



## **Village Farms International Announces Expansion of Pure Sunfarms' Credit Facility with Existing Lender by up to \$59 Million**

March 31, 2020 12:00 PM EDT

***– Expanded Facility Provides Additional Financial Resources and Flexibility as Pure Sunfarms Continues to Build on its Success to Date as a Leading Canadian Cannabis Producer and Brand –***

VANCOUVER, March 31, 2020 /CNW/ - Village Farms International, Inc. ("Village Farms" or the "Company") (TSX: VFF; NASDAQ: VFF) today announced its majority-owned joint venture for large-scale, low-cost, high-quality cannabis production, Pure Sunfarms, has expanded its credit facility with its existing lender to \$59 million, including accordion provisions of \$22.5 million. The expanded credit facility (the "Credit Facility") consists of a \$7.5 million revolving operating loan (the "Revolver") and a \$10 million term loan (the "New Term Loan"), in addition to its existing \$19 million term loan (the "Existing Term Loan"). The New Term Loan is specifically designated for the 1.1 million square foot Delta 2 greenhouse while the Existing Term Loan is specifically designated for the 1.1 million square foot Delta 3 greenhouse facility. (All figures are in Canadian dollars.)

The \$7.5 million Revolver and the \$10 million New Term Loan include an accordion provision that allows Pure Sunfarms to request additional lender commitments of up to an additional \$7.5 million and \$15 million, respectively, subject to an additional lender entering the syndicate on or before May 30, 2020. Each of the components of the Credit Facility, including the Existing Term Loan, mature on February 7, 2022.

The finalization of the Credit Facility is subject to Pure Sunfarms satisfying certain pre-conditions, including an additional capital contribution by Village Farms of \$8 million to Pure Sunfarms (the "Additional Capital Contribution"), which is expected to be completed this week. Upon completion of the Additional Capital Contribution, Village Farms will have further increased its majority ownership of Pure Sunfarms to 58.7%.

"This significantly expanded credit facility provides Pure Sunfarms with financial resources and flexibility as it continues to build on its success to date as a leading Canadian cannabis producer and brand," said Michael DeGiglio, CEO, Village Farms. "This financing is yet another expression of confidence in the strength and potential of the Pure Sunfarms business and we appreciate the continuing support of Pure Sunfarms existing lender."

### **About Village Farms International, Inc.**

Village Farms is one of the largest and longest-operating vertically integrated greenhouse growers in North America and the only publicly traded greenhouse produce company in Canada. Village Farms produces and distributes fresh, premium-quality produce with consistency 365 days a year to national grocers in the U.S. and Canada from more than nine million square feet of Controlled Environment Agriculture (CEA) greenhouses in British Columbia and Texas, as well as from its partner greenhouses in British Columbia, Ontario and Mexico. The Company is now leveraging its 30 years of experience as a vertically integrated grower for the rapidly emerging global cannabis opportunity through its majority ownership of British Columbia-based Pure Sunfarms Corp., one of the single largest cannabis growing operations in the world. The Company also intends to pursue opportunities to become a vertically integrated leader in the U.S. hemp-derived CBD market, subject to compliance with all applicable U.S. federal and state laws. Village Farms has established two joint ventures, Village Fields Hemp and Arkansas Valley Green and Gold Hemp, for outdoor hemp cultivation and CBD extraction and is pursuing controlled environment hemp production at a portion of its Texas greenhouse operations, which total 5.7 million square feet of production area.

### **Cautionary Language**

Certain statements contained in this press release constitute forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Forward-looking statements may relate to the Company's future outlook or financial position and anticipated events or results and may include statements regarding the financial position, business strategy, budgets, litigation, projected production, projected costs, capital expenditures, financial results, taxes, plans and objectives of or involving the Company. Particularly, statements regarding future results, performance, achievements, prospects or opportunities for the Company, Pure Sunfarms, the greenhouse vegetable industry or the cannabis and hemp industries are forward-looking statements. In some cases, forward-looking information can be identified by such terms as "outlook", "may", "might", "will", "could", "should", "would", "occur", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue", "likely", "schedule", "objectives", or the negative or grammatical variation thereof or other similar expressions concerning matters that are not historical facts.

Although the forward-looking statements contained in this press release are based upon assumptions that management believes are reasonable based on information currently available to management, there can be no assurance that actual results will be consistent with these forward-looking statements. Forward-looking statements necessarily involve known and unknown risks and uncertainties, many of which are beyond the Company's control, that may cause the Company's or the industry's actual results, performance, achievements, prospects and opportunities in future periods to differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things, the factors contained in the Company's filings with U.S. and Canadian securities regulators, including as detailed in the Company's annual information form and management's discussion and analysis for the year-ended December 31, 2018.

When relying on forward-looking statements to make decisions, the Company cautions readers not to place undue reliance on these statements, as forward-looking statements involve significant risks and uncertainties and should not be read as guarantees of future results, performance, achievements, prospects and opportunities. The forward-looking statements made in this press release only relate to events or information as of the date on which the statements are made in this press release. Except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

SOURCE Village Farms International, Inc.

For further information: Lawrence Chamberlain, Investor Relations, (416) 519-4196,  
lawrence.chamberlain@loderockadvisors.com

