



## **Braingrid Secures Up to \$5.1 Million Financing**

Toronto, Ontario – June 11, 2019 — **Braingrid Limited ("Braingrid" or the "Company") (CSE:BGRD)**, a global provider of cultivation analytics using its affordable, scalable and easy-to-deploy sensor platforms for precision agriculture, is pleased to announce that it has entered into an agreement dated June 11, 2019 (the "Agreement") to obtain funds to support its capital projects and general working capital. The Agreement is with European High Growth Opportunities Securitization Fund (the "Fund"), an investment fund advised by Alpha Blue Ocean Inc. ("Alpha Blue") a money manager based in London, United Kingdom with a strong track record of partnering with public companies and delivering meaningful value to their shareholders.

Pursuant to the Agreement the Fund has agreed to subscribe for up to \$5,100,000 aggregate principal amount of senior unsecured convertible debentures in up to 18 separate closings over a period of three years. The debentures will be issued along with a number of accompanying warrants to be determined based on the market price of the Company's common shares ("Common Shares") at the date of the applicable closing. The warrants will be exercisable for Common Shares at prices to be determined at each closing under the Agreement. To the extent that the exercise price of the warrants or the conversion price of the debentures is required to be increased from that set forth in the Agreement, the Company will make a payment to the Fund in cash or common shares in respect of any such debentures or warrants that are converted or exercised, as applicable. The first closing for \$850,000 principal amount of debentures (the "First Closing") is anticipated to close shortly and the additional closings, if completed, will take place over the coming months. Details of the conversion price and number of warrants issued pursuant to the First Closing will be disclosed in a subsequent press release. The subscription price for each debenture under the facilities is 90% of its face amount.

The debentures to be issued under each closing will be non-interest bearing, have a maturity date of twelve months from issuance and, subject to regulatory compliance, will be automatically converted into such number of common shares in the capital of the Company as is equal to the aggregate principal amount of the debentures being converted divided by the applicable conversion price (to be determined based on the market price of the Company's common shares from time to time), immediately following the earlier of: (i) two trading days after the delivery by the holder of a conversion notice, or (ii) the applicable maturity date of the debentures. The debentures may also be reimbursed in cash prior to the maturity (i) upon certain events of default and (ii) subject to a 20% premium at the option of Braingrid, and, at maturity at the election of Braingrid.

The Company will pay Alpha Blue a commitment fee of \$204,000, representing 4% of the full aggregate principal amount of the debentures on the first closing, and will reimburse Alpha Blue for its expenses in connection with the offering.

Pierre Vannineuse, CEO Alpha Blue, stated:

“We are excited to establish this partnership with Braingrid, an innovative technology company who has taken advantage of the fast growing cannabis industry. Alpha Blue is proud to provide the financial support to help Braingrid in its trajectory of becoming an important player in providing powerful technologies that will help cannabis growers operate more efficiently and effectively.”

Michael Kadonoff, CEO of Braingrid stated:

“This three year financing with Alpha Blue assures Braingrid will be able to execute on its growth strategy knowing the funds will be available when required. There are also numerous companies in all segments of the market which are available for integrations that will augment revenue growth.”

Further information regarding the financing can be found in the subscription agreement posted on SEDAR.

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**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's Common Shares are listed on the CSE under the symbol BGRD.

**FORWARD-LOOKING INFORMATION**

This news release includes forward-looking information and statements, which may include, but are not limited to, information and statements regarding or inferring the future business, operations, financial performance, prospects, and other plans, intentions, expectations, estimates, and beliefs of Braingrid. Information and statements which are not purely historical fact are forward-looking statements. Forward-looking information and statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors which may cause actual events, results, performance, or achievements of Braingrid to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking information and statements herein. Forward looking statements in this press release include statements regarding the potential draw down of the facility in one or more closings, the terms of the debentures and warrants that will be dependent on future trading prices and the use of the proceeds from the financing. Although Braingrid believes that any forward-looking information and statements herein are reasonable, in light of the use of assumptions and the significant risks and uncertainties inherent in such information and statements, there can be no assurance that any such forward-looking information and statements will prove to be accurate, and accordingly readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance upon such forward-looking information and statements. Any forward-looking information and statements herein are made as of the date hereof, and except as required by applicable laws, Braingrid assumes no obligation and disclaims any intention to update or revise any forward-looking information and statements herein or to update the reasons that actual events or results could or do differ from those projected in any forward-looking information and statements herein, whether as a result of new information, future events or results, or otherwise, except as required by applicable laws.

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