



Cansortium Inc. Provides Business Update, Including Commentary on Positive 2020 Business Momentum

May 4, 2020

MIAMI, May 4, 2020 /PRNewswire/ - [Cansortium](#) Inc. (CSE: TIUM.U) (OTCQB: CNTMF) ("Cansortium" or the "Company") today provided an update on its business, including commentary on its current business operations, liquidity, and positive financial momentum in the midst of the global COVID-19 pandemic.

Executive Chairman Neal Hochberg noted, "During 2019 we expanded from 7 medical marijuana dispensaries to 18 in our core market of Florida. We ended the year with good momentum and a strong commitment to creating a solid financial foundation that would position the Company and the Fluent™ brand for further growth and enhanced profitability in 2020. Since year end, we have further expanded to 20 dispensaries across the state, extending our geographic coverage to encompass metro regions which, combined, are home to approximately 60% of Florida's 21 million residents."

"During the first four months of 2020 we have continued to make significant progress on our strategic priorities, despite the unprecedented challenges posed by the global COVID-19 pandemic. We recently completed the previously announced sale of non-core assets in Puerto Rico, freeing up important capital and further reducing our operating expenses, enabling us to intensify our focus on growth opportunities in Florida, as well as opportunities in Michigan, Texas and Pennsylvania."

Update on Current Business Operations and Liquidity

All of the Company's 20 Florida dispensaries and cultivation facilities have remained open following Florida Governor Ron DeSantis' April 3, 2020 Stay-at-Home order, which specifically designated medical marijuana as one of several essential services. As part of its efforts to help slow the spread of COVID-19, each of the Company's dispensaries is prioritizing express pick-up orders, including curbside and drive-through pick-up. In addition, the Company has implemented additional cleaning and sanitation procedures in accordance with Federal, State and local health guidelines, as well as social distancing protocols, at each of its dispensaries, cultivation and production operations, and corporate facilities, and has adopted a work-from-home policy for most management and staff positions.

During the first four months of 2020, the Company has taken several steps to expand its Florida operations, enhance its financial flexibility and liquidity, and prioritize capital allocation toward large, profitable U.S. growth opportunities in Florida, Michigan, Texas and Pennsylvania. These steps have included:

- opening two (2) additional medical marijuana dispensaries in Florida. The Company currently operates 20 medical marijuana dispensaries in Florida – double the number it operated last year at this time – and has several more at various stages of construction and approval that it expects to add to its network over the remainder of the year;
- consummating the sale of its non-core assets in Puerto Rico for approximately U.S.\$670,000 in cash and royalties on future sales of Fluent-branded products;
- restructuring approximately U.S.\$25 million of near-term debt obligations;
- completing a private equity placement for gross proceeds of approximately U.S.\$4.6 million to fund strategic growth opportunities;
- transferring the Company's 50% ownership of its Colombian subsidiary to its in-market partner as the first step toward eventually exiting the Colombian market;
- engaging Zola Global Investors Ltd. to provide consulting services to the Company, pursuant to which Zola will receive one million common shares and stock options with a three-year term to purchase up to three million common shares at an exercise price of U.S.\$0.255 per share;
- appointing board member Neal Hochberg as Executive Chairman following the February resignation of the Company's co-founder and CEO; and
- appointing career pharmacist Roger Daher of Ontario, Canada to the Company's board of directors.

Mr. Hochberg continued, "Over the past six months, the Special Committee of independent Board members has overseen the design and implementation of a strategy to focus investment primarily on the Company's core market of Florida and the Pennsylvania, Michigan and Texas markets, divest non-core businesses and to ensure appropriate financial strength and liquidity to capture significant growth opportunities."

"While the unprecedented market conditions during the COVID-19 pandemic have invariably challenged the Company and its customers, I am grateful for how the Fluent team has responded to care for our customers and for each other. Despite these challenges, our operating performance has continued to improve during the first four months of 2020, approaching an operating scale and efficiency necessary to achieve and sustain positive operating cash flow. As one of the first five licensed operators in the state, we are proud to be serving Florida's large and growing population of medical marijuana patients."

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, Consortium 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.

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