

CLEAN SEED REPORTS LICENSE REVENUES OF \$5,202,500

October 27, 2020 - Burnaby, British Columbia - **Clean Seed Capital Group Ltd.** (TSX-V: CSX) (“Clean Seed” or the “Company”) announces that it has filed its audited financial statements for the fiscal year end June 30, 2020 and its corresponding Management Discussion and Analysis (“MD&A”). Management wishes to highlight and provide further information regarding its financial results.

	Year Ended June 30	
	2020	2019
License and Total Revenues	\$ 5,202,500	\$ nil
Adjusted EBITDA (LBITDA) ⁽¹⁾	\$ 3,888,246	\$ (2,682,111)
Net income (loss)	\$ 2,090,575	\$ (3,771,325)
Basic and diluted net income (loss) per share	\$ 0.03	\$ (0.06)

(1) This is a non-IFRS Measure. See section “Non-IFRS Measure” below for further information.

The Company’s net income in the year ended June 30, 2020 was primarily the result of the license revenues of \$5,202,500. The license revenues were the result of issuing a license to AMVAC Chemical Corp. (see the Company’s news release of April 2, 2020), and was the first such license issued by the Company since its inception. See “Disclaimer” below.

In comparing our current year and previous year results, our Net Income increased by \$5,861,900 and our Adjusted EBITDA increased by \$6,570,357 as a result of:

- the license revenues earned,
- reduced operating expenses incurred as compared to the prior year, and
- a greater amount of our development costs qualifying for capitalization as intellectual property expenditures. During the June 30, 2020 year the Company’s primary development activities were the continued development of its SMART Seeder technology and the development of the prototype SMART Seeder MAX-S as part of the joint venture with Norwood Sales Inc. (“Norwood”)

Graeme Lempriere, Chief Executive Officer of Clean Seed states “2020 was a very progressive and productive year for our company. The years of intensive development and strategic planning are beginning to pay off, positioning us well for our future. Our partnership with Norwood has proved to be extremely beneficial and I could not be happier with the outcomes to date. Our first license agreement sets the standard for additional parallel opportunities around the world, leveraging our strong intellectual property portfolio with other synergistic opportunities will remain a dovetailed approach to our future growth plans.”

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Clean Seed’s financial statements and MD&A for the year-end June 30, 2020 are available electronically on SEDAR (www.sedar.com).

ON BEHALF OF THE BOARD

“Graeme Lempriere”

Chief Executive Officer

About Clean Seed Capital Group Ltd.

The common shares of Clean Seed are listed on the TSX Venture Exchange and trade under the symbol "CSX".

We are a team of innovators and business management professionals with a proven track record of game changing innovation and production of patented agricultural technologies at an incredibly high level. We pride ourselves as progress facilitators that turn solutions for modern agricultural problem into commercially viable products to fulfill new demand.

Clean Seed’s SMART Seeder™ technologies are revolutionary seeding tools that utilize the unique synergy of sophisticated electronic metering and intuitive software control putting row-by-row variable rate technology at the forefront of agricultural innovation. Our innovations create a new class of highly accurate seeding equipment designed specifically for today’s farmer.

For further information please contact Clean Seed at 604-566-9895 and visit our website at <http://www.cleaneedcapital.com>.

Neither 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 this release.

NON-IFRS MEASURES

In analyzing our results, we supplement our use of financial measures that are calculated and presented in accordance with International Financial Reporting Standards (“IFRS”) with “Adjusted EBITDA (LBITDA)”.

References to “Adjusted EBITDA (LBITDA)” are to profit (loss) before income taxes, interest on loans, depreciation, amortization and non-cash share-based compensation expenses. Management believes that, in addition to profit or loss, adjusted EBITDA (LBITDA) is a useful supplemental measure in evaluating the Company’s performance. This non-IFRS financial measure is not standardized; therefore, it may not be possible to compare these financial measures with other companies' non-IFRS financial measures having the same or similar businesses. Management cautions investors that adjusted EBITDA (LBITDA) should not replace profit or loss as indicators of performance, or cash flows from operating, investing, and financing activities as a measure of the Company’s liquidity and cash flows. Reconciliations of non-IFRS financial measures to the most directly comparable IFRS financial measures are contained in our MD&A. See more details in the Company’s MD&A for the fiscal year ended June 30, 2020.

DISCLAIMER

The Company's receipt of licensing fees in fiscal 2020 represented the first revenues of that nature, and there is no assurance the Company will earn or receive any licencing fees or similar revenues in the future. As stated in the Company's news release of April 2, 2020, proceeds of US\$5,000,000 (CDN\$7,108,750) were received through the distribution of 6,250,000 common shares of the Company at US\$0.40 per share and the issuance of a license. Under IFRS, proceeds of CDN\$1,906,250 were allocated to the common shares and proceeds of CDN\$5,202,500 were allocated to license revenues.