

PLEASE READ THIS MATERIAL CAREFULLY AS YOU ARE REQUIRED TO MAKE A
DECISION PRIOR TO 2:00 P.M. (PACIFIC TIME) ON SEPTEMBER 15, 2023.

This rights offering circular (this “Circular”) is prepared by management. No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this circular. Any representation to the contrary is an offence.

This is the circular we referred to in the August 14, 2023 rights offering notice, which you should have already received. Your rights registration advice statement (a “Rights DRS Advice”) and relevant forms were enclosed with the rights offering notice. This Circular should be read in conjunction with the rights offering notice and our continuous disclosure prior to making an investment decision.

The securities offered hereby are being offered pursuant to applicable exemptions from the registration and prospectus requirements of the securities laws of the various jurisdictions of Canada. No prospectus or other disclosure document in respect of the securities offered hereby has been or will be filed with any securities regulatory body of the various jurisdictions of Canada, and the securities offered hereby have not been and will not be qualified for registration under the United States Securities Act of 1933, as amended (the “1933 Act”), or the securities laws of any state of the “United States”. This Circular does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States, and the securities offered herein may not be offered or sold in or into the United States or to U.S. persons unless registered under the 1933 Act and applicable state securities laws, or exempt from such registration requirements. “United States” and “U.S. persons” are as defined in Regulation S under the 1933 Act.

This Circular does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Rights Offering (as defined below) is not being made to, nor will subscriptions be accepted from or on behalf of, the shareholders of Plantify Foods, Inc. in any jurisdiction in which the making or acceptance of the Rights Offering would not be in compliance with the laws of such jurisdiction. However, Plantify Foods, Inc. may, in its sole discretion, take such action, as it may deem necessary to extend the Rights Offering in any such jurisdiction.

Rights Offering Circular

August 14, 2023



PLANTIFY FOODS, INC.

OFFERING OF RIGHTS TO SUBSCRIBE FOR UP TO 183,555,707 COMMON SHARES

Price: \$0.01 per Common Share

We currently have sufficient working capital to last 3 months. We require 50% of the offering to last 12 months.

Reference in this Circular to “we”, “our”, “us” and similar terms means Plantify Foods, Inc. (“**Plantify**” or the “**Company**”). Reference in this Circular to “you”, “your” and similar terms mean to Plantify shareholders. Unless otherwise indicated, reference herein to “\$” or “dollar” are to Canadian dollars. Certain terms used in this Circular are defined elsewhere herein.

SUMMARY OF OFFERING

Why are you reading this circular?

We are issuing to the holders (the “**Shareholders**”) of our outstanding common shares (the “**Common Shares**”) of record at 2:00 p.m. (Pacific time) on August 22, 2023 (the “**Record Date**”) and who are resident in a jurisdiction of Canada (the “**Eligible Jurisdictions**”) and outside the Eligible Jurisdictions where the Company is eligible to make such offer, rights (each, a “**Right**”) to subscribe for Common Shares on the terms described in this Circular (the “**Rights Offering**”). We may also permit Shareholders resident in the United States to participate concurrently on a private offering basis if they meet certain qualifications. The purpose of this Circular is to provide you with the detailed information about your rights and obligations in respect of the Rights Offering. This Circular should be read in conjunction with the rights offering notice previously sent to you by mail (the “**Notice**”).

What is being offered?

Each holder of Common Shares on the Record Date who is resident in an Eligible Jurisdiction (an “**Eligible Holder**”) will receive one Right for each Common Share held as at the Record Date.

What does one Right entitle you to receive?

Each Right entitles you to subscribe for one Common Share of Plantify at a subscription price of \$0.01 per Common Share (the “**Basic Subscription Privilege**”) until 2:00 p.m. (Pacific time) on September 15, 2023.

If you exercise your Basic Subscription Privilege in full, you will also be entitled to subscribe pro rata for Common Shares (the “**Additional Common Shares**”) not otherwise purchased, if any, pursuant to the Basic Subscription Privilege (the “**Additional Subscription Privilege**”).

What is the Subscription Price?

The subscription price per Common Share is \$0.01 (the “**Subscription Price**”).

When does the offer expire?

The Rights may be exercised until 2:00 p.m. (Pacific time) on September 15, 2023 (the “**Expiry Time**”). **Rights not exercised at or before the Expiry Time will be void and of no value.**

What are the significant attributes of the Rights issued under the Rights Offering and the securities to be issued upon the exercise of the Rights?

The Rights permit the holders thereof to subscribe for and purchase from Plantify up to 183,555,707 Common Shares. During this period, the Rights will trade on the TSX Venture Exchange (the “**TSX-V**”) and holders of Rights may sell their Rights through facilities of the TSX-V.

The Rights may not be offered or sold in or into the United States or to U.S. persons unless registered under the 1933 Act and applicable state securities laws, or exempt from such registration requirements. “United States” and “U.S. persons” are as defined in Regulation S under the 1933 Act. Accordingly, offering materials in respect of the Rights Offering will not be delivered to Shareholders who are resident in the United States or are otherwise known to be U.S. persons unless registration exemptions are available. In addition, subscriptions will not be accepted from any transferee who is a U.S. person or who is within the United States, absent an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.

The Rights are fully transferable into and within Canada, subject to any applicable resale restrictions, and will be evidenced by the Rights DRS Advice. Each whole Right will entitle the holder thereof to subscribe for one Common Share at the Subscription Price prior to the Expiry Time.

The authorized capital of the Company consists of an unlimited number of Common Shares without par value. As at the date hereof, there are 183,555,707 Common Shares issued and outstanding as fully paid and non-assessable. The holders of Common Shares are entitled to one vote per Common Share held at meetings of the holders of Common Shares, to dividends if, as and when declared by the Company's board of directors and, in the event of liquidation, dissolution or winding-up of the Company, to receive on a pro rata basis the net assets of the Company after payment of debts and other liabilities, subject to the rights of any securities having priority over the Common Shares.

What are the minimum and maximum number or amount of Common Shares that may be issued under the Rights Offering?

The Rights Offering is not subject to any minimum subscription level. Based on the 183,555,707 Common Shares outstanding as of the date hereof, a maximum of 183,555,707 Common Shares will be issued upon exercise of the Rights.

Where will the Rights and securities issuable upon the exercise of the Rights be listed for trading?

The Common Shares are listed on the TSX-V under the trading symbol "PTFY".

The Rights will trade on the TSX-V under the trading symbol "PTFY.RT" until 9:00 a.m. (Pacific time) on September 15, 2023.

FORWARD-LOOKING STATEMENTS

This Circular contains forward-looking statements. All statements, other than statements of historical fact that address activities, events or developments that we believe, expect or anticipate will or may occur in the future are forward-looking statements. These forward-looking statements reflect our current expectations or beliefs based on information currently available to us. Forward-looking statements in this Circular include, without limitation, statements with respect to: our expectations regarding the estimated costs of the Rights Offering and the net proceeds to be available upon completion; the use of proceeds from the Rights Offering and the availability of funds from sources other than the Rights Offering; and our ability to continue as a going concern.

Forward-looking statements are subject to a number of risks and uncertainties that may cause our actual results to differ materially from those discussed in the forward-looking statements and, even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, us. Factors that could cause actual results or events to differ materially from current expectations include, among other things, uncertainties relating to the availability and cost of funds; closing the Rights Offering; delays in obtaining or failure to obtain required approvals to complete the Rights Offering; the uncertainty associated with estimating costs to complete the Rights Offering, including those yet to be incurred; and other risks related to our business and the Rights Offering.

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, we disclaim any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although we believe that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, undue reliance should not be put on such statements due to their inherent uncertainty.

USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Rights Offering?

As at July 31, 2023, the Company had a working capital deficiency of approximately \$465,000.00. If all of the Rights are exercised, the Company will raise gross proceeds of approximately \$1,835,557.07. As more particularly described below, the Company intends to first use these proceeds to eliminate its working capital deficiency, leaving available funds of approximately \$1,320,557.07 after taking into account the estimated costs of the Rights Offering.

If the proceeds raised under the Rights Offering are not sufficient to eliminate the Company's working capital deficiency, the Company will need to obtain additional financing. However, there is no assurance that such additional financing will be available or, if available, that it will be on terms that are acceptable to the Company.

	Assuming 15% of Rights Offering	Assuming 50% of Rights Offering	Assuming 75% of Rights Offering	Assuming 100% of Rights Offering
A. Amount to be raised by this offering	\$275,333.56	\$917,778.53	\$1,376,667.80	\$1,835,557.07
B. Selling commissions and fees	\$ -	\$ -	\$ -	\$ -
C. Estimated offering costs (e.g. legal, accounting, audit)	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00
D. Available funds: D = A – (B+C)	\$225,333.56	\$867,778.53	\$1,326,667.80	\$1,785,557.07
E. Additional sources of funding required:	\$ -	\$ -	\$ -	\$ -
F. Working capital deficiency	\$465,000.00	\$465,000.00	\$465,000.00	\$465,000.00
G. Total: G = (D+E) – F	(\$239,666.44)	\$402,778.53	\$861,667.80	\$1,320,557.07

Note:

1. Dollar values provided are approximate.

How will we use the available funds?

We plan to use the available funds from the Rights Offering towards sales and marketing and the purchase of machinery, and, if available, research and development and the development of land on which to build a plant. The specific use of proceeds is as follows:

Description of intended use of available funds listed in order of priority	Assuming 15% of Rights Offering	Assuming 50% of Rights Offering	Assuming 75% of Rights Offering	Assuming 100% of Rights Offering
Sales and marketing	\$ -	\$ -	\$300,000.00	\$400,000.00
Machinery for our plant in Gonen, Israel	\$ -	\$ -	\$200,000.00	\$250,000.00
Research and development	\$ -	\$ -	\$ -	\$100,000.00
Land development in Kiriat Shmona (a land that can be used to build a plant to operate in or to lease to another party)	\$ -	\$ -	\$ -	\$100,000.00
Working capital	\$ -	\$402,778.53	\$361,667.80	\$470,557.07
Total	\$ -	\$402,778.53	\$861,667.80	\$1,320,557.07

Approximately \$100,000.00 will be used to pay outstanding amounts owed to arm's length suppliers and service providers. A further \$60,000 will be used to pay interest on convertible debentures previously issued to arm's length parties, the proceeds from which were used principally to build a production plant in Kibbutz Gonen, Israel.

Assuming 50% of the Rights Offering is taken up, we will use the available funds for working capital to purchase supplies, hire staff and increase production volumes. This will ensure we have sufficient working capital to last for the next 12 months. We will invest additional funds, assuming 75% of the Rights Offering is taken up, in sales and marketing channels, to increase revenues, and in automated packaging machinery. This will ensure we have sufficient working capital for the next 16 months. The remaining funds, assuming 100% of the Rights Offering is taken up, will be invested in researching and developing new products and used to prepare a land development plan for the land leased by the Company in Kiriat Shmona, Israel. This will ensure we have sufficient working capital for the next 20 months.

We intend to prioritize the available funds in this order: working capital, sales and marketing, packaging machinery, product research and development, and land development in Kiriat Shmona. This prioritization will enable us to pay any short-term liabilities, boost our sales efforts and then invest in new machinery to enhance packaging automation. We believe this prioritization will enable the Company's growth and success.

We are currently generating cash flow from sales and do not expect to default on any of our liabilities.

Raising 50% of the maximum proceeds under the Rights Offering will ensure we have sufficient working capital to last for the next 12 months. In the event proceeds raised under the Rights Offering are not sufficient to last 12 months, the Company may secure additional financing through bank loans, crowdfunding or private placements of its securities, however, there is no assurance that such additional financing will be available or, if available, that it will be on terms that are acceptable to the Company.

Although we are confident we will be able to continue operations and raise sufficient working capital to last for the next 12 months, there are material uncertainties that cast significant doubt on the Company's ability to continue as a going concern.

We intend to spend the available funds as stated. We will reallocate funds only for sound business reasons.

How long will the available funds last?

The Company expects that the available funds will cover anticipated expenses for more than 12 months, assuming that more than 50% of the Rights issued under the Rights Offering are exercised.

If the available funds are not sufficient to cover anticipated expenses for the next 12 months, the Company may secure additional financing through bank loans, crowdfunding or private placements of its securities. However, there is no assurance that such additional financing will be available or, if available, that it will be on terms that are acceptable to the Company.

Although we are confident we will be able to continue operations and raise sufficient working capital to last for the next 12 months, there are material uncertainties that cast significant doubt on the Company's ability to continue as a going concern.

INSIDER PARTICIPATION

Will insiders be participating?

To the knowledge of the Company, after reasonable inquiry, most directors, senior officers and persons controlling over 10% of the Common Shares of the Company (collectively, the "**Insider Group**"), as at the date hereof, intend to exercise all of their Rights under the Basic Subscription Privilege in connection with the Rights Offering. Rights issued to the Insider Group will represent approximately 55.02% of the Common Shares available under the Rights Offering, being 101,000,633 Common Shares.

As at the date hereof, the Insider Group owns or exercises control or direction over, directly or indirectly, in aggregate, 101,000,633 Common Shares, representing approximately 55.02% of the issued and outstanding Common Shares. Assuming the full take-up of their Basic Subscription Privileges, the Insider Group would own an aggregate of 202,001,266 Common Shares.

Who are the holders of 10% or more of our securities before and after the Rights Offering?

To the knowledge of the directors and senior officers of Plantify, as at the date hereof, no person or company beneficially owns, directly or indirectly, or controls or directs more than 10% of any class of Plantify's voting securities, other than as set out below.

Name	Holdings of Common Shares Before the Rights Offering	Holdings of Common Shares after the Rights Offering ¹
Save Foods, Inc.	30,004,349 (16.35%)	60,008,698 (16.35%)
Stanislav Levin	22,441,036 (12.23%)	44,882,072 (12.23%)
Yair Ginat	22,441,036 (12.23%)	44,882,072 (12.23%)
TalRaz Projects and Agricultural Ltd.	22,441,036 (12.23%)	44,882,072 (12.23%)

Note:

1. Assuming the exercise of all Rights issued under the Rights Offering.

The TSX Venture Exchange requires the filing of a Form 2A *Personal Information Form* (“**PIF**”) or Form 2C1 *Declaration* (“**Declaration**”) by any person who does not at the commencement of the Rights Offering, but may upon its completion, own or control, beneficially or as nominee, directly or indirectly, securities representing more than 10% of the voting rights attached to all outstanding voting securities of Plantify. If applicable, the Rights Offering may only close in escrow until Plantify is advised of the satisfactory review of such PIFs. Plantify is unaware that any person will be required to file a PIF or Declaration as a result of the Rights Offering.

DILUTION

If you do not exercise your Rights, by how much will your security holdings be diluted?

If a Shareholder elects not to exercise Rights, the value of the Common Shares held by such Shareholder may be diluted as a result of the exercise of Rights by other Shareholders by approximately 50%, assuming the issuance of the maximum number of Common Shares under the Rights Offering.

HOW TO EXERCISE THE RIGHTS

How does a security holder that is a registered holder participate in the Rights Offering?

If you are a registered holder of Common Shares, a Rights DRS Advice issued under the direct registration system of Computershare Investor Services Inc. (the “**Subscription Agent**”) representing the total number of transferable Rights to which you are entitled as of the Record Date has been mailed to you with a copy of the Notice or will be mailed to you once you have been Determined Exempt (as defined below), as applicable. To exercise the Rights represented by the Rights DRS Advice, you must complete and deliver the enclosed subscription form in accordance with the instructions set out below. Rights not exercised at or prior to the Expiry Time will be void and of no value. The method of delivery is at the discretion and risk of the holder of the Rights DRS Advice and delivery to the Subscription Agent will only be effective when actually received by the Subscription Agent at its office. See “*Appointment of Rights Subscription Agent – Who is the Subscription Agent?*” Rights DRS Advice and payments received after the Expiry Time will not be accepted.

In order to exercise your Rights you must:

1. **Complete and sign Box 1 on the Rights Subscription Form.** The maximum number of Rights that you may exercise under the Basic Subscription Privilege is shown on the first page of the Rights DRS Advice. If you complete Box 1 so as to exercise some but not all of the Rights evidenced by the Rights DRS Advice, you will be deemed to have waived the unexercised balance of such Rights, unless you otherwise specifically advise the Subscription Agent at the time the Rights DRS Advice is surrendered to the Subscription Agent.
2. **Additional Subscription Privilege.** Complete and sign Box 2 on the Rights Subscription Form only if you also wish to participate in the Additional Subscription Privilege. See “*How to Exercise the Rights? – What is the Additional Subscription Privilege and how can you exercise this privilege?*”

3. **Enclose payment in Canadian funds by certified cheque, bank draft or money order payable to the order of Computershare Investor Services Inc.** In order to purchase one Common Share, you must own one (1) Right and pay a price of \$0.01 per Common Share. In addition to the amount payable for any Common Shares you wish to purchase under the Basic Subscription Privilege, you must also pay the amount required for any Common Shares subscribed for under the Additional Subscription Privilege.
4. **Delivery.** Deliver or mail the completed Subscription Form and Rights DRS Advice and payment in the enclosed return envelope addressed to the Subscription Agent so that it is received before the Expiry Time. If you are mailing your documents, registered mail is recommended. Please allow sufficient time to avoid late delivery.

The signature of the Rights holder on the Rights Subscription Form must correspond in every particular with the name that appears on the face of the Rights DRS Advice.

Signatures by a trustee, executor, administrator, guardian, attorney, officer of a company or any person acting in a fiduciary or representative capacity should be accompanied by evidence of authority satisfactory to the Subscription Agent. We will determine all questions as to the validity, form, eligibility (including time of receipt) and acceptance of any subscription in our sole discretion. Subscriptions are irrevocable. We reserve the right to reject any subscription if it is not in proper form or if the acceptance thereof or the issuance of Common Shares pursuant thereto could be unlawful. We also reserve the right to waive any defect in respect of any particular subscription. Neither we nor the Subscription Agent is under any duty to give any notice of any defect or irregularity in any subscription, nor will we be liable for the failure to give any such notice.

How does a security holder that is not a registered holder participate in the Rights Offering?

You are a beneficial Eligible Holder if you hold your Common Shares through a securities broker or dealer, bank or trust company or other participant (a "**Participant**") in the book-based system administered by CDS Clearing and Subscription Agent Services Inc. ("**CDS**"). The total number of Rights to which all beneficial Eligible Holders as of the Record Date are entitled will be issued to CDS and will be deposited with CDS following the Record Date. We expect that each beneficial Eligible Holder will receive a confirmation of the number of Rights issued to it from the applicable Participant in accordance with the practices and procedures of that Participant. CDS will be responsible for establishing and maintaining book-entry accounts for Participants holding Rights.

Neither we nor the Subscription Agent will have any liability for (i) the records maintained by CDS or Participants relating to the Rights or the book-entry accounts maintained by them, (ii) maintaining, supervising or reviewing any records relating to such Rights, or (iii) any advice or representations made or given by CDS or Participants with respect to the rules and regulations of CDS or any action to be taken by CDS or Participants.

If you are a beneficial Eligible Holder:

1. to exercise your Rights held through a Participant, you must instruct such Participant to exercise all or a specified number of such Rights, and forward to such Participant, the Subscription Price for each Common Share that you wish to subscribe for; and
2. you may subscribe for Additional Common Shares pursuant to the Additional Subscription Privilege by instructing such Participant to exercise the Additional Subscription Privilege in respect of the number of Additional Common Shares you wish to subscribe for, and forwarding to such Participant the Subscription Price for such Additional Common Shares requested.

Any excess funds will be returned to the applicable Participant for the account of the beneficial holder, without interest or deduction.

Can I combine, exchange or divide my Rights DRS Advice?

The Rights DRS Advice cannot be combined, divided or exchanged for certificates.

Who is eligible to receive Rights?

Holders of Common Shares on the Record Date resident in an Eligible Jurisdiction are eligible to receive Rights. The Rights and Common Shares have not been and will not be registered under the laws of any jurisdiction outside of the Eligible Jurisdictions.

If you are a holder of Common Shares on the Record Date resident outside of an Eligible Jurisdiction (an “**Ineligible Holder**”), you will find an exempt purchaser status certificate (“**Exempt Status Certificate**”) and, if you are resident in the United States, a U.S. accredited investor certificate (“**U.S. Accredited Investor Certificate**”), enclosed with the Notice mailed to you on or about August 25, 2023. If you deliver a completed and executed Exempt Status Certificate and, in the case of a Shareholder resident in the United States, a U.S. Accredited Investor Certificate to Plantify on or before September 4, 2023 and your eligibility to participate in the Rights Offering is confirmed by Plantify, the Subscription Agent will forward to you a Rights DRS Advice evidencing the number of Rights to which you are entitled.

An Ineligible Holder who wishes to exercise Rights, and who is resident of a jurisdiction where the Rights Offering and the distribution and exercise of Right is lawful and exempt from any prospectus or similar filing requirement, must complete and deliver the Exempt Status Certificate and, in the case of a Shareholder resident in the United States, the U.S. Accredited Investor Certificate to the Company. Among other things, an Ineligible Holder seeking eligibility to participate in the Rights Offering must represent and warrant to the Company and the Subscription Agent and their respective directors, officers and employees that under the laws of such person’s place of residence, such person is entitled to receive, own and exercise the Rights and that the distribution to, and exercise by, such person of such Rights is not unlawful and is exempt from any prospectus or similar filing requirement under the laws applicable to such person or the laws of such person’s place of residence and does not require obtaining any approvals of a regulatory authority in such person’s place of residence. In addition, such Ineligible Holder must acknowledge that the Company and the Subscription Agent and their respective directors, officers, and employees are relying on such representations and warranties and are entitled and requested to do so in accepting such subscription and in issuing and distributing the subscribed for Common Shares. The Company may, in its sole discretion, determine such person’s eligibility to receive and Exercise Rights despite being resident outside of an Eligible Jurisdiction (“**Determined Exempt**”).

Rights will not be forwarded by the Company to Ineligible Holders except as aforesaid. Shareholders will be presumed to be resident in the jurisdiction of their registered address unless the contrary is shown to the satisfaction of the Company. Rights DRS Advices representing Rights in respect of Ineligible Holders will be issued to and held by the Subscription Agent as agent for the benefit of Ineligible Holders. The Subscription Agent will hold the Rights until September 4, 2023 in order to give Ineligible Holders an opportunity to claim the Rights by satisfying the Company that the issue of Shares pursuant to the exercise of Rights will not be in violation of the laws of applicable jurisdiction (in accordance with the instructions provided in the Notice to Ineligible Holders). Following such date, the Subscription Agent shall attempt to sell the Rights of Ineligible Holders represented by Rights DRS Advices in the possession of the Subscription Agent on such date(s) and at such price(s) as the Subscription Agent determines in its sole discretion.

No charge will be made for the sale of Rights by the Subscription Agent except for a proportionate share of any brokerage commissions incurred by the Subscription Agent and costs incurred by the Subscription Agent in connection with the sale of Rights. Ineligible Holders will not be entitled to instruct the Subscription Agent in respect of the price or the time at which their Rights are to be sold. The Subscription Agent will endeavor to effect sales of Rights on the open market and any proceeds raised by the Subscription Agent with respect to the sale of Rights, net of brokerage fees and costs incurred, and, if applicable, the Canadian tax required to be withheld, will be divided on a pro rata basis among such Ineligible Holders and delivered by mailing cheques (in Canadian funds) of the Subscription Agent therefor as soon as practicable to such Ineligible Holders. Amounts of less than \$10.00 will not be remitted. The Subscription Agent will act in its capacity as agent of the Ineligible Holder on a best efforts basis only and neither we nor the Subscription Agent accept responsibility for the price obtained on the sale of, or the inability to sell, the Rights on behalf of any Ineligible Holder. Neither we nor the Subscription Agent will be subject to any liability for the failure to sell any Rights of Ineligible Holders or as a result of the sale of any Rights at a particular price or on a particular day. There is a risk that the proceeds received from the sale of Rights will not exceed the costs incurred by the Subscription Agent in connection with the sale of such Rights and, if applicable, the Canadian tax required to be withheld. In such event, no proceeds will be remitted.

Holders of Rights who are not resident in the Eligible Jurisdictions should be aware that the purchase and sale of Rights or Common Shares upon the exercise of Rights may have tax consequences in the jurisdiction where they reside, which are not described herein. Accordingly, such holders should consult their own tax advisors about the specific tax consequences in the jurisdiction where they reside of acquiring, holding, and disposing of Rights or Common Shares.

The Rights Offering does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Rights Offering is not being made to, nor will subscriptions be accepted from or on behalf of, holders of Rights in any jurisdiction in which the making or acceptance thereof would not be in compliance with the laws of such jurisdiction. However, the Company may, in its sole discretion, take such action, as it may deem necessary to extend the Rights Offering to holders of Common Shares in such jurisdiction. **Any person resident outside of Canada who is subject to the laws of a jurisdiction where the Rights Offering may be lawful, should seek advice from a lawyer or other qualified securities authority to satisfy himself, herself or itself with respect to the availability and applicability of any exemption or other provision of the applicable securities legislation that would make the Rights Offering to him, her or it lawful.**

What is the Additional Subscription Privilege and how can you exercise this privilege?

A holder of a Rights DRS Advice who is not an Ineligible Holder, or is an Ineligible Holder who has been Determined Exempt, and who has exercised all the Rights evidenced by such Rights DRS Advice may subscribe for Additional Common Shares, if available, at the Subscription Price. Additional Common Shares will be allocated from those Common Shares, if any, available as a result of Rights that are unexercised by the Expiry Time. A holder who exercises the Additional Subscription Privilege will receive the lesser of (i) the number of Common Shares that holder subscribes for under the Additional Subscription Privilege, and (ii) the number of Common Shares that is equal to the aggregate number of Common Shares available through unexercised Rights multiplied by the quotient of the number of Rights previously exercised by such holder under the Rights Offering divided by the aggregate number of Rights previously exercised under the Rights Offering by holders of Rights that have subscribed for Common Shares under the Additional Subscription Privilege.

A Rights holder who is not an Ineligible Holder, or is an Ineligible Holder who has been Determined Exempt, may subscribe for Additional Common Shares by (i) completing Box 2 on the Rights Subscription Form, and (ii) delivering the Rights DRS Advice and Subscription Form, together with payment for those Additional Common Shares, to the Subscription Agent on or before the Expiry Time. If payment for all Additional Common Shares subscribed for pursuant to the Additional Subscription Privilege (such subscription for Additional Common Shares being an “**Additional Subscription**”) does not accompany the subscription, the Additional Subscription will be invalid.

If the Rights Offering is fully subscribed, then the funds included for any Additional Subscription will be returned by the Subscription Agent to the relevant Shareholders. If the Rights Offering is not fully subscribed, a direct registration system (“**DRS**”) advice representing the Common Shares due to Eligible Holders as a result of Additional Subscriptions will be delivered by the Subscription Agent together with the DRS advice representing such securities due to those Shareholders pursuant to their subscriptions in accordance with the Basic Subscription Privilege. In addition, the Subscription Agent will return to any Shareholder within 30 calendar days of the Expiry Time any excess funds paid in respect of an Additional Subscription where the number of Additional Common Shares available to that Shareholder is less than the number of Additional Common Shares subscribed for. No interest will be payable by the Subscription Agent in respect of any excess funds returned to Shareholders.

How does a Rights holder sell or transfer Rights?

The Rights will trade on the TSX-V under the trading symbol “PTFY.RT” until 9:00 a.m. (Pacific time) on September 15, 2023. Holders of a Rights DRS Advice not wishing to exercise their Rights may sell or transfer their Rights directly or through their securities broker or dealer at the Shareholder’s expense, subject to any applicable resale restrictions. A Rights DRS Advice will not be registered in the name of an Ineligible Holder. Holders of a Rights DRS Advice may elect to exercise only a part of their Rights and dispose of the remainder, or dispose of all of their Rights. Any commission or other fee payable in connection with the exercise or any trade of Rights is the responsibility of the holder of such Rights. Depending on the number of Rights a holder may wish to sell, the commission payable in connection with a sale of Rights could exceed the proceeds received from such sale.

When can you trade securities issuable upon the exercise of your Rights?

The Common Shares issuable upon the exercise of your Rights will be listed on the TSX-V under the trading symbol "PTFY" and will be available for trading as soon as practicable after the closing of the Rights Offering.

Are there restrictions on the resale of securities?

The Rights being issued hereunder and the Common Shares issuable upon exercise of the Rights are being distributed by the Company pursuant to an exemption from the prospectus requirements under Canadian securities legislation.

Resale of the Rights and the underlying Common Shares may be subject to restrictions pursuant to applicable securities legislation then in force. Set out below is a general summary of the restrictions governing first trades in the Rights and the underlying securities in Canada. Additional restrictions apply to holders of Rights and underlying securities who are "control persons" in respect of the Company for purposes of securities legislation. Each holder is urged to consult his, her or its professional advisors to determine the exact conditions and restrictions applicable to trades of the Rights and the underlying securities.

Generally, the first trade in Rights and the Common Shares issuable upon exercise of the Rights will be exempt from the prospectus requirements of Canadian securities legislation, if: (a) the Company is and has been a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the trade; (b) the trade is not a control distribution; (c) no unusual effort is made to prepare the market or to create a demand for the Rights or the Common Shares; (d) no extraordinary commission or other consideration is paid in respect of such trade; and (e) if the selling security holder is an insider or officer of the Company, the selling security holder has no reasonable grounds to believe that the Company is in default of securities legislation. If such conditions have not been met, then the Rights and the underlying securities may not be resold except pursuant to a prospectus or prospectus exemption, which may only be available in limited circumstances. As of the date hereof, the Company has been a reporting issuer for more than four months in the provinces of British Columbia, Alberta, and Ontario.

The foregoing is a summary only and is not intended to be exhaustive. Holders of Rights or the underlying securities should consult with their advisors concerning restrictions on resale, and should not resell their Rights or the underlying securities until they have determined that any such resale is in compliance with the requirements of applicable legislation.

Will we issue fractional underlying securities upon exercise of the Rights?

No fractional Common Shares will be issued. Where the exercise of Rights would otherwise have entitled a Rights holder to receive fractional Common Shares, the Rights holder's entitlement will be rounded down to the next lowest whole number of Common Shares.

APPOINTMENT OF RIGHTS SUBSCRIPTION AGENT

Who is the Subscription Agent?

Computershare Investor Services Inc. is the Subscription Agent for the Rights Offering. The Subscription Agent has been appointed to receive subscriptions and payment from holders of Rights and to perform the services relating to the exercise and transfer of the Rights.

ADDITIONAL INFORMATION

Where can you find more information about us?

You can access our continuous disclosure documents filed with Canadian securities regulators under our issuer profile at www.sedarplus.ca. You can also find additional information about us at <https://plantifyfoods.com>.

MATERIAL FACTS AND MATERIAL CHANGES

There is no material fact or material change about the Company that has not been generally disclosed.