

DionyMed Receives Notice of Default and Demand for Payment and Notice of Intention to Enforce Security

TORONTO--(BUSINESS WIRE)--October 17, 2019--DionyMed Brands Inc. (“**DionyMed**” or the “**Company**”) (CSE: DYME; OTCQB: DYMEF), a multi-state cannabis brands, direct-to-consumer and distribution platform, announced today that GLAS USA LLC (“**GLAS USA**”), as administrative agent and GLAS America LLC (“**GLAS America**”) as collateral agent under the Company’s credit agreement dated January 16, 2019 (as amended, supplemented or otherwise modified from time to time, the “**Credit Agreement**”), provided the Company with notice of default under the Credit Agreement and demand for immediate payment of the amount of US\$24,810,682.80 plus any additional interest, fees and expenses (the “**Demand Notice**”). GLAS America also concurrently provided the Company with a Notice of Intention to Enforce Security under section 244 of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA Notice**”). GLAS America will not have the right to enforce its security over the Company and its assets until the expiry of the 10-day period after the BIA Notice was sent unless the Company consents to an earlier enforcement.

The Company is reviewing and considering the Demand Notice and BIA Notice and its options. It will continue to work co-operatively with its major lender towards reaching a restructuring solution for it to continue operating as a going concern for the benefit of its stakeholders. At present, there can be no assurance as to what, if any, alternatives might be pursued by the Company and there can be no assurance that the Company will reach any solution with the Company’s lender, or as to the terms of any such solution, if achieved. Holders of the Company’s shares may face a loss of their investment as a result of a failure to reach a solution with the lender or as a result of a failure to reach a solution that includes holders of shares.

About DionyMed

Founded in 2017, DionyMed is a multi-state cannabis brands platform, supporting cultivators, manufacturers and award-winning brands in the medical and adult-use cannabis markets. DionyMed sells branded products in every category from flower to concentrates and edibles. DionyMed serves cannabis consumers through direct-to-consumer fulfillment and retail dispensary distribution with its growing portfolio of award-winning brands. Learn more at dyme.com and follow @DYME_Inc on Twitter and LinkedIn.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein in the United States. The securities described herein have not been registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities law and may not

be offered or sold in the “United States”, as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available.

Contacts

Peter Kampian, CFO
Peter.Kampian@DYME.com

Media Contact:
Michelle Sitton, CMO
Michelle.Sitton@DYME.com