

Detailed Stock Exchange Announcement

Apptix ASA Sells USA Subsidiary & Operations

This is an announcement under section 3.4 of the Oslo Børs “Continuing obligations of stock exchange listed companies.”

Apptix ASA has on November 14, 2016 entered into a Stock Purchase agreement with Fusion Telecommunications International Inc., whereby Apptix ASA sold its entire ownership stake in in Apptix, Inc. Due to the size of the transaction an Information Document is required in accordance with section 3.5 of the “Continuing obligations of stock exchange listed companies”. Apptix ASA intends to file an application for filing exemption with the OSE. However, if the exemption is not granted, the Information Document will be published within the required stipulated timeframe.

Herndon, VA and Oslo, Norway – November 16, 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.

The Transaction – 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.

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. Additionally, no member of the Board of Directors of the Company will continue in such a capacity following the transaction with Fusion.

The Company’s President and Chief Operating Officer was paid a transaction incentive of USD 340 thousand. Additionally, the Company’s President and Chief Operating Officer will be engaged by Apptix ASA in a consulting capacity to assist with on-going Apptix ASA matters.

Except as noted above and other than customary termination agreements and retention arrangements for defined senior employees in order to secure orderly and fast completion and transition of the transaction, no agreements were entered into in connection with the transaction for the benefit of the Apptix ASA’s or the Company’s senior employees or members of the board of directors.

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

On Going Operations of Apptix ASA

Following the completion of the sale of the Company to Fusion, Apptix ASA will seek to complete an interim audit of Apptix ASA’s balance sheet to present to its shareholders mid December 2016.

The Board of Directors of Apptix ASA will schedule an Extraordinary Shareholder Meeting to be held mid December 2016 to present the audited interim balance sheet of Apptix ASA. It is the Board of Directors' intention to distribute NOK 1.65 per share as a dividend in December 2016. The residual cash balances will be retained to fund Apptix ASA going forward until a final decision regarding the future of Apptix ASA is determined.

Following the aforementioned cash distribution, the primary assets of Apptix ASA will be its 16.6% equity ownership in Fusion and residual cash balances. Due to the trading restrictions of the Fusion common stock, Apptix ASA intends to hold the restricted shares for at least 12 months until the trading restrictions are removed and then present a plan to the Apptix ASA shareholders for disposal of the Fusion shares held by Apptix ASA. As a listed company on the Oslo Stock Exchange, Apptix ASA will continue to report its quarterly results in accordance with the continuing obligations of stock exchange listed companies and pertinent laws and regulations.

The balance of the page is intentionally blank

Pro Forma Apptix ASA Balance Sheet

Please refer to the Pro Forma summarized balance sheet of Apptix ASA reflecting the sale of the Company as well as the impact of the proposed cash distribution. The amounts are presented in NOK 000's using the closing foreign exchange rate as of November 14, 2016. Amounts are approximate and subject to change.

NOK 000's	<u>ASA Stand Alone</u>	<u>Sale of Inc.</u>	<u>ASA Pro Forma</u>	<u>Cash Div.</u>	<u>ASA Pro Forma</u>
Cash	169	146,007	146,176	(134,360)	11,817
Other current assets	<u>271</u>	<u>0</u>	<u>271</u>	<u>0</u>	<u>271</u>
Total current assets	440	146,007	146,447	(134,360)	12,087
Investment in Apptix Inc	77,680	(77,680)	0	0	0
Investment in FSNN	<u>0</u>	<u>42,599</u>	<u>42,599</u>	<u>0</u>	<u>42,599</u>
Total non-current assets	<u>77,680</u>	<u>(35,081)</u>	<u>42,599</u>	<u>0</u>	<u>42,599</u>
Total assets	<u><u>78,120</u></u>	<u><u>110,926</u></u>	<u><u>189,046</u></u>	<u><u>(134,360)</u></u>	<u><u>54,687</u></u>
Current liabilities	<u>254</u>	<u>0</u>	<u>254</u>	<u>0</u>	<u>254</u>
Total current liabilities	254	0	254	0	254
Total non-current liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total liabilities	254	0	254	0	254
Share capital	27,116	0	27,116	0	27,116
Share premium	<u>50,750</u>	<u>110,926</u>	<u>161,677</u>	<u>(134,360)</u>	<u>27,317</u>
Total equity	<u>77,866</u>	<u>110,926</u>	<u>188,793</u>	<u>(134,360)</u>	<u>54,433</u>
Total liabilities and equity	<u><u>78,120</u></u>	<u><u>110,926</u></u>	<u><u>189,046</u></u>	<u><u>(134,360)</u></u>	<u><u>54,687</u></u>

Gain on the Sale of Apptix, Inc.

The table below summarizes the gain on the sale of Apptix, Inc. The amounts are approximate and subject to change.

Calculation of the gain on Sale of Apptix, Inc.

Amounts in NOK 000's

Net cash consideration	146,007
Fusion stock consideration	<u>42,599</u>
Total consideration	188,606
 Net asset value of Apptix, Inc.	 <u>77,680</u>
 Net gain on sale of Apptix, Inc.	 <u><u>110,926</u></u>

Overview of Fusion Strategy and Services

Fusion offers a comprehensive suite of cloud communications, cloud connectivity, cloud infrastructure, cloud computing, and managed cloud-based applications solutions to small, medium and large businesses, and offers domestic and international voice services to carriers worldwide.

Fusion currently operates its business in two distinct segments: Business Services and Carrier Services. In the Business Services segment, Fusion is focused on becoming its business customers' single source for leveraging the increasing power of the cloud, providing a robust package of essential cloud-based services that form the foundation for a customer's successful migration to, and efficient use of, the cloud. Fusion's Carrier Services includes a robust, carrier-grade network, that ensures the highest quality, diversity and redundancy, providing mission-critical voice, unified communications, Internet, network and managed services for a fast, redundant, and full-featured nationwide IP network.

Fusion's Business Services, which will include the Apptix service line, offers cloud computing and infrastructure as a service ("IaaS") solutions are designed to provide business customers with a platform on which additional cloud services can be layered. Complemented by software as a service ("SaaS") solutions such as security and business continuity, Fusion's advanced cloud offerings including private and hybrid cloud, storage, backup and recovery, and secure file sharing allow customers to experience the increased efficiencies and agility delivered by the cloud.

Through its Carrier Services segment, Fusion has agreements with 369 carrier customers and vendors, and sells its voice services to other communications service providers throughout the world. Customers include U.S.-based carriers sending voice traffic to international destinations, and foreign carriers sending voice traffic to the U.S. and internationally. Fusion also purchases domestic and international voice services from many of its Carrier Services customers.

During the past three years, Fusion has acquired five cloud services business, as such; Fusion has gone through a significant transformation and has expanded its business customer base to over 12,000, increased its distribution network to over 500 active distribution partners and added a significant number of network facilities and points of presence expanding its geographic reach.

Through these acquisitions, Fusion acquired advanced systems and infrastructure and augmented its management team and employee base with talented, experienced, well-trained professionals, while continuing to provide a strong platform for further acquisitions.

Fusion is seeking to capitalize on the rapid growth of the worldwide cloud services market, which Gartner in January 2016 projected to grow 16.6% in 2016 to \$204 billion, up from \$175 billion in 2015. Fusion is pursuing a three-tiered growth strategy: developing specialized solutions for key vertical markets (such as legal and healthcare), targeting cloud services companies for acquisition, and accelerating organic growth.

Fusion's strategy to organically grow its Business Services revenue includes securing large strategic distribution partners, increasing its direct as well as indirect channel sales efforts, upselling solutions to its existing customer base and leveraging its management, Board of Directors and shareholder relationship network.

Fusion was incorporated in Delaware, USA, commenced operations in 1997 and completed its initial public offering in February 2005. Fusion currently has offices in New York, NY, Wayne, NJ, Fort Lauderdale, FL, Atlanta, GA, Herndon, VA, and Beachwood, OH.

As of December 2015, Fusion had 260 full time employees.

(Aforementioned information was summarized from Fusion's 2015 Form 10-K filed with the US Securities and Exchange Commission)

Selected Financial Information of Fusion & Apptix, Inc.

Given the primary assets of Apptix ASA (post transaction) will be its equity ownership in Fusion, a *combined* view of the two companies is provided below. Revenue and Adjusted EBITDA figures are derived directly from each company's third quarter and year to date 2016 earnings releases. The below table does not reflect any proposed business synergies or costs to achieve such synergies. The combined table below may not be indicative of future results.

	Q3-2016			Nine Months Ending 9.30.2016		
	Apptix	Fusion	Total	Apptix	Fusion	Total
Revenue	6.3	29.5	35.8	19.3	93.1	112.4
EBITDA	0.8	1.7	2.5	2.3	6.7	9.0

Fusion Shareholder Information

As noted in Fusion's 2015 Definitive Proxy Statement, Fusion has approximately 609 shareholders of record of its common stock. The following table summarizes the major shareholdings of Fusion.

Group	Shares	%
Unterberg Capital LLC	4,029,499	26.9%
Directors & Officers as a Group (15 persons)	3,040,164	20.3%
All Other Shareholders	7,924,069	52.8%
Total Common Stock	14,993,732	100.00%

Fusion Stock Data

Fusion's common stock is listed on the NASDAQ Capital Market under the symbol "FSNN." The following tables list the high and low sales prices for Fusion's common stock for each fiscal quarter during the two preceding fiscal years:

For the Nine Months Ended September 30, 2016	High	Low
First Quarter	\$ 3.80	\$ 1.69
Second Quarter	\$ 2.10	\$ 1.20
Third Quarter	\$ 2.46	\$ 1.30

Year Ended December 31, 2015	High	Low
First Quarter	\$ 4.64	\$ 3.52
Second Quarter	\$ 4.75	\$ 2.07
Third Quarter	\$ 3.16	\$ 1.88
Fourth Quarter	\$ 3.44	\$ 1.99

Year Ended December 31, 2014	High	Low
First Quarter	\$ 7.75	\$ 4.78
Second Quarter	\$ 7.47	\$ 2.50
Third Quarter	\$ 5.41	\$ 3.33
Fourth Quarter	\$ 4.24	\$ 3.10

On May 13, 2014, Fusion completed a 50 to 1 reverse split of its common stock. The market price for Fusion's common stock is highly volatile and fluctuates in response to a wide variety of factors.

(The above Fusion related information was obtained from Fusion's 2015 Form 10-K, 2015 Definitive Proxy Statement and/or Fusion investor relations website.)

Additional Fusion Information

Additional information related to Fusion can be found via its company investor page at:

www.ir.fusionconnect.com

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 further information:

Johan Lindqvist (Chairman)

johan.lindqvist@windchange.se

+46 733 55 09 35

Christopher E. Mack (CEO)

chris.mack@ApptixASAHoldings.com

+1 703 801 7150
