



## Cansortium Closes US\$12 Million Private Placement

April 5, 2021

### PROCEEDS WILL BE USED TO INCREASE FLORIDA CULTIVATION CAPACITY, ACCELERATE DISPENSARY OPENINGS AND ACCELERATE GROWTH IN CORE FLORIDA MARKET

#### *Capital Will Also Fund Improvements to Michigan Cultivation Facility*

MIAMI, April 5, 2021 /CNW/ - Cansortium Inc. ("Cansortium" or the "Company") (CSE: TIUM.U), (OTCQB: CNTMF), is pleased to announce the closing of the sale of approximately US\$12 million of units ("**Units**") at a purchase price of US\$0.70 per Unit (the "**Private Placement**"). The Private Placement, originally contemplated as a US\$10 million financing, was increased by the Company due to investor demand, and a subsequent closing is expected in the next few days. Each Unit consists of one common share of the Company (each, a "**Share**") and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant will entitle the holder thereof to purchase one common share of the Company (a "**Warrant Share**") for a period of 24 months following the closing date at an exercise price per Warrant Share equal to US\$0.90.



## CANSORTIUM

Proceeds from the Private Placement will provide the necessary capital to accelerate the Company's growth initiatives in both Florida and Michigan. In Florida, where the Company currently operates two cultivation facilities and 24 retail dispensaries (with 3 more to be opened shortly), the proceeds from the Private Placement will be used to: (i) immediately complete Phase 2 of the Company's new Sweetwater cultivation facility, more than doubling that facility's annual production capacity from 3,000 lbs. to more than 6,000 lbs. of high quality flower, (ii) construct a new building at the Sweetwater facility to more efficiently trim, process and package the increased flower supply; and (iii) create four additional grow rooms in the Tampa cultivation facility to increase the supply of flower and biomass by approximately 2,400 lbs. annually and to improve operating efficiencies. In addition, proceeds from the Private Placement will help accelerate opening two new dispensaries in Pennsylvania and an additional two in Florida by year-end, thereby increasing the Company's dispensary footprint to 31 locations. In Michigan, the Company will expand its existing cultivation facility and construct additional support infrastructure to capitalize on the strong demand for recreational cannabis throughout the state.

"I am pleased with the tremendous progress that we have made since I have become Cansortium's CEO and we are now in a position to focus on expansion and growth", said Robert Beasley, Chief Executive Officer. "Cansortium's future has never been brighter and management is focused on executing our operating plan and continuing to capitalize on our strong asset base."

Neal Hochberg, Chairman, added, "The Private Placement is another milestone for the Company delivering important growth and expansion capital. We are confident that we will refinance our short-term maturities, which will simplify our balance sheet and provide additional growth and working capital. The Board has tremendous confidence in our management team and the successful completion of the Private Placement further enables them to create additional value for all of our stakeholders."

Canaccord Genuity acted as Financial Advisor to Cansortium on the Private Placement.

No securities regulatory authority has either approved or disapproved of the contents of this news release. The Shares and Warrants and any underlying securities shall be subject to a four month hold period from the closing date for Canadian investors. The securities being offered have not been, nor will they be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws. Accordingly, these securities may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities of Cansortium in any jurisdiction in which such offer, solicitation or sale would be unlawful.

#### **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 an unrelenting commitment to operational excellence from seed to sale. Cansortium has developed strong proficiencies

in each of cultivation, processing, retail, and distribution activities, resulting in successfully operating in the highly regulated cannabis industry. In addition to Florida, Consortium seeks to create significant shareholder value in the attractive markets of Texas, Michigan, and Pennsylvania, where the Company has secured licenses and established operations.

Consortium Inc.'s common shares trade on the CSE under the symbol "TIUM.U" 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](http://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 many 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](http://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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