



**Pender Growth Fund Inc.**

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## **NEWS RELEASE**

**FOR IMMEDIATE RELEASE**

**February 26, 2020**

### **Pender Growth Fund Announces Closing of First Tranche of Investment in GreenSpace Brands**

**VANCOUVER, B.C.** Pender Growth Fund Inc. (TSX-V: PTF) and PenderFund Capital Management Ltd. (collectively "**Pender**"), announce today that, further to its news release dated February 19, 2020, Pender has completed the first tranche of investment, by way of private placement, in GreenSpace Brands Inc. (the "**Company**") (TSX-V: JTR) pursuant to the terms of an investment agreement, as amended, entered into between Pender and the Company (the "**Amended Investment Agreement**").

Pursuant to the terms of the Amended Investment Agreement, Pender Growth Fund Inc. and other funds managed by PenderFund Capital Management Ltd. purchased, by way of private placement, 19,018,942 common shares of the Company (the "**Shares**") at a price of \$0.065 per Share for aggregate gross proceeds of \$1.2 million (the "**First Tranche**"). Upon closing of the First Tranche, Pender holds approximately 19.0% equity stake in the Company. Of that amount, Pender Growth Fund Inc. invested \$0.8 million representing approximately 9.1% equity stake in the Company.

In connection with the closing of the First Tranche, the Company's board of directors (the "**GreenSpace Board**") has been reconstituted and three members of the GreenSpace Board resigned effective upon closing of the First Tranche and two appointees designated by Pender, being Paul Henderson and Tracy Tidy, have been appointed to the GreenSpace Board. In addition, Paul Henderson has been appointed as Executive Chairman of the Company. Mr. Henderson brings over 30 years of experience in the food industry, including serving as CEO of Golden Boy Foods until 2015. Tracy Tidy is a member of the investment team at PenderFund Capital Management Ltd.

Subject to receipt of approval of the TSX Venture Exchange ("**TSX-V**") and the approval of the Company's disinterested shareholders, it is expected that Pender Growth Fund Inc. and other funds managed by PenderFund Capital Management Ltd. will purchase, by way of private placement, up to an additional 37.7 million Shares at a price of \$0.065 per Share for additional gross proceeds of up to \$2.5 million (the "**Second Tranche**"). Pender Growth Fund Inc. expects to invest up to an additional \$1.8 million in the Second Tranche. Upon completion of the Second Tranche, the GreenSpace Board will be further constituted and will be comprised of five directors, three of whom (including Henderson and Tidy) will be appointees of Pender. If requisite shareholder approval is obtained, Pender's aggregate investment in the Company and the appointment of the Pender nominees to the GreenSpace Board will constitute a Change of Control of the Company under applicable rules and policies of the TSX-V.

The Shares issued under the First Tranche are subject to a four-month hold period expiring on June 25, 2020. For additional details regarding the transaction, please see the Company's press release and Pender Growth Fund Inc.'s press release, each dated February 19, 2020 and available on the SEDAR website at [www.sedar.com](http://www.sedar.com).

### **About Pender Growth Fund Inc.**

Pender Growth Fund Inc. is an investment company with the objective of achieving long-term capital appreciation for its investors. The company utilizes its small capital base and long-term horizon to invest

in unique situations; primarily small cap, special situations, and illiquid public and private companies. The company trades on the TSX Venture Exchange under the symbol “PTF”.

Please visit [www.pendergrowthfund.com](http://www.pendergrowthfund.com).

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*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

### **Forward-Looking Information**

This news release may contain forward-looking statements (within the meaning of applicable securities laws) relating to Pender Growth Fund Inc.'s proposed investment in GreenSpace Brands Inc. Forward-looking statements are identified by words such as “believe”, “anticipate”, “project”, “expect”, “intend”, “plan”, “will”, “may”, “estimate” and other similar expressions. These statements are based on the company's expectations relating to, and conditions to the completion of, its proposed investment in GreenSpace Brands Inc. The forward-looking statements in this news release are based on certain assumptions; they are not guarantees and involve risks and uncertainties that are difficult to control or predict. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the transaction not being approved by the TSX Venture Exchange or the GreenSpace Brands Inc. shareholders. There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this news release and, except as expressly required by applicable law, the company assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.