



Cansortium Restructures Approximately \$25.0 Million of Near-Term Obligations, Significantly Improving Balance Sheet and Available Free Cash Flow to Fund Growth

January 17, 2020

SPECIAL COMMITTEE OF THE BOARD OF DIRECTORS CONTINUES PROGRESS TOWARD REPOSITIONING COMPANY

MIAMI, Jan. 17, 2020 /PRNewswire/ - [Cansortium](#) Inc. (CSE:TIUM.U) (OTCQB: CNTMF) ("Cansortium" or the "Company") today announced that the Company has amended the terms of its existing \$12.9 million Promissory Note due December 1, 2020 (the "Amended Note") and simultaneously satisfied its other obligations due to the lender under the Amended Note's original terms. The Amended Note has no amortization, does not begin paying cash interest until April 1, 2020, matures on December 1, 2022 and is exchangeable into common shares at any time at a price of \$0.60 per share. Over \$12.0 million of other contingent liabilities have also been restructured using shares previously returned by the founders, significantly reducing the Company's liabilities without dilution to existing shareholders.

Neal Hochberg, Chairman of the Board and of the Special Committee, emphasized, "The completion of this first phase of the financial restructuring is a major milestone for the Company. It extends approximately \$12.9 million of near-term debt while reducing amortization, significantly improving available cash flow to fund growth. Additionally, the use of a portion of the founders' shares to reduce over \$12.0 million of additional liabilities also significantly improves the balance sheet and the Company's working capital position.

"The Company is also in active discussions with multiple capital providers and strategic operating partners. Cansortium's primary growth focus is Florida, where we currently have 18 operating dispensaries, with plans to continue to open new locations. The Company also has assets in Michigan, Texas and Pennsylvania. Growth in these markets will include strategic investment from operating and capital partners. Additionally, the Company recently announced agreements to sell non-core assets in Canada and Puerto Rico, subject to customary regulatory and other required approvals."

Mr. Hochberg concluded, "The Company is now better positioned to pursue its growth opportunities. As previously announced, we have also undertaken significant cost adjustments and best practice initiatives which have materially improved the Company's cost structure and productivity. This progress over the past several months has completed Phase One of the Operational and Financing Restructuring of Cansortium initiated by the Special Committee of the Board of Directors in October, 2019. It allows the Special Committee to move to Phase Two of the restructuring plan as part of its ongoing commitment to create value for all Cansortium stakeholders."

About Cansortium Inc.

Headquartered in Miami, Florida, and operating under the Fluent™ brand, Cansortium is focused on being the highest quality cannabis company in the State of Florida driven by unrelenting commitment to operational excellence from seed to sale. Cansortium has developed strong proficiencies in each of cultivation, processing, retail, and distribution activities, the result of successfully operating in the highly regulated cannabis industry. In addition to Florida, Cansortium is seeking to create significant shareholder value in the attractive markets of Texas, Michigan and Pennsylvania, where the Company has secured licenses and established operations.

Cansortium Inc.'s common shares and warrants trade on the CSE under the symbol "TIUM.U" and "TIUM.WT.U", respectively, and on the OTCQB Venture Market under the symbol (OTCQB: CNTMF). Investors can find current financial disclosure and Real-Time Level 2 quotes for the Company on www.otcmarkets.com.

Forward-Looking Information

Certain information in this news release, may constitute forward-looking information. In some cases, but not necessarily in all cases, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "targets", "expects" or "does not expect", "is expected", "an opportunity exists", "is positioned", "estimates", "intends", "assumes", "anticipates" or "does not anticipate" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved". In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events.

Forward-looking information is necessarily based on a number of opinions, assumptions and estimates that, while considered reasonable by the Company as of the date of this news release, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to the factors described in the public documents of the Company available at www.sedar.com. These factors are not intended to represent a complete list of the factors that could affect the Company; however, these factors should be considered carefully. There can be no assurance that such estimates and assumptions will prove to be correct. The forward-looking statements contained in this news release are made as of the date of this news release, and the Company expressly disclaims any obligation to update or alter statements containing any forward-looking information, or the factors or assumptions underlying them, whether as a result of new information, future events or otherwise, except as required by law.

 View original content to download multimedia: <http://www.prnewswire.com/news-releases/cansortium-restructures-approximately-25-0-million-of-near-term-obligations-significantly-improving-balance-sheet-and-available-free-cash-flow-to-fund-growth-300988879.html>

SOURCE Consortium Inc

www.getfluent.com; Investors and Media: Neal Hochberg, Chairman, neal@getfluent.com; 646-752-5736, investors@cansortium.com