian Securities Exchange ("**CSE**") has not reviewed and does not accept responsibility for the adequacy of this news release.

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

### **Forward Looking Statements**

Statements in this news release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed here and elsewhere in Agrios' periodic filings with Canadian securities regulators. When used in this news release, words such as "will, could, plan, estimate, expect, intend, may, potential, believe, should," and similar expressions, are forward-looking statements.

Forward-looking statements may include, without limitation, statements related to the Offering.

Although Agrios has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking statements, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended, including, but not limited to: dependence on obtaining regulatory approvals; investing in target companies or projects which have limited or no operating history and are engaged in activities currently considered illegal under US Federal laws; change in laws; limited operating history; reliance on management; requirements for additional financing; competition; hindering market growth and state adoption due to inconsistent public opinion and perception of the medical-use and adult-use marijuana industry and; regulatory or political change.

There can be no assurance that such information will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. Because of these risks and uncertainties, the results or events predicted in these forward-looking statements may differ materially from actual results or events.

Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release are made as of the date of this release. Agrios disclaims any intention or obligation to update or revise such information, except as required by applicable law, and Agrios does not assume any liability for disclosure relating to any other company mentioned herein.

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