

CIM INTERNATIONAL ANNOUNCES UPDATE ON LOAN TRANSACTION AND SETTLEMENT AGREEMENTS

Toronto, Ontario – September 28, 2020 – CIM International Group Inc. (CSE: CIM) (“CIM” or the “Company”) announces an update on its loan agreement and its settlement agreement with Kingspound Capital Inc. and another creditor and that it has entered into a settlement agreement with a holder of one of the Debentures issued in 2018 through TSX Trust Company .

Update on Loan Agreement and Settlement Agreement with Kingspound

The Company announces an update on its loan agreement with Kingspound Capital Inc. (“Kingspound”). The agreement provided for a loan of up to aggregate amount of \$900,000 (the “Kingspound Loan”) bearing interest at a rate of 12% per annum calculated and payable monthly (see the Company’s news release dated September 9, 2020). The Company has now received advances aggregating all \$900,000 of the Kingspound Loan and, with earned unpaid interest, the balance outstanding as at September 17, 2020 was \$927,000.

The Kingspound Loan is secured by a pledge of all of the issued and outstanding shares held by the Company in the capital of 10167614 Canada Inc., which holds 25% of the limited partner units in the capital of CIM HWY7 Holding LP, which in turn holds 55% of the issued and outstanding shares in the capital of CIMBERG DEVELOPMENTS INC., which in turn holds 50% of the limited partner units in the capital of 6910 HWY7 Limited Partnership, which is the beneficial owner of the development project located at 6910 and 6950 Highway 7, Markham, Ontario (the “Bur Oak Project”).

The Kingspound Loan is further secured by a pledge of the limited partner units held by CIM in CIM Development Limited Partnership, the beneficial owner of the residential development project located at 3000-3012 Kennedy Road, Toronto, Ontario (the “Valleyview Garden Investment”).

The Company has entered into a settlement agreement with the Kingspound and CIM Home Marketing Inc. (the “Marketing Company”). The Company had borrowed \$1,000,000 from the Marketing Company on July 11, 2017 (the “Marketing Loan”), bearing interest at 15% per annum. As at May 31, 2020, the balance outstanding on the Marketing Loan was \$1,432,364.

The Company has agreed to settle the Kingspound Loan of \$927,000 and the Marketing Loan of \$1,432,364, an aggregate amount of \$2,359,364, by transferring the Company’s interest in the Valleyview Garden Investment and the Company’s interest in its Victoria House Investment, represented by 8.045% of the common shares of Canada-China Ageing Industry Development Inc., the facilities manager and owner of a seniors’ residence in Orillia, Ontario. The Company’s total original investment value in its Valleyview Garden Investment and its Victoria House Investment was \$2,352,600. A closing date for the settlement agreement has not been set.

Settlement Agreement with One of the Debentureholders

The Company also announces that it has entered into a settlement agreement with a holder (the “Holder”) of one of the Debentures issued in 2018 through TSX Trust Company. The agreement settles the Company’s liability in respect of a \$2.37 million Debenture. With accrued unpaid interest to August 31, 2020, total liability under that Debenture aggregated \$2,757,500. The Holder has agreed to provide a release of the Debenture in exchange for a transfer of the Company’s 7.5% interest in limited partnership units of CIM Hwy 7 Holding LP, also known as the Bur Oak Project, indirectly owned by the Company through 10167614 Canada Inc.. As at December 31, 2019, the Company had paid \$2,035,727 to 10167614 Canada Inc. as shareholder loans, of which the Company agreed to convert \$1,585,727 into shares of 10167614 Canada Inc. prior to completion of the settlement.

The Company issued an aggregate of \$10,000,000 of Debentures in 2018 through TSX Trust Company and the other Debentures with an aggregate of \$7.63 million will not be affected by the settlement agreement.

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About CIM International Group Inc.

CIM International Group Inc. is a Canadian company headquartered in the greater Toronto area and is classified on the CSE as a Diversified Industries company engaged in real estate development investment and in mineral resources exploration and development in Canada. The primary focus of the Company is to seek additional attractive residential real estate development opportunities in the Toronto area, mineral resource exploration and development properties in Canada, and other attractive technology based business investment opportunities in Canada on an active and passive ownership basis.

Forward-Looking Statements

This press release contains or refers to forward-looking information, including statements regarding the settlement agreements, which forward-looking information is based on current expectations that involve a number of risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, an inability to complete one or both of the settlement agreements, objections by holders of other Debentures and objections by other creditors. Any statements that involve predictions, expectations, beliefs, plans, projections, objectives, assumptions or that refer to future events or performance (often, but not always, using phrases such as “expects” or “does not expect”, “is

expected”, “anticipates”, “hopes”, “is hopeful”, “plans”, “estimates” or intends”, or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, to occur or to be achieved, or the negative thereof) are not statements of historical fact and are intended to identify forward-looking statements. Forward looking statements are subject to significant risks and uncertainties, and other factors that could cause actual results to differ materially from expected results. Readers should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and the Company assumes no responsibility to update them or revise them to reflect new events or circumstances other than as required by law.