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*These securities have not been registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any of the securities laws of any state of the United States, and may not be offered or sold within the United States or for the account or benefit of U.S. persons or persons in the United States except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This offering document does not constitute an offer to sell, or the solicitation of an offer to buy, any of these securities within the United States or to, or for the account or benefit of, U.S. persons or persons in the United States. “United States” and “U.S. person” have the meanings ascribed to them in Regulation S under the U.S. Securities Act.*

**Offering Document under the Listed Issuer Financing Exemption**

June 8, 2023



**GOOD NATURED PRODUCTS INC.**  
(the “Company”)

**1. SUMMARY OF OFFERING**

**What are we offering?**

<b>Securities Offered:</b>	Units of the Company (the “Units”), with each Unit being comprised of one common share of the Company (a “Common Share”) and one Common Share purchase warrant (a “Warrant”).  Each Warrant will be exercisable to acquire one Common Share (a “Warrant Share”) at an exercise price of \$0.19 per Common Share (the “Warrant Exercise Price”) for a period of 30 months following the Closing Date (as herein defined).
<b>Offering Price per Security:</b>	\$0.14 per Unit (the “Offering Price”).

<b>Offering Amount:</b>	A minimum of 21,430,000 Units for minimum gross proceeds of \$3,000,200 to a maximum of 35,714,286 Units for maximum gross proceeds of \$5,000,000 (the “ <b>Offering</b> ”).
<b>Closing Date:</b>	The Offering is expected to close on June 21, 2023 (the “ <b>Closing Date</b> ”).
<b>Exchange:</b>	The common shares are listed on the TSX Venture Exchange (the “ <b>TSXV</b> ”) under the trading symbol “GDNP” and on the OTCQX Best Market (“ <b>OTCQX</b> ”) under the symbol “GDNPF”.
<b>Last Closing Price:</b>	On June 7, 2023, the last trading day prior to the date of this offering document, the closing price of the common shares on the TSXV and on the OTCQX was \$0.175 and US\$0.127, respectively.

### Units:

Each Unit will consist of one Common Share and one Warrant. Each Warrant will entitle the holder thereof to acquire one additional Common Share at a price per Common Share of \$0.19 for a period of 30 months from the Closing Date.

### Common Shares

The authorized capital of the Company is an unlimited number of Common Shares without par value and an unlimited number of preferred shares without par value, issuable in series. The rights, preferences and privileges of holders of Common Shares are subject to the rights of the holders of shares of any class or series ranking senior to the Common Shares that the Company may issue in the future. The Common Shares are not subject to any further call or assessment, do not have any pre-emptive, conversion or redemption rights, and all have equal voting rights. There are no special rights or restrictions of any nature attached to any of the Common Shares, all of which rank equally as to benefits that may accrue to the holders of the Common Shares. All holders of Common Shares are entitled to receive a notice of any meeting of the shareholders of the Company. Voting rights may be exercised in person or by proxy. The holders of Common Shares are entitled to share rateably in any distribution of the assets of the Company upon liquidation, dissolution or winding-up, after satisfaction of all debts and other liabilities. The board of directors of the Company is authorized to issue additional Common Shares on such terms and conditions and for such consideration as the board of directors may deem appropriate without further security holder action, subject to applicable laws and the TSXV policies. Holders of Common Shares are entitled to receive dividends on a pro rata basis if, as and when declared by the board of directors in respect of the Common Shares.

### Warrants

The Warrants will be issued under and governed by the terms of a warrant indenture (a “**Warrant Indenture**”) between us and a Warrant Agent (the “**Warrant Agent**”) which the Company expects to be Endeavor Trust Corporation. The Warrant Agent will be a financial institution organized under the laws of Canada or any province thereof and authorized to carry on business as a trustee. The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the

occurrence of certain customary events. The Warrant Indenture will also contain provisions designed to protect holders of the Warrants against dilution upon the happening of certain events. No fractional Warrants Shares will be issuable to any holder of Warrants upon the exercise thereof, and no cash or other consideration will be paid in lieu of fractional Shares. The holding of Warrants will not make the holder thereof a shareholder of the Issuer or entitle such holder to any right or interest in respect of the Warrants except as expressly provided in the Warrant Indenture. Holders of Warrants will not have any voting or pre-emptive rights or any other rights of a holder of Shares.

**Good Natured Products Inc. is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 *Prospectus Exemptions*. In connection with this Offering, the Company represents the following is true:**

- **The Company has active operations and its principal asset is not cash, cash equivalents or its exchange listing.**
- **The Company has filed all periodic and timely disclosure documents that it is required to have filed.**
- **The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this offering document, will not exceed \$5,000,000.**
- **The Company will not close this Offering unless the Company reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.**
- **The Company will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the issuer seeks security holder approval.**

#### **Cautionary Statement Regarding Forward-Looking Information**

*This offering document contains “forward-looking information” within the meaning of applicable Canadian and United States securities laws, which is based upon the Company’s current internal expectations, estimates, projections, assumptions and beliefs. The forward-looking information included in this offering document is made only as of the date of this offering document. Such forward-looking statements and forward-looking information include, but are not limited to, statements concerning, among other things, the proposed use of proceeds from the Offering, the selection of the Warrant Agent, future plans and strategies, projections, future market and operating conditions, supply conditions, end customer demand conditions, anticipated events and trends, general market conditions, the economy, financial conditions, sales volume and pricing, expenses and costs, and other future conditions which we believe are reasonable as of the current date. The reader should not place undue importance on forward-looking information and should not rely upon this information as of any other date. Such forward-looking statements and forward-looking information often, but not always, can be identified by the use of words such as “plans”, “expects”, “potential”, “is expected”, “anticipated”, “is targeted”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.*

*Forward-looking statements or forward-looking information are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements or forward-looking information, including, without limitation: future capital needs and uncertainty of additional financing; risks relating to general economic, market and business conditions; unforeseen delays in the realization of the Company's plans; risks related to the loss of key manufacturing equipment, capability or facilities; the performance of plant-based materials and the ability of the Company's products and packaging to meet significant technical requirements; changes in raw material supply and costs; labour availability and labour costs; fluctuations in operating results, and other related risks as more fully set out under the heading "Risk Factors" in the Company's Annual Information Form and other documents disclosed under the Company's filings at [www.sedar.com](http://www.sedar.com). Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements or forward-looking information. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that could cause results not to be as anticipated, estimated or intended.*

*Forward-looking statements or forward-looking information reflect the Company's current expectations regarding future events, performance and results based on information currently available and speak only as of the date of this offering document. In making such statements or providing such information, the Company has made assumptions regarding, among other things: the ability to successfully attracting and retaining customers and skilled members of management, directors and staff; the availability of financing opportunities; the impact of competition; the ability to obtain and maintain existing financing on acceptable terms; currency, exchange and interest rates; risks associated with economic conditions; the ability to successfully integrate acquired businesses within the Company's existing business and optimize synergies; dependence on management and conflicts of interest and market competition; the ability to successfully commercialize the Company's products; the viability and success of any potential future transactions; delays or problems with product supply or manufacturing; the ability of the Company to meet its obligations to its lenders; and compliance with applicable laws and regulations. All other assumptions contained in this offering document constitute forward-looking information.*

*The Company provides no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and information. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. 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, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, changing circumstances, or otherwise.*

## **Currency**

Unless otherwise indicated, all references to "\$", "C\$" or "dollars" in this offering document refer to Canadian dollars, which is the Company's functional currency. References to "US\$" in this offering document refer to United States dollars.

## **2. SUMMARY DESCRIPTION OF BUSINESS**

### **What is our business?**

The Company is passionately pursuing its goal of becoming North America's leading earth-friendly product company by offering the broadest assortment of plant-based products made all, or in part, from rapidly renewable resources instead of fossil fuels. The Company is focused on making it easy and affordable for business owners and consumers to shift away from petroleum to better everyday products that use more renewable materials, less fossil fuel, and no chemicals of concern.

The Company offers over 400 products and services through wholesale, direct to business, and retail channels. From plant-based home organization products to certified compostable food containers, biobased industrial supplies and medical packaging, the Company is focused on making plant-based products more readily accessible to people as a means to create meaningful environmental and social impact.

The Company's customer base includes retailers, food producers, food packers, consumer product companies, restaurants, packaging manufacturers and other industrial processors across three key market segments – National, Regional and Small Business – all of which are supported by a combination of inside and outside sales teams. The Company also offers direct purchasing through its own e-commerce platform in the U.S. and Canada, as well as through Amazon and other 3<sup>rd</sup> party channels.

The Company carries on business across five business groups, namely Packaging, General Merchandise, Industrial, Commercial & Business Supplies and Services. The Company offers consumers, business owners and operators plant-based alternatives to everyday petroleum-based products that are being used in homes and businesses. The vast majority of the Company's operations are performed within the U.S. and Canada.

### **Recent Developments**

The following is a brief summary of recent developments involving or affecting the Company since the filing of the Company's most recent Annual Information Form on SEDAR on April 26, 2023:

On May 4, 2023, the Company announced that its GoodToGo™ Microwavable collection, the first CMA-certified compostable high-clarity take-out containers, made with 97% plant-based materials, were available for immediate purchase in the United States and Canada.

On May 18, 2023, the Company announced that it had signed a commercial contract with a regional United States snack food producer that distributes across several prominent Texas retailers. The contract outlines a two-year agreement whereby the Company will supply packaging based on the Company's proprietary GoodGuard™ tamper-evident design.

On June 5, 2023, the Company announced the appointment of Tami Kozikowski to the Company's board of directors and as Chair of the Audit Committee, effective June 5, 2023 and the resignation of Mr. Jim Zadra from the Company's board of directors, also effective June 5, 2023.

## Material Facts

There are no material facts about the Units, Common Shares and Warrants that have not been disclosed in this offering document or in any other document filed by the Company in the 12 months preceding the date of this offering document.

## What are the business objectives that we expect to accomplish using the available funds?

The Company intends to use the net proceeds raised from the Offering for working capital to support organic growth initiatives of the Company, which may include debt repayment and to fund strategic acquisitions.

### 3. USE OF AVAILABLE FUNDS

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

The net proceeds of the Offering and the funds which will be available to the Company after the Offering are as follows:

		Assuming Minimum Offering Only*	Assuming Maximum Offering*
<b>A</b>	Amount to be raised by this Offering	\$3,000,200	\$5,000,000
<b>B</b>	Selling commissions and fees	\$150,000	\$290,000
<b>C</b>	Estimated offering costs (e.g. legal, accounting, audit)	\$125,000	\$125,000
<b>D</b>	Net proceeds of offering: $D = A - (B + C)$	\$2,725,200	\$4,585,000
<b>E</b>	Working capital as at most recent month end (deficiency) <sup>1</sup>	\$7,500,000	\$7,500,000
<b>F</b>	Additional sources of funding (Available Wells Fargo ABL Credit Line)	\$740,000	\$740,000
<b>F</b>	Additional sources of funding (Available EDC Tooling Credit Line)	\$1,000,000	\$1,000,000
<b>G</b>	Total available funds: $G = D + E + F$	\$11,965,200	\$13,825,000

\* Assuming \$1,500,000 in Units are issued to insiders.

<sup>1</sup> Note: Working Capital figures represent management's best estimate as at May 31, 2023, are unaudited, and are subject to change including as a result of normal quarterly accounting and review procedures.

Working capital as at December 31, 2022 was \$10.0 million. The decline in working capital was primarily related to \$1.1 million in vendor take back debt repayment made on January 1, 2023 and \$1.0 million debt repayment to the Wells Fargo Asset Base Lending (ABL) facility to reduce interest payment levels.

#### How will we use the available funds?

Description of intended use of available funds listed in order of priority	Assuming Minimum Offering Only	Assuming Maximum Offering
General working capital purposes	\$10,965,200	\$12,825,000
Future acquisitions	\$1,000,000	\$1,000,000
Total: Equal to "G" Total Available Funds in Chart Above	\$11,965,200	\$13,825,000

The Company intends to spend the net proceeds as stated. However, the above noted allocation of capital and anticipated timing represents the Company's current intentions based upon its present plans and business condition, which could change in the future as its plans and business conditions evolve. Although the Company intends to expend the proceeds from the Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company's ability to execute on its business plan. See the "Cautionary Statement Regarding Forward-Looking Information" section above.

#### How have we used the other funds we have raised in the past 12 months?

Previous Financings	Intended Use of Funds	Use of Funds to Date
<p><u>October 3, 2022</u> - \$6,500,000 non-revolving loan facility from HSBC (5 year term)</p> <p>\$2,900,000 mortgage from BDC (25 year term)</p>	To purchase the land and building of the Ayr, Ontario facility.	\$9,400,000
<p><u>August 26, 2022</u> – senior secured revolving credit facility, consisting of US\$30,000,000 asset-backed revolving credit facility (4-year term) and uncommitted US\$25,000,000 credit facility</p>	Retire \$13.7 million of outstanding credit facility with National Bank of Canada; Acquisitions; Capital asset additions; Working capital; and General corporate purposes.	\$21,549,000
<p><u>August 26, 2022</u> – secured mortgage refinancing of \$6,600,000</p>	Retire \$6.6 million of outstanding non-revolving term credit facility with National Bank of Canada.	Retire \$6.6 million of outstanding non-revolving term credit facility with National

		Bank of Canada.
February 22, 2022 – US\$2,000,000 senior credit facility	To support tooling manufacturing costs for customers and specific projects.	US\$853,360 or C\$1,450,000

#### 4. FEES AND COMMISSIONS

**Who are the dealers or finders that we have engaged in connection with this Offering, if any, and what are their fees?**

<b>Agents:</b>	The Company has engaged Beacon Securities Limited (" <b>Beacon</b> ") and Integral Wealth Securities Limited (" <b>Integral</b> ") as joint bookrunners on behalf of a syndicate of agents (collectively, the " <b>Agents</b> ").
<b>Compensation Type:</b>	A cash fee and Compensation Options (as defined below) as detailed below.
<b>Cash Fee:</b>	The Agents will receive a cash fee equal to 7.0% of the gross proceeds of the Offering, which may be taken in Units at the option of the Agents, excluding any portion of the gross proceeds of the Offering arising from subscriptions by insiders of the Company (up to a cap of \$1,500,000) on which the Agents will receive a cash fee equal to 3.0% of the gross proceeds of the Offering, which may be taken in Units at the option of the Agents.
<b>Compensation Options:</b>	Non-transferrable compensation options equal to 7.0% of the aggregate number of Units issued pursuant to the Offering (the " <b>Compensation Options</b> "), excluding Units issued to insiders of the Company (up to a cap of \$1,500,000 in Units) on which non-transferrable compensation options equal to 3.0% of these Units will be issued. Each Compensation Option will entitle the holder to acquire one Common Share at an exercise price equal to the Offering Price for a period of 30 months from the Closing Date.

**Do the Agents have a conflict of interest?**

To the knowledge of the Company, it is not a "related issuer" or "connected issuer" of or to the Agents, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*.

#### 5. PURCHASERS' RIGHTS

**Rights of Action in the Event of a Misrepresentation**

**If there is a misrepresentation in this offering document, you have a right**

- (a) to rescind your purchase of these securities with the Company; or**
- (b) to damages against the Company and may, in certain jurisdictions, have a**



statutory right to damages from other persons.

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal advisor.

## 6. ADDITIONAL INFORMATION

**Where can you find more information about us?**

The Company's continuous disclosure filings with applicable securities regulatory authorities in the provinces and territories of Canada are available electronically under the Company's profile on the System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

For further information regarding the Company, please visit our website at <https://investor.goodnatureproducts.com>.

***Investors should read this offering document and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment of Units.***

*[Remainder of page intentionally left blank]*

**7. DATE AND CERTIFICATE**

**Certificate**

**This offering document, together with any document filed under Canadian securities legislation on or after June 8, 2022, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.**

**Dated June 8, 2023.**

**GOOD NATURED PRODUCTS INC.**

**(signed) "*Paul John Antoniadis*"**

Paul John Antoniadis  
Chief Executive Officer

**(signed) "*Kerry Biggs*"**

Kerry Biggs  
Chief Financial Officer