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MPX INTERNATIONAL ANNOUNCES SHORT TERM BRIDGE LOAN FINANCING OF UP TO APPROXIMATELY C\$3,750,000, CHANGES TO THE BOARD AND A STOCK OPTION GRANT

TORONTO, ONTARIO, April 16, 2021 – **MPX International Corporation** (“**MPX International**”, “**MPXI**” or the “**Corporation**”) (CSE:MPXI; OTC:MPXOF), a multinational diversified cannabis company, is pleased to announce that it has arranged for short-term loan financing (the “**Bridge Loan**”) of up to approximately C\$3,750,000 (US\$3,000,000) from a group of current investors. The loan funds will be drawn down in several tranches with the initial tranche of C\$1,312,500 (US\$1,050,000) being drawn down immediately.

The Corporation will use the proceeds from the loan to fund product and facility development and for general corporate and working capital purposes.

The Bridge Loan will mature 3 months from the date of issuance (the “**Maturity Date**”) and bear interest at a rate of 12% per annum calculated in arrears and payable in cash on the earlier of the Maturity Date or concurrently with the conversion of the Bridge Loan into the non-brokered private placement offering of units (the “**Units**”) whereby the Corporation raised C\$10,200,000 (US\$7,500,000) between June 30, 2020 and February 11, 2021 (the “**Offering**”) pursuant to the debenture indenture dated June 30, 2020 entered into between the Corporation and AST Trust Company (Canada) (the “**Debenture Trustee**”) as amended by the supplemental debenture indenture dated September 16, 2020 and the second supplemental debenture indenture dated December 18, 2020 (as amended, supplemented or otherwise modified from time to time) providing for the issuance of 12% secured convertible debentures of the Corporation (each, an “**SCD**”) in the aggregate principal amount of up to C\$10,200,000 (US\$7,500,000) (the “**Debenture Indenture**”) the warrant indenture dated June 30, 2020 entered into between the Corporation and AST Trust Company (Canada) (the “**Warrant Agent**”) as amended by the supplemental warrant indenture dated September 16, 2020 and the second supplemental warrant indenture (the “**Warrant Indenture**”) dated December 18, 2020 (as amended, supplemented or otherwise modified from time to time) providing for the issuance of up to 52,500,000 common share purchase warrants (each, an “**SCD Warrant**”).

Upon the entering into of both the 3rd supplementary debenture indenture to the Debenture Indenture and the 3rd supplementary warrant indenture to the Warrant Indenture, the principal amount of the Bridge Loan shall automatically convert in the Offering at a conversion premium equal to ten percent (10%) of their principal amount.

Each Unit of the Offering will be issued on the same terms as those previously announced, subject to certain amendments to the Debenture Indenture and Warrant Indenture to be proposed to Debentureholders, at a price of C\$1,360 (US\$1,000) per Unit with each Unit consists of one SCD in the principal amount of C\$1,360 (US\$1,000) (the “**Principal Amount**”) and 7,000 SCD Warrants.

The Corporation shall pay a non-refundable cash origination fee in the aggregate amount of C\$75,000 (US\$60,000) to certain Bridge Loan lenders advancing funds in the initial tranches of the Bridge Loan at the time of such advance.

The Corporation shall also issue an aggregate of 9,000,000 common share purchase warrants (the “**Bonus Warrants**”) to certain Bridge Loan lenders advancing funds in the initial tranches of the Bridge Loan. Each Bonus Warrant shall be exercisable for a period of sixty (60) months from the date of issuance and enable the holder thereof to purchase one common share in the capital of the Corporation (a “**Common Share**”) at an exercise price equal to C\$0.20 as well as the opportunity to acquire part of the Corporation’s interest in one or more potential future transactions.

Each of the following events constitutes an event of default: (a) the Corporation fails to pay when due, after any applicable grace periods, any outstanding principal amount hereunder or any accrued and unpaid interest on such principal amount; (b) the Corporation shall not have complied with its covenants; and (c) if any representation or warranty made by the Corporation pursuant to which the loan was issued was false or inaccurate in any material respect when made.

No finder fees have been paid in connection with the Bridge Loan.

Insider Participation

The Bridge Loan can be considered a Related Party Transaction for certain regulatory purposes. The participation by certain insiders in the Bridge Loan is summarized as follows:

Name	Relationship to the Corporation	Interest in the Bridge Loan	Common Shares directly or indirectly, beneficially owned or control	Percentage of Common Shares of MPXI
W. Scott Boyes	Chairman, President, CEO and a Director	C\$62,500 ⁽¹⁾	4,655,350	3.25%
Alastair Crawford	Director	<u>C\$500,000⁽²⁾</u>	<u>8,147,312</u>	<u>5.68%</u>
TOTALS		C\$562,500	12,802,662	8.93%

Notes:

- (1) Mr. Boyes is lending funds to the Issuer and receiving a cash origination fee of C\$1,820.39 (US\$1,4561.31), 218,447 Bonus Warrants entitling Mr. Boyes to purchase a Common Share at a price of C\$0.20 per Common Share for a period of 5 years from the date of issuance as well as the opportunity to acquire part of the Issuer’s interest in one or more potential future transactions. The loan will be convertible into the Offering as set out above. Mr. Boyes has a right to participate in a future tranche of the Bridge Loan up to his pro rata portion of the initial tranches of the Bridge Loan.
- (2) Mr. Crawford is lending funds to the Issuer and receiving a cash origination fee of C\$11,563.11 (US\$11,650.49), 1,747,573 Bonus Warrants entitling Mr. Crawford to purchase a Common Share at a price of C\$0.20 per Common Share for a period of 5 years from the date of issuance as well as the opportunity to acquire part of the Issuer’s interest in one or more potential future transactions. The loan will be convertible into the Offering as set out above. Mr. Crawford has a right to participate in a future tranche of the Bridge Loan up to his pro rata portion of the initial tranches of the Bridge Loan.

It is important to note that the Bridge Loan is exempt from valuation and minority approval requirements which might otherwise result from the participation by insiders due to: (1) the Corporation, as a CSE issuer, not being listed on a designated market; and (2) the fair market value of the Bridge Loan, insofar as the Bridge Loan involves such interested parties, is less than C\$2,500,000.

To the knowledge of the Corporation, after reasonable inquiry, none of the related parties have knowledge of any material information concerning the Corporation or its securities that has not been generally disclosed.

The sole independent director to the transactions (the “**Special Committee**”) reviewed the Bridge Loan and determined that as a CSE issuer MPXI is not listed on a specified market and the fair market value of the Bridge Loan, in so far as it involves related parties, is not more than \$2,500,000. The Special Committee unanimously recommended that the board of directors of the Corporation (the “**Board**”) approve the Bridge Loan. Accordingly, the Bridge Loan is exempt from minority shareholder approval and formal valuation requirements of MI 61-101.

The Bridge Loan is closing in less than 21 days due to the limited number of investors to the Bridge Loan, all investment agreements being properly completed and received, and all loan proceeds having been forwarded, which shorter period is reasonable in the circumstances. MI 61-101 requires if a material change report is filed less than 21 days before the expected date of the closing of the transaction, an explanation is to be provided why the shorter period is reasonable or necessary in the circumstances.

Board Changes

The Corporation also announces the resignation of Randall G. Stafford from the Board effective immediately to focus his efforts on other professional opportunities and will be replaced by Jeremy Blumer, Chief Financial Officer of the Corporation.

The Board extends its sincerest gratitude to Randy for his service and contributions to the Corporation and wish him well.

Stock Option Grant

The Corporation also announces that a total of 10,550,000 stock options to purchase Common Shares at a price of \$0.20 per Common Share were granted to officers, directors, employees and consultants of the Corporation and its subsidiaries at an exercise price of C\$0.20 per Common Share and expiring on April 16, 2026.

Under the Corporation’s stock option plan (the “**Plan**”), 9.58% of the issued and outstanding Common Shares or 13,739,680 Common Shares are reserved for issuance, including the above grant, and the Corporation may grant an additional 599,285 options under the Plan representing 0.42% of the issued and outstanding Common Shares.

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

About MPX International Corporation

MPX International Corporation is a multinational diversified cannabis company focused on developing and operating assets across the international cannabis industry with an emphasis on cultivating, manufacturing and marketing products which include cannabinoids as their primary active ingredient. With current operations spanning four continents in Canada, Switzerland, South Africa, Malta and Australia as well as evolving partnership and distribution opportunities in other jurisdictions, MPXI continues to position itself as an emergent global participant in the cannabis industry.

Cautionary Statement Regarding Forward-Looking Information

This news release includes certain “forward-looking statements” under applicable Canadian securities legislation that are not historical facts. Forward-looking statements involve risks, uncertainties, and other factors that could cause actual results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements in this news release include, but are not limited to, MPX International’s objectives and intentions. Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic and social uncertainties; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; delay or failure to receive board, shareholder or regulatory approvals; the Corporation’s ability to effectively deal with the restrictions, limitations and health issues presented by the COVID-19 pandemic; future cannabis pricing; cannabis cultivation yields; costs of inputs; its ability to market products successfully to its anticipated clients; reliance on key personnel and contracted relationships with third parties; the regulatory environment in Australia, Canada, Malta, South Africa, Switzerland and other international jurisdictions; the ability to complete any future potential transactions and the terms and conditions thereof; the application of federal, state, provincial, county and municipal laws; and the impact of increasing competition; those additional risks set out in MPX International’s public documents filed on SEDAR at www.sedar.com, including its audited annual consolidated financial statements for the financial years ended September 30, 2020 and 2019, and the corresponding management’s discussion and analysis; and other matters discussed in this news release. Although MPX International believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Except where required by law, MPX International disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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