

# Good2GoRTO Corp. Provides Update on Its Qualifying Transaction With FRX Polymers, Inc.

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- FRX Polymers, Inc. is a private company that was incorporated under the laws of the State of Delaware and that manufactures environmentally sustainable flame-retardant products
- FRX Polymers, Inc., through its wholly-owned subsidiary, FRX Polymer (Canada) Inc. ("Finco"), intends to complete a brokered private placement financing for gross proceeds of a minimum of CAD\$13 million
- G2G expects to hold an annual general and special meeting of shareholders on or about December 1, 2021 to approve all matters related to the Qualifying Transaction

Toronto, November 2, 2021 - [Good2GoRTO Corp.](#) ("G2G" or the "Corporation") (TSXV: GOTO.P) and FRX Polymers, Inc. ("FRX") are pleased provide an update to their previously announced non-binding letter of intent dated August 3, 2021 to complete a going-public transaction for FRX (the "Proposed Transaction"), by way of entering into a Business Combination Agreement (as defined below) setting out the terms of the amalgamation and the merger that will constitute G2G's "Qualifying Transaction" (the "Qualifying Transaction") under Policy 2.4 - Capital Pool Companies (the "CPC Policy") of the TSX Venture Exchange (the "TSXV").

Pursuant to the Proposed Transaction, amongst other steps, it is contemplated that a wholly-owned U.S. subsidiary of G2G will merge with FRX, and a wholly-owned Canadian subsidiary of G2G will amalgamate with Finco, and the security holders of FRX and Finco will become security holders of G2G. G2G will issue common shares to the security holders of FRX and Finco ("Resulting Issuer Shares"). In this press release, G2G, as it will exist after the completion of the Proposed Transaction, is referred to as the "Resulting Issuer". It is the parties' intention that the Resulting Issuer will be listed on the TSXV following the closing of the Proposed Transaction. G2G intends to change its name to "FRX Innovations Inc.", or such other name designated by FRX and that is acceptable to the regulatory authorities.

The Proposed Transaction will be an "Arm's Length Transaction" (as defined in the policies of the TSXV).

FRX is the reverse takeover acquirer in the transaction and the shareholders of FRX and Finco and the subscribers for Subscription Receipts (as defined below) will have aggregate ownership of 97.5% of the Resulting Issuer.

In connection with the Proposed Transaction, G2G entered into a finder's fee agreement dated August 10, 2021 with Triforce Ventures S.A. and Mancala Mercantile Ltd., company controlled by James Cassina, a shareholder and director of G2G (together, the "Finders"). In consideration for their services, subject to G2G disinterested shareholder approval and TSXV approval, G2G will issue to the Finders at closing of the Proposed Transaction 763,063 units of the Resulting Issuer ("Resulting Issuer Units"). Each of the Resulting Issuer Units will be comprised of one Resulting Issuer Share and one-half of one Resulting Issuer Share purchase warrant. Each whole Resulting Issuer Share purchase warrant will be exercisable to acquire one Resulting Issuer Share at an exercise price of CAD\$1.15, for a period of two (2) years following the closing date of the Proposed Transaction. Triforce Ventures S.A. is an arm's length party from G2G and Mancala Mercantile Ltd. ("Mancala") is a non-arm's length party from G2G. The Resulting Issuer Units to be received by Mancala constitutes a "related party transaction" as such term is defined by Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101") under applicable securities laws. However, the Corporation is exempt from the MI 61-101 valuation and minority approval requirements for this transaction because the Corporation was not listed on a stock exchange specified in section 5.5(b) of MI 61-101 and the fair market value of the Resulting Issuer Units to be issued to Mancala will not exceed \$2,500,000. Pursuant to TSXV policy, approval of the Resulting Issuer Units to be issued to Mancala is subject to disinterested shareholder approval at its upcoming shareholders' meeting to be held on December 1, 2021.

Transaction Summary

On November 2, 2021, FRX, G2G, Finco, 13448061 Canada Inc. ("PubCo Sub") and G2G Merger Sub, Inc. ("Merger Sub") both wholly-owned subsidiaries of G2G, entered into a business combination agreement in connection with the Proposed Transaction (the "Business Combination Agreement"). The Proposed Transaction will proceed, amongst other steps, by way of a "three-cornered" amalgamation and a reverse triangular merger, pursuant to which (i) Finco and PubCo Sub will amalgamate and the resulting entity will become a wholly-owned subsidiary of G2G; and (ii) FRX and Merger Sub will merge and the resulting entity will become a wholly-owned subsidiary of G2G.

Under the Proposed Transaction, the holders of FRX shares ("FRX Shares") and the holders of Finco Shares, including those shares acquired by way of the Private Placement (the "Finco Shares") will receive Resulting Issuer Shares in exchange for their FRX Shares and Finco Shares, respectively. In addition, upon the completion of the Proposed Transaction, all of FRX's and Finco's securities exercisable or exchangeable for, or convertible into, or other rights to acquire FRX or Finco securities outstanding at completion of the Proposed Transaction will be exchanged for securities exercisable or exchangeable for, or convertible into, rights to acquire Resulting Issuer Shares, on the same economic terms and conditions as such original outstanding securities. Following the completion of the Proposed Transaction, G2G will become the "Resulting Issuer". In connection with the Proposed Transaction, G2G will consolidate its shares on a 3.5 to 1 basis immediately prior to the closing of the Proposed Transaction.

Upon completion of the Proposed Transaction, the security holders of FRX and Finco will hold approximately 84,784,718 Resulting Issuer Shares, representing approximately 84.6% of the Resulting Issuer Shares (assuming the issuance of 13,000,000 Subscription Receipts pursuant to the Private Placement described below), whereas the current shareholders of G2G will hold 1,657,143 Resulting Issuer Shares representing approximately 1.7% of the outstanding Resulting Issuer Shares. Investors in the Private Placement (as defined below) will hold 13,000,000 Resulting Issuer Shares representing approximately 13.0% of the outstanding Resulting Issuer Shares and the Finders will hold 763,063 Resulting Issuer Shares representing approximately 0.7% of the outstanding Resulting Issuer Shares.

The parties also anticipate that in conjunction with and upon closing of the Proposed Transaction, the Resulting Issuer's board of directors will consist of no fewer than seven (7) directors, with six (6) directors (the "New Directors"), nominated by FRX and one (1) director nominated by G2G. The executive officers of the Resulting Issuer will be appointed by FRX and are expected to include Marc Lebel and Mark Lotz.

G2G expects to hold an annual general and special meeting of its shareholders on or about December 1, 2021, to put forth and nominate the New Directors, in addition to approve certain related matters in connection with the Proposed Transaction, including the consolidation of its shares and the issuance of the Resulting Issuer Units to the Finders. Following the Proposed Transaction and the Private Placement, each of Citic Capital, Evonik Venture Capital GmbH, and Triton Holdings LLC and will indirectly or directly own more than 10% of voting rights attached to shares of the Resulting Issuer. Other than as described herein, no party not acting at arm's length with G2G has an interest in the Proposed Transaction.

Completion of the Proposed Transaction is subject to a number of conditions, including, but not limited to, the receipt of regulatory approval, including the approval of the TSXV, completion of the Private Placement, the approval by the G2G shareholders, certain standard closing conditions, including there being no material adverse change in the business of G2G or FRX prior to completion of the Proposed Transaction.

#### Concurrent Private Placement

In conjunction with, and prior to the closing of the Proposed Transaction, FRX intends to complete a brokered private placement through Finco of approximately 13,000,000 subscription receipts (the "Subscription Receipts") at a purchase price of CAD\$1.00 per Subscription Receipt for gross proceeds of approximately CAD\$13,000,000 (the "Private Placement"). Each Subscription Receipt shall convert into one unit of Finco (a "Finco Unit") upon the satisfaction of certain conditions. Each Finco Unit will be comprised of one Finco Share and one-half of one Finco Share purchase warrant (each whole warrant, a "Finco Warrant"). Each Finco Warrant will entitle the holder to acquire one Finco Share at an exercise price of CAD\$1.30 for a period of one year following the date of issuance. Pursuant to the Proposed Transaction, each Finco Share will be exchanged for one Resulting Issuer Share, and each Finco Warrant will be exchanged for one Resulting Issuer Share purchase warrant, on the same economic terms and conditions as the Finco Warrant. The Private Placement is being completed by a syndicate of agents, led by Echelon Wealth Partners Inc.

and including Eight Capital Corp. and Haywood Securities Inc. (collectively, the "Agents").

The Agents will receive a cash commission of 7% of gross proceeds for the sold Subscription Receipts (other than those sold to certain identified buyers, for gross proceeds of up to CAD\$3,000,000) as well as compensation warrants exercisable into Resulting Issuer Shares equal to 7% of the number of Subscription Receipts sold (provided that the compensation warrants will equal to 3% in respect of certain identified purchasers).

#### Sponsorship

The Corporation intends to make an application for exemption from the sponsorship requirements of the TSXV in connection with the Proposed Transaction; however, there is no assurance that the TSXV will exempt the Corporation from all or part of the applicable sponsorship requirements.

#### Further Information

The Corporation will provide further details in respect of the Proposed Transaction in due course by way of press release in accordance with the requirements of the CPC Policy. However, the Corporation will make available to the TSXV all information, including financial information, as required by the TSXV and will provide, in a press release to be disseminated at a later date, required additional disclosure.

#### About FRX

FRX is a private company that was incorporated under the laws of the State of Delaware, USA that manufactures environmentally sustainable flame-retardant products. FRX is led by a team of highly experienced business professionals and engineers and is positioned to be a leader in the rapidly growing flame retardant plastics and additives market.

FRX products trade named Nofia® are produced at its full-scale manufacturing site on the Port of Antwerp Belgium, one of the world's largest chemicals producing clusters. Nofia phosphonates are produced using sustainable green chemistry principles such as a solvent-free production process, no waste by-products, and near 100% atom efficiency. FRX's portfolio includes an extensive patent estate. FRX has been the recipient of numerous awards, including the EPA's Environmental Merit Award, the Belgium Business Award for the Environment, and the Flanders Investment of the Year Award. FRX was also recognized six times on the Global Cleantech 100 list.

For more information on FRX, visit <https://www.frxpolymers.com>.

#### About the Corporation

The Corporation's principal business is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction (as such term is defined in the policies of the TSXV). Investors are cautioned that trading in the securities of a capital pool company should be considered highly speculative.

For further information:

[Good2GoRTO Corp.](#)  
Sandra Hall, Director  
Email: [shall@bellnet.ca](mailto:shall@bellnet.ca)

FRX Polymers Inc.  
Marc-Andre Lebel, President & Chief Executive Officer  
Email: [mlebel@frxpolymers.com](mailto:mlebel@frxpolymers.com)

## Disclaimers

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

All information contained in this press release with respect to the Corporation and FRX was supplied by the respective party for inclusion herein, without independent review by the other party, and each party and its directors and officers have relied on the other party for any information concerning the other party.

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to, acceptance of TSXV and if applicable pursuant to the requirements of TSXV, majority of the minority approval. Where applicable, the Proposed Transaction cannot close until the required shareholder approval is obtained. 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 TSXV has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this press release.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States or to or for the account or benefit of U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

## Notice on Forward-Looking Information

This press release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities laws. Any statements that are contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "will", "estimates", "believes", "intends" "expects" and similar expressions which are intended to identify forward-looking statements. More particularly and without limitation, this press release contains forward looking statements with respect to the completion of the Proposed Transaction and Private Placement, the terms on which the Proposed Transaction and Private Placement are intended to be completed, the ability to obtain regulatory and shareholder approvals, the listing of the Resulting Issuer Shares on the TSXV, and other factors.

The Corporation cautions that all forward-looking statements are inherently uncertain, and that actual performance may be affected by a number of material factors, assumptions and expectations, many of which are beyond the control of the Corporation and FRX, including that the Private Placement will be completed on currently anticipated terms or at all, that the Proposed Transaction will be completed on currently anticipated terms or at all, and that all applicable shareholder and regulatory approvals for the Proposed Transaction will be received, as well as other risks and uncertainties, including those described in the Corporation's final prospectus dated April 7, 2021 filed with the British Columbia Securities Commission, the Alberta Securities Commission and the Ontario Securities Commission and available on SEDAR at [www.sedar.com](http://www.sedar.com). The reader is cautioned that assumptions used in the preparation of any forward-looking statements 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 the Corporation. The reader is cautioned not to place undue reliance on any forward-looking statements. 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 press release are expressly qualified by this cautionary statement.

The forward-looking statements contained in this press release are made as of the date of this press release, and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by securities law.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.

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