

Apptix ASA Sells US Subsidiary & Operations

Herndon, VA and Oslo, Norway – November 15, 2016 – Apptix ASA, today announced it has sold Apptix, Inc. (the “Company”), its US-based subsidiary and operations to Fusion Telecommunications International Inc. (“Fusion”) (NASDAQ: FSNN), a leading cloud services provider delivering an integrated suite of advanced cloud communications, cloud connectivity, and cloud computing solutions to business customers nationwide. The transaction was valued at USD 28.0 million in cash and equity paid at closing, less net debt obligations, transaction fees and expenses.

Sale of US Operations

On November 14, 2016 Apptix ASA signed and closed a Stock Purchase Agreement (“SPA”) with Fusion for the sale of the Company, its only subsidiary and business operations.

Fusion is a leading provider of integrated cloud solutions to small, medium and large businesses. Fusion’s advanced, proprietary service platform enables the integration of leading edge solutions in the cloud, including cloud voice and unified communications, contact center, cloud connectivity, cloud computing and additional cloud services such as storage and security. Fusion is listed on the NASDAQ Capital Market under ticker FSNN. The Company will be a wholly-owned subsidiary of Fusion and will be a major component of Fusion’s cloud-based Business Services division.

The Apptix/Fusion combination creates a business with about USD 145 million in annual revenues, substantial synergies in the form of cost savings, operational strength and diversified customer base, of which Apptix ASA shareholders will control 16.6% post transaction.

“With the numerous initiatives we have undertaken since 2014 and culminating with the Fusion transaction, we believe we have provided our shareholders with the best possible cash outcome along with an additional opportunity to participate in the future growth of Fusion with equity participation. We have great confidence in Fusion’s strategy and its ability to create significant value. Importantly, the two companies share a common vision and culture which provides a great foundation for the integration of our teams,” commented Johan Lindqvist, Chairman of Apptix ASA.

Matthew Rosen, Fusion’s Chief Executive Officer, said, “We are thrilled to announce our acquisition of Apptix, which continues Fusion’s previously announced strategy to build a market leading portfolio of integrated cloud service offerings and to achieve greater scale through disciplined, targeted acquisitions. The addition of Apptix deepens Fusion’s comprehensive service portfolio with a focus on extending these services to the desktop and IT infrastructure of our customers. I am especially pleased to further grow our team of seasoned, highly trained cloud technology professionals.

“We have gotten to know the Apptix team well over the past several months and have been tremendously impressed with the company’s business, its customer base, its cloud computing infrastructure, and its engineering and development capabilities. We firmly believe Apptix is a

great strategic fit for Fusion and are excited about our company's next chapter of growth," Mr. Rosen concluded.

Apptix ASA was paid USD 23.0 million in cash at closing (before any transaction related expenses). Apptix ASA also received a total of 2,997,926 shares of Fusion common stock representing 19.9% of the outstanding Fusion common stock immediately prior to closing and 16.6% immediately following the close. Based on the weighted average stock price of the Fusion shares over the past 180 days, the aggregate equity consideration was valued at USD 5.0 million. The transaction was structured as a "debt-free, cash-free" deal whereby Apptix ASA retained the cash balances of the Company at closing of approximately USD 3.7 million. Apptix ASA was also required to satisfy any of the Company's outstanding funded debt obligations at closing which totaled approximately USD 7.1 million. Additionally, Apptix ASA incurred approximately USD 2.3 million in transaction related fees and expenses in connection with the transaction. There was no escrow adjustment pursuant to the transaction and all indemnifications along with representations & warranties expired with the closing. Apptix ASA will be receiving approximately USD 17.3 million in net cash proceeds or approximately NOK 1.80 per share. It is the Board of Directors' intention to distribute NOK 1.65 per share as a dividend in December 2016.

Of the total equity received by Apptix ASA, 50% of the shares, or 1,498,963 shares, were transferred to Apptix ASA at closing with the remaining 50%, or 1,498,963 shares, being transferred to Apptix ASA upon the receipt of two state public utility regulatory commission approvals which are expected within the next 120 days.

The Fusion shares received by Apptix ASA will be subject to Regulation 144 of the United States Securities Act of 1934 restricting the sale of the Fusion stock for up to 12 months following the closing date. Fusion has agreed to file a registration statement with the US Securities and Exchange Commission within 12 months of closing, making the shares freely tradable on the NASDAQ exchange. During this period of time, the shares will be held and owned by Apptix ASA.

The Company's President and Chief Operating Officer will not remain with the Company post-transaction.

Pacific Crest Securities, a division of KeyBanc Capital Markets, represented Apptix ASA and the Company in this transaction.

Forward Looking Statements

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as «believe», «expect», «anticipate», «strategy», «intends», «estimate», «will», «may», «continue», «should» and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were, or are, as the case may be, reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or

impossible to predict and are beyond the control of the Company or may be erroneous or turn out to be erroneous for other reasons. Actual events may differ significantly from any anticipated development due to a number of factors, including without limitation, changes in public sector investment levels, changes in the general economic, political and market conditions in the United States and other world markets, the Company's ability to attract, retain and motivate qualified personnel, changes in the Company's ability to engage in commercially acceptable acquisitions and strategic investments, and changes in laws and regulation and the potential impact of legal proceedings and actions. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm, or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this announcement. You should not place reliance on the forward-looking statements in this document.

About Apptix

Immediately prior to the aforementioned transaction, Apptix ASA (OSE: APP) was the premier provider of managed and hosted business communication, collaboration, compliance & security, and infrastructure solutions to mid-market and enterprise customers and blue chip channel partners. Apptix was a cloud services pioneer and had almost 400,000 users under contract around the world. Apptix's comprehensive portfolio of cloud solutions included Microsoft Azure, Microsoft Office 365, Microsoft Exchange, Microsoft SharePoint, Microsoft Lync, VoIP, Servers on Demand, Enterprise Backup, Disaster Recovery, File Sync & Share, and Virtual Desktops. Apptix services were delivered over a highly reliable network leveraging best-in-class technology, housed in SSAE 16-compliant data centers, and backed by US-based 24/7 support. For more information, visit www.apptix.com.

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