



**HEMPCO FOOD AND FIBER INC. Symbol: TSX.V - HFF**

**FOR IMMEDIATE RELEASE**

Vancouver, BC, Canada

Thursday, August 11, 2016

### **Hempco Food and Fiber Announces Increase to Private Placement and Additional Exemptions**

Hempco Food and Fiber Inc. ("**Hempco**" or the "**Company**") is pleased to announce that, due to high investor demand, the Company has increased its non-brokered private placement (the "**Offering**") previously announced on July 27, 2016. The Company previously disclosed that it would issue a minimum of 2,000,000 units (each, a "**Unit**") of the Company at a purchase price of \$0.50 per Unit for gross proceeds of a minimum of \$1,000,000. The Company today announces that it has increased the number of Units to be issued to a minimum of 3,000,000 Units at a purchase price of \$0.50 per Unit for gross proceeds of a minimum of \$1,500,000. Each Unit will continue to be comprised of one common share and one-half share purchase warrant of the Company. Each whole warrant will entitle the holder to purchase one additional common share for a period of 15 months from the date of issuance at an exercise price of \$0.65.

A finder's fee of 7% in cash and 7% in warrants may be paid on a portion of the Offering. The private placement is subject to TSX Venture Exchange approval.

The Company also announces that, as available, a portion or all of the Offering may be completed pursuant to Multilateral CSA Notice 45-313 – *Prospectus Exemption for Distributions to Existing Security Holders* ("**CSA 45-313**") and the corresponding blanket orders and rules implementing CSA 45-313 in the participating jurisdictions in respect thereof (collectively with CSA 45-313, the "**Existing Security Holder Exemption**"). As at the date hereof, the Existing Security Holder Exemption is available in each of the provinces of Canada, with the exception of Newfoundland and Labrador.

Subject to applicable securities laws, the Company will permit each person or company who, as of August 9, 2016 (being the record date set by the Company pursuant to CSA 45-313), who holds common shares as of that date (a "**Current Shareholder**") to subscribe for the Units that will be distributed pursuant to the Offering, provided that the Existing Security Holder Exemption is available to such person or company.

Pursuant to CSA 45-313, each subscriber relying on the Existing Security Holder Exemption may subscribe for a maximum of 30,000 Units, being such amount of Units that results in an acquisition cost of less than or equal to \$15,000 for such subscribers, unless a subscriber is resident in a jurisdiction of Canada and has obtained advice regarding the suitability of the investment from a registered investment dealer (in which case such maximum subscription amount will not apply). In the event that aggregate subscriptions for Units under the Offering exceed the maximum number of securities to be distributed, then Units will be sold to qualifying subscribers on a pro rata basis based on the number of Units subscribed for (the "**Order of Distribution**"). In addition to conducting the Offering pursuant to the Existing Security Holder Exemption, the Company will also accept subscriptions for Units where other prospectus exemptions are available, including the Investment Dealer Exemption (as defined below). Any Current Shareholder subscribing for Units pursuant to a prospectus exemption other than the Existing Security Holder Exemption will not be limited to a maximum of 30,000 Units.

In addition to the Existing Security Holder Exemption and other available prospectus exemptions, a portion or all of the Offering may be completed pursuant to Multilateral CSA Notice 45-318 – *Prospectus Exemption for Certain Distributions through an Investment Dealer* ("**CSA 45-318**") and the corresponding blanket orders and rules implementing CSA 45-318



in the participating jurisdictions in respect thereof (collectively with CSA 45-318, the “**Investment Dealer Exemption**”). As at the date hereof, the Investment Dealer Exemption is available in each of Alberta, British Columbia, Saskatchewan, Manitoba and New Brunswick. Pursuant to CSA 45-318, each subscriber relying on the Investment Dealer Exemption must obtain advice regarding the suitability of the investment from a registered investment dealer. There is no material fact or material change of the Company that has not been generally disclosed.

The securities issued pursuant to the Offering will be subject to statutory hold periods expiring four months and one day from the date of issuance of such securities, and such other restrictions as are required by applicable securities laws.

The Company does not expect to provide any offering materials to subscribers in connection with the Offering. For more information concerning the Company, please refer to the Company’s profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

It is intended that proceeds of approximately \$1,200,000 from the private placement will be used to purchase and install various pieces of equipment at our processing facility, and the remaining \$300,000 will be used for general working capital. Additional equipment has been identified for purchase as additional capital becomes available.

#### **About Hempco**

Hempco® is recognized as a “company that cares” and guarantees that its customers, all over North America, Europe and Asia, are provided the finest hemp seed foods possible.

#### **ON BEHALF OF THE BOARD**

***“Charles Holmes”***

**Charles Holmes**

**Chief Executive Officer**

**HEMPCO FOOD AND FIBER INC.**

FOR MORE INFORMATION, PLEASE CONTACT:

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#### **Forward-Looking Information**

*Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words “intend”, “may”, “will”, “expect”, and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current*

*beliefs or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this press release contains forward-looking information with respect to the Offering; the warrants; compensation payable to finders; CSA 45-318 and the Investment Dealer Exemption; CSA 45-313 and the Existing Security Holder Exemption; the Order of Distribution; statutory hold periods; the principal uses of the proceeds of the Offering; and offering materials. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the Company. The material facts and assumptions include obtaining approval of the TSX Venture Exchange of the proposed Offering; the availability of certain prospectus exemptions in respect*



**the seed of possibility**

*of the Offering; and the intended use of proceeds remaining in the best interests of the Company. The Company cautions the reader that the above list of risk factors is not exhaustive. The forward-looking information contained in this release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Due to the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.*

***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 the content of this release.***

***Not for distribution to U.S. Newswire Services or for dissemination in the United States. Any failure to comply with this restriction may constitute a violation of U.S. Securities Laws.***

***None of the securities sold in connection with the Offering will be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.***