

NEWS RELEASE

PIVOTAL AND GFI ANNOUNCE LETTER OF INTENT FOR PROPOSED QUALIFYING TRANSACTION

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Toronto, Ontario, August 9, 2021 – Pivotal Financial Corp. (TSXV: PIV.P) (“**Pivotal**”), a capital pool company listed on the TSX Venture Exchange (the “**Exchange**”), and Global Food and Ingredients Inc. (“**GFI**”), a private corporation incorporated under the *Canada Business Corporations Act* (the “**CBCA**”) with operations in the plant-based food and agriculture industry, are pleased to announce that they have signed an arm’s length non-binding letter of intent dated August 4, 2021 (the “**Letter of Intent**”) in respect of a proposed business combination (the “**Proposed Transaction**”) that would result in the reverse takeover of Pivotal by GFI. It is anticipated that the Proposed Transaction will constitute Pivotal’s “Qualifying Transaction” as such term is defined under Policy 2.4 – *Capital Pool Companies* of the Exchange. Following the completion of the Proposed Transaction, the resulting entity (the “**Resulting Issuer**”) will hold all of the assets and continue the business of GFI.

About GFI

GFI was incorporated under the provisions of the CBCA on April 19, 2018 and anticipates that approximately 11,200,000 common shares (the “**GFI Shares**”) will be issued and outstanding immediately prior to the completion of the Proposed Transaction, assuming the conversion of \$5 million principal amount of Convertible Debentures (as defined below).

GFI is a fast-growing Canadian owned and operated plant-based food and ingredients company, connecting the local farm to the global supply chain for peas, beans, lentils, chickpeas and other high protein specialty crops. GFI is organized into three primary business lines: Pea Protein Inputs, Plant-Based Ingredients and Plant-Based Consumer Packaged Goods. GFI buys directly from its extensive network of farmers, processes its products locally at its three wholly-owned processing facilities in Saskatchewan and ships to 36 countries across the world.

Summary of Proposed Transaction

Transaction Structure

The Letter of Intent provides that Pivotal and GFI will negotiate and enter into a definitive agreement in respect of the Proposed Transaction (the “**Definitive Agreement**”), to be completed by way of a “three-cornered” amalgamation under the CBCA, whereby a newly-formed, wholly-owned subsidiary of Pivotal will amalgamate with GFI and the shareholders of GFI (including purchasers of the Convertible Debentures) will receive common shares of Pivotal (the “**Pivotal Shares**”) in exchange for their GFI Shares on the basis of five (5) Pivotal Shares (on a post-Consolidation (as defined below) basis) for every one (1) GFI Share, resulting in a reverse takeover of Pivotal by GFI. The deemed price per share of the Pivotal Shares pursuant to the Proposed Transaction will be \$0.25 per share, prior to the Consolidation.

Prior to completing the Proposed Transaction, Pivotal will consolidate the Pivotal Shares on the basis of one (1) new Pivotal Share for each five (5) old Pivotal Shares (the “**Consolidation**”).

It is anticipated that the Resulting Issuer will continue the business of GFI under the name “Global Food and Ingredients Inc.”, or such other name as determined by GFI (the “**Name Change**”).

Certain common shares of the Resulting Issuer to be issued pursuant to the Proposed Transaction are expected to be subject to restrictions on resale or escrow under the policies of the Exchange, including the securities to be issued to “Principals” (as such term is defined under the policies of the Exchange), which will subject to the escrow requirements of the Exchange.

The Proposed Transaction is subject to, among other things, the negotiation and execution of the Definitive Agreement, each of GFI and Pivotal being satisfied with the results of its due diligence review of the other party, GFI acquiring 100% of the issued and outstanding limited partnership interests of GFI LP, receipt of GFI and Pivotal board approval of the Proposed Transaction, receipt of GFI shareholder approval for the Proposed Transaction and such other matters that may be required to be approved in order to give effect to the Proposed Transaction, receipt of Pivotal shareholder approval of the Consolidation and the Name Change and such other matters that may be required to be approved in order to give effect to the Proposed Transaction, Pivotal and GFI obtaining all necessary consents, orders and regulatory approvals, including the conditional approval of the Exchange, and other standard closing conditions.

Convertible Debenture Offering

GFI is currently undertaking a non-brokered private placement (the “**Convertible Debenture Offering**”) of convertible debentures (the “**Convertible Debentures**”). The first tranche of the Convertible Debenture Offering for gross proceeds of approximately \$5.2 million closed on July 30, 2021. The Convertible Debentures are unsecured and bear interest at a rate of 7% per annum, payable on maturity. It is anticipated that upon satisfaction or waiver of all conditions precedent to the Proposed Transaction, the principal amount of the Convertible Debentures will automatically convert into GFI Shares at a conversion price of per share equal a 20% discount to the deemed transaction price per Pivotal Share determined pursuant to the Proposed Transaction. The proceeds of the Convertible Debenture Offering will be used primarily for the construction of a pea and lentil flour mill, various agricultural processing equipment, the ongoing development of its consumer products line and for general purposes and working capital of GFI.

Sponsorship

Sponsorship of the Proposed Transaction is required by the Exchange unless an exemption or waiver from this requirement is obtained in accordance with the policies of the Exchange. Pivotal has not yet engaged a sponsor in connection with the Proposed Transaction. Additional information on sponsorship arrangements will be provided once available.

Additional Information

Additional information concerning the Proposed Transaction, Pivotal, GFI and the Resulting Issuer, including financial information of GFI and proposed board and management of the Resulting Issuer, will be provided in subsequent news releases and in Pivotal’s Filing Statement

to be filed in connection with the Proposed Transaction, which will be available under Pivotal's SEDAR profile at www.sedar.com.

Upon closing of the Proposed Transaction, the Resulting Issuer expects to list as a Tier 2 Industrial Issuer on the Exchange.

The Proposed Transaction will not constitute a "Non-Arm's Length Qualifying Transaction" (as such term is defined under the policies of the Exchange). Accordingly, it is not anticipated that the Proposed Transaction will be subject to the approval of Pivotal shareholders.

In accordance with the policies of the Exchange, Pivotal Shares are currently halted from trading and will remain so until such time as the Exchange determines, which, depending on the policies of the Exchange, may not occur until completion of the Proposed Transaction.

None of the securities to be issued pursuant to the Proposed Transaction have been or will be registered under the United States Securities Act of 1933, as amended, or any state securities laws, and any securities issued pursuant to the Proposed Transaction are anticipated to be issued in reliance upon available exemptions from such registration requirements. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

About Pivotal

Pivotal is a capital pool company within the meaning of the policies of the TSX Venture Exchange that has not commenced commercial operations and has no assets other than cash. Except as specifically contemplated in the policies of the TSX Venture Exchange, until the completion of its "Qualifying Transaction" (as defined therein), Pivotal will not carry on business, other than the identification and evaluation of companies, business or assets with a view to completing a proposed Qualifying Transaction.

Pivotal currently has issued and outstanding 15,000,000 Pivotal Shares, agent compensation warrants exercisable to acquire 1,000,000 Pivotal Shares at an exercise price of \$0.20 per share and incentive stock options exercisable to acquire 1,500,000 Pivotal Shares at a price of \$0.20 per share.

For further information:

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

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and obtaining all required shareholder approvals. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The Exchange has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this press release.

All information contained in this news release with respect to Pivotal, GFI, and the Resulting Issuer was supplied by the parties, respectively, for inclusion herein, and Pivotal and its directors and officers have relied on GFI for any information concerning such party.

Forward-Looking Statements

This news release contains forward-looking statements relating to the timing and completion of the Proposed Transaction and related transactions, the future operations of the Pivotal, GFI, and the Resulting Issuer and other statements that are not historical facts. Forward-looking statements are often identified by terms such as “will”, “may”, “should”, “anticipate”, “expects” and similar expressions. All statements, other than statements of historical fact, included in this release are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Pivotal’s and GFI’s expectations include the failure to satisfy the conditions to completion of the Proposed Transaction or the Convertible Debenture Offering set forth above, the limited business history of GFI, general market and industry conditions, the impact of the COVID-19 pandemic and other risks detailed from time to time in the filings made by Pivotal, GFI, and the Resulting Issuer with securities regulators.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Pivotal, GFI, and the Resulting Issuer. As a result, Pivotal, GFI, and the Resulting Issuer cannot guarantee that the Proposed Transaction or the Convertible Debenture Offering will be completed on the terms and within the time disclosed herein or at all. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified

by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and Pivotal, GFI, and the Resulting Issuer will only update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.