



CANSORTIUM REPORTS FOURTH QUARTER AND FULL YEAR 2020 FINANCIAL RESULTS AND PROVIDES RECENT OPERATIONAL UPDATE

*Q4 Revenue up 54% to \$14.7 Million; Q4 Adjusted EBITDA up Significantly to
\$3.3 Million*

*Significant Momentum Carrying Through 2021 with Record Florida Revenue in
April Driven by Successful Launch Of New Sweetwater Cultivation Facility*

Company Expects Robust Revenue and Adjusted EBITDA Growth in 2021

Management to Host Conference Call Tomorrow at 5:00 P.M. Eastern Time

Miami, Florida, May 3, 2021 – [Cansortium](#) Inc. (CSE:TIUM.U) (OTCQB: CNTMF) (“Cansortium” or the “Company”), a vertically-integrated cannabis company operating under the Fluent™ brand, is reporting financial results for the fourth quarter and full year ended December 31, 2020 and is providing an operational update on recent events.

The Company’s audited consolidated financial statements and accompanying notes for fiscal 2020, along with the Management Discussion and Analysis (MD&A), are available under the Company's profile on SEDAR at www.sedar.com and are also accessible through the Investor Relations section of the Company's website at www.cansortium.com.

“Our strong fourth quarter results reflect the many improvements we have made across the organization, and that momentum has carried into 2021,” said Chief Executive Officer Robert Beasley. “The success of our recent debt and equity raise provides the capital required to fund our expansion in Florida and Pennsylvania. In April, we achieved record monthly sales in Florida of approximately \$5 million following the launch of our new Sweetwater cultivation facility, and we are underway in negotiating the final terms

(1) Adjusted EBITDA is a non-IFRS financial measure that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. The Company calculates adjusted EBITDA from EBITDA plus (minus) unrealized loss (gain) on embedded derivatives, plus (minus) certain one-time non-operating expenses, as determined by management. Reconciliations from EBITDA and Adjusted EBITDA to Net Loss are included in the accompanying financial schedules.

on a new cultivation facility with 40,000 ft² of capacity to complement both our Tampa and Sweetwater locations, bringing our total cultivation capacity in Florida to more than 150,000 ft² by the end of 2021. In our retail operations, our 25th Florida dispensary in Miramar is set to open in June, and two additional dispensaries in Fruitland and Deerfield Beach are expected to open by the end of the third quarter.

“In Pennsylvania, we also achieved record first quarter revenues of more than \$2 million and expect to have our second dispensary in Mechanicsburg open in July and have identified a location for our third dispensary, which we expect to open in the fourth quarter.”

Beasley added, “We have also continued to make key hires to strengthen our management team. In May, we hired Marco Malatrasi as our new Director of Operations of Florida. Marco has nearly a decade of Cannabis production experience having worked at MedMen, USA Hemp and MJardin. Marco will report directly to Executive Vice President, Samantha Senne. With a strong foundation of assets and people in place, we look forward to delivering on our robust growth and profitability outlook for 2021.”

Selected Fourth Quarter 2020 Financial Highlights Versus Fourth Quarter 2019 Results

- Consolidated revenue increased 54% to \$14.7 million, compared with revenue of \$9.5 million for the fourth quarter of 2019
- Florida revenue increased 43% to \$12.8 million, compared with revenue of \$9.0 million for the fourth quarter of 2019
- Consolidated loss from operations totaled \$(8.4) million, compared to loss from operations of \$(32.8) million for the same period of 2019
- Consolidated Adjusted EBITDA⁽¹⁾ increased significantly to \$3.3 million, compared to adjusted EBITDA⁽¹⁾ of \$0.1 million for the same period of 2019

Selected Full Year 2020 Financial Highlights Versus Full Year 2019 Results

- Consolidated revenue increased 84% to \$52.4 million, compared revenue of \$28.5 million for 2019
- Florida revenue increased by 84% to \$46.4 million compared to revenue of \$25.1 million for 2019
- Consolidated loss from operations totaled \$(36.6) million, compared loss from operations of \$(65.6) million for 2019

(1) Adjusted EBITDA is a non-IFRS financial measure that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. The Company calculates adjusted EBITDA from EBITDA plus (minus) unrealized loss (gain) on embedded derivatives, plus (minus) certain one-time non-operating expenses, as determined by management. Reconciliations from EBITDA and Adjusted EBITDA to Net Loss are included in the accompanying financial schedules.

- Consolidated Adjusted EBITDA⁽¹⁾ increased significantly to \$10.3 million, compared to adjusted EBITDA⁽¹⁾ loss of \$(6.9) million for the same period of 2019

Full Year 2020 Commentary

The Company revenue for 2020 was \$52 million, compared to the previously reported projection of \$55 million. Excluding Michigan operations, revenue was \$52 million, exceeding the Company's projection of \$49 million from operations in Florida and Pennsylvania. The sale of the 2020 Michigan crop that was initially included in the Company's 2020 projection was delayed to 2021, causing the variance between actual and forecasted.

Adjusted EBITDA for 2020 was \$10.3 million, compared to the previously reported projection of \$14.1 million. Excluding Michigan operations, Adjusted EBITDA was \$10.3M, exceeding the Company's projection of \$9 million of Adjusted EBITDA contribution from operations in Florida and Pennsylvania.

2021 Outlook

The Company is projecting consolidated revenue of approximately \$90 million to \$100 million for 2021. In addition, the Company projects consolidated Adjusted EBITDA of approximately \$30 million to \$35 million for 2021.

With the successful completion of the \$17 million private placement and \$71 million Secured Term Loan, the Company has appropriate resources and working capital to support growth and expansion. In addition, previous initiatives focused on growth and long-term shareholder value creation enabled the Company to ramp and generate record sales in April 2021.

In its home state of Florida, the Company started operations of its new Sweetwater facility and is investing in operational improvements in its existing Tampa facility. In retail, the Company will continue to expand its footprint during 2021 with a total of 27 dispensaries anticipated to be operational by the end of 2021, with an additional four locations identified by year-end. The Company expects approximately \$70-80 million of 2021 revenue to come from its operations in Florida.

(1) Adjusted EBITDA is a non-IFRS financial measure that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. The Company calculates adjusted EBITDA from EBITDA plus (minus) unrealized loss (gain) on embedded derivatives, plus (minus) certain one-time non-operating expenses, as determined by management. Reconciliations from EBITDA and Adjusted EBITDA to Net Loss are included in the accompanying financial schedules.

In Pennsylvania, the Company is opening an additional dispensary location in Q3 2021 and expects to open a third location in the Q4 2021.

In Michigan, the Company has approximately 2,600 lbs. of biomass in inventory and 900 lbs. of flower being prepared for sale. The Company anticipates that all will be sold within the next 60-90 days.

Conference Call

The Company will host a conference call and live audio webcast on May 4, 2021 at 5:00 P.M. Eastern time to discuss its Q4 and 2020 financial results.

All interested parties can join the conference call by dialing 1-800-319-4610 (Canada/USA) or +1-604-638-5340 (international). Callers should dial in 5 to 10 minutes prior to the scheduled start time and ask to join the call. A live audio webcast of the conference call will be available at:

<http://services.choruscall.ca/links/cansortium20210504.html>

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.

Cansortium 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.

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

(1) Adjusted EBITDA is a non-IFRS financial measure that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. The Company calculates adjusted EBITDA from EBITDA plus (minus) unrealized loss (gain) on embedded derivatives, plus (minus) certain one-time non-operating expenses, as determined by management. Reconciliations from EBITDA and Adjusted EBITDA to Net Loss are included in the accompanying financial schedules.

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. 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.

For further information:

www.getfluent.com

Cansortium Investors and Media

Robert Beasley, Chief Executive Officer

rob@getfluent.com

investors@cansortium.com

- (1) Adjusted EBITDA is a non-IFRS financial measure that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. The Company calculates adjusted EBITDA from EBITDA plus (minus) unrealized loss (gain) on embedded derivatives, plus (minus) certain one-time non-operating expenses, as determined by management. Reconciliations from EBITDA and Adjusted EBITDA to Net Loss are included in the accompanying financial schedules.