

## BRAINGRID LIMITED ANNOUNCES DEBT SETTLEMENT AGREEMENT WITH EUROPEAN HIGH GROWTH OPPORTUNITIES SECURITIZATION FUND

**TORONTO, ONTARIO** – April 9, 2020 – **Braingrid Limited (CSE: BGRD)** (“**Braingrid**” or the “**Company**”), and European High Growth Opportunities Securitization Fund (“**EHGOSF**”) have entered into a shares for debt settlement agreement (the “**Agreement**”), pursuant to which EHGOSF has agreed, subject to the Canadian Securities Exchange (“**CSE**”) approval, to accept 78,300,000 common shares of the Company (the “**Shares**”), at a deemed issued price of \$0.01 per Share, in full settlement of \$783,000 of indebtedness owing to EHGOSF by the Company (the “**Transaction**”).

Prior to entering into the Agreement, EHGOSF beneficially owned and controlled 14,875,000 warrants convertible into Shares (the “**Warrants**”), representing, on a partially diluted basis, approximately 19.72% of the Shares then issued and outstanding. Upon closing the Transaction, EHGOSF will beneficially own and control an aggregate of 78,300,000 Shares and 14,875,000 Warrants, representing, on a partially diluted basis, approximately 60.62% of the outstanding Shares.

As EHGOSF is an “insider” of the Company, the Transaction is a “related party transaction” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Company is exempt from the formal valuation requirements of MI 61-101 pursuant to Subsection 5.5(b) of MI 61-101, as no securities of the Company are listed on a specified market for purposes of MI 61-101. The Company is exempt from the minority shareholder approval requirements of MI 61-101 pursuant to Subsection 5.7(1)(b) of MI 61-101 as neither the fair market value of the securities to be distributed in the Transaction nor the consideration to be received for those securities, exceeds \$2,500,000, the Company has one or more independent directors in respect of the Transaction who are not employees of the Company and at least two-thirds of the independent directors approve the Transaction.

Also in connection with the Transaction, Andrew Parks and Ron McKenna are appointed to the Company’s board of directors to fill the vacancies left by the earlier departures of David Posner and Sanford Liu. Mr. Parks is currently the CEO and a director of Fountain Asset Corp, a TSXV-listed merchant bank. He is also a director of The BRN Group, which provides total brand management services and expertise to the global cannabis industry. Prior to joining Fountain Asset Corp., Mr. Parks was a partner and registered portfolio manager at a successful Toronto based asset manager. Mr. Parks is a Chartered Financial Analyst and holds an Honours Bachelor of Business Administration from Wilfrid Laurier University. Mr. McKenna is a barrister & solicitor who provides general corporate/commercial law advice to clients and has extensive expertise advising start-ups and growth-stage companies in negotiating and implementing commercial transactions including corporate finance structures, shareholder arrangements, acquisitions, dispositions, mergers, and reorganizations.

A material change report in respect of the Transaction will be filed less than 21 days before closing of the Transaction as the closing date was not settled until shortly prior to closing and the Company wished to complete the Transaction in an expeditious manner for sound business reasons.

The Company requested, and was granted by the CSE, relief from the minimum price requirement, and the Transaction was completed at the 20 day volume-weighted-average-price.

All securities issued under the Transaction are subject to a four month and one-day restricted resale period expiring on August 9, 2020 in accordance with the policies of the CSE and applicable securities laws.

National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* requires a report to be filed with regulatory authorities in which the Company is a reporting issuer containing information with respect to the foregoing matters (the “**Early Warning Report**”). A copy of the Early Warning Report will appear at [www.sedar.com](http://www.sedar.com) under the Company’s profile.

The Shares were acquired by EHGOSF for investment purposes. Depending on market and other conditions, EHGOSF may, directly or indirectly, acquire ownership or control over additional securities of the Company, through open market or through private acquisitions or sell securities of the Company either on the open market or through private dispositions in the future depending on market conditions and/or other relevant factors.

The address of EHGOSF is:

European High Growth Opportunities Securitization Fund  
25 Hanover Square, 2nd and 6th Floor  
London W1S 1JF  
United Kingdom

**About Braingrid:**

Braingrid is a global technology company committed to the best interests of the precision agriculture industry for the long term. We provide valuable grow analytics by capturing real-time data using our technology platform to increase revenues, reduce costs, risks and improve yield - making it easier for the grower to operate efficiently and effectively. The Company is listed on the CSE under the symbol BGRD.

**The Canadian Securities Exchange has not reviewed, approved or disapproved the content of this news release.**

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