



Cansortium Inc. Announces Management Services Agreement with MXY Holdings LLC ("Moxie") and an Equity Private Placement to Fund Growth

February 7, 2020

Moxie is a leading operator of cannabis cultivation and manufacturing assets in California, Nevada, Arizona, Pennsylvania and Utah and its products are distributed in over 350 dispensaries across the United States.

Moxie to participate in the private placement

Cansortium's special committee of the board of directors continues significant progress in repositioning the company and attracting new growth capital

MIAMI, Feb. 7, 2020 /PRNewswire/ - [Cansortium](#) Inc. (CSE:TIIUM.U) (OTCQB: CNTMF) ("Cansortium" or the "Company"), a vertically integrated cannabis company with operations in Florida, Texas, Michigan and Pennsylvania, together with MXY Holdings LLC ("Moxie") a vertically integrated cannabis company with operations in California and four other states, today announced the signing of a Management Services Agreement (the "**Management Agreement**") under which Moxie will provide management and operational consulting services to Cansortium for an initial term of two (2) years. Cansortium's principal market is in the key state of Florida, where it operates 18 dispensaries and two cultivation facilities, including an indoor facility in Tampa. The Management Agreement will leverage Moxie's deep operational and product expertise to help accelerate Cansortium's opening of new dispensaries across Florida and ensure a consistent supply of high-quality dry flower and extract products to Cansortium's growing patient base. In addition, the Company expects that the relationship with Moxie will help drive incremental value from the build-out of Cansortium's assets in the highly attractive Texas, Michigan and Pennsylvania markets.

The Company has also completed a non-brokered private placement offering (the "**Offering**") of 10,189,758 equity units (each, a "**Unit**") at US\$0.45 per Unit, or approximately US\$4.6 million. Each Unit consists of one common share of the Company (a "**Share**") and one common share purchase warrant (a "**Warrant**") which entitles holders to acquire one Share (a "**Warrant Share**") at an exercise price of US\$0.45 per Warrant Share.

The Company intends to use the proceeds of the Offering to fund strategic growth opportunities and for general corporate purposes. With the recent restructuring of approximately US\$25.0 million of near-term obligations, the pending sales of non-core assets in Canada and Puerto Rico, and the Offering announced today, Cansortium has taken significant steps to improve its balance sheet flexibility and increase liquidity enabling it to capitalize on growth opportunities.

Neal Hochberg, Chairman of the Board and of the Special Committee, commented, "Cansortium continues to attract new capital to invest in strategic, focused growth opportunities in Florida, Texas, Michigan and Pennsylvania. Moxie brings the Company new equity capital and industry-recognized operational expertise and insight across each aspect of our vertically integrated business – from cultivation to dispensary operations - that we believe will help accelerate our growth and create long-term value for all stakeholders."

Jordan Lams, Founder and Chief Executive Officer of MXY Holdings LLC, added, "Cansortium has established a solid operational platform in Florida under the Fluent™ brand and owns valuable licenses and operational assets in Texas, Michigan and Pennsylvania. This is a great opportunity for the Moxie team to bring our proven knowledge and experience across all aspects of the vertically integrated cannabis business to accelerate Cansortium's growth and implement best-in-class operational enhancements with the goal of creating a sustainable, profitable platform in Florida and beyond."

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 "TIIUM.U" and "TIIUM.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.

About MXY Holdings LLC

MXY Holdings LLC has developed award-winning brands and a loyal customer base by producing high-quality and consistent cannabis concentrates and related products across multiple markets. Moxie is a multistate operator (**MSO**) covering the California, Nevada, Arizona, Pennsylvania and Utah markets and its products are distributed in over 350 dispensaries across the United States.

Moxie is recognized by its peers in cannabis, winning close to 100 industry awards over the years, including Brand of the Year at the 2018 California Cannabis Association Awards. Moxie's newest product, the DART vaporizer, won first place at the recent 2019 High Times SoCal Cannabis Cup with its Piña Colada flavor. Jordan Lams was named 100 Most Influential People In Cannabis by High Times two years running, Top 100 Cannabis Leaders 2018 by Entrepreneur Magazine and is a member of the Forbes Business Council.

By using pharmaceutical grade technology and strict safety standards in their cultivation facilities and with a library consisting of hundreds of strains, Moxie provides customers with high-quality recreational and medical cannabis products. Moxie offers a variety of vape cartridges, concentrates,

edibles, and flower. As Moxie further expands its multi-state reach, it will be employing its know-how and genetic library to continue to be a leading cannabis brand innovator.

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.

The securities referenced in this press release have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from registration is available.

This announcement does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in this private placement within the United States or to, or for the account or benefit of, U.S. Persons (as defined under Regulation S under the U.S. Securities Act).

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