

TIMIA Invests in Cova Software Through New Finance Facility

~Cova selects TIMIA's non-dilutive finance solution to support the expansion of its award-winning technology platform, POS and inventory management system for cannabis retailers~

VANCOUVER, May 25, 2020 /CNW/ - **TIMIA Capital Corporation ("TIMIA" or the "Company") (TSX-V: TCA/OTC: TIMCF)** announced that it has entered into a \$2 million investment facility for Retail Innovation Labs LLC doing business as Cova Software ("Cova"), a Denver, CO and Vancouver, BC-based developer of an award-winning point of sale ("POS") and Inventory Management platform designed to streamline cannabis retail. The 2 year financing facility includes an initial disbursement of \$1,250,000, which has been advanced, and an additional \$750,000 to be disbursed upon certain milestones being met over the term of the agreement.

"Cova has developed the market leading technology platform and POS currently powering nearly 90% of Ontario cannabis stores and over 50% of all cannabis retailers in Canada," said Rob Foxall, Vice President of Origination of TIMIA. "Given their success, the team at Cova has selected TIMIA's innovative non-dilutive financing to support their continued growth. Our financial solution is a great alternative for organizations like Cova that require funding to increase their customer base and drive sales, while maintaining equity ownership and control over their company."

"We are seeing tremendous growth in the highly regulated cannabis industry and our software solution allows retailers to successfully navigate and grow in this complex and changing environment," said Gary Cohen, CEO of Cova Software. "Recognizing the need for expansion capital, we explored several alternatives and found that TIMIA had the best solution for our needs. We look forward to working with the team at TIMIA as we continue to strengthen our competitive position in the growing cannabis industry."

TIMIA has developed a proprietary, scalable, technology-driven fintech platform targeting higher risk-adjusted returns on its finance solutions, creating value for shareholders, and leveraging its non-dilutive capital structure. The Company is driving growth of its investment portfolio by providing non-dilutive investment facilities to revenue producing growth companies in the software as a service or SaaS industry.

Growing SaaS companies, such as Cova, requiring financing are invited to register with TIMIA through its fintech platform. Under a revenue-based financing model, TIMIA advances capital to SaaS businesses with recurring revenue streams allowing the portfolio company to make monthly payments, which are a combination of principal and interest, to TIMIA with a repayment schedule sculpted to the portfolio company's revenue streams. The amounts advanced are secured and may be repaid early. TIMIA expects to make further investments in the coming months, in the pursuit of its business model, which is to earn a combination of monthly payments and periodic gains on investments.

About Cova

Cova is an award-winning POS and Inventory Management platform designed to streamline cannabis retail. A compliance-first company, Cova not only meets all federal and provincial regulations, but constantly adapts to changing rules to make compliance simple for owners and employees, reducing the risk of infractions and fines. In addition to automated compliance features such as 1-click provincial reports, Cova offers an intuitive, user-friendly design and lightning-fast transaction time. Its technology platform currently powers nearly 90% of Ontario cannabis stores in Ontario, with 52% of all cannabis retailers in Canada choosing Cova. This makes Cova the most robust and reliable cannabis POS system available with virtually no downtime, even on 4/20. Headquartered in Vancouver, BC, Cova's team spans Canada, with offices in Regina, Winnipeg, and

Toronto. Learn more at www.covasoftware.com.

About TIMIA Capital Corporation

TIMIA Capital Corporation is a specialty finance company that provides growth capital to technology companies in exchange for payments based on monthly revenue. This alternative financing option complements both debt and equity financing, while allowing entrepreneurs and existing stakeholders to retain ownership and control of their business. TIMIA's singular focus is the fast growing, global, business-to-business Software-as-a-Service (or SaaS) segment. We align ourselves with entrepreneurial management teams growing their sales from \$2 Million to \$20 Million in Annual Recurring Revenue. For more information about TIMIA Capital Corporation, please visit www.timiacapital.com

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Forward-Looking Information

Certain information and statements in this news release contain and constitute forward-looking information or forward-looking statements as defined under applicable securities laws (collectively, "forward-looking statements"). Forward-looking statements normally contain words like 'believe', 'expect', 'anticipate', 'plan', 'intend', 'continue', 'estimate', 'may', 'will', 'should', 'ongoing' and similar expressions, and within this news release include any statements (express or implied) respecting the potential for higher risk-adjusted returns utilizing the Company's finance solutions, expected further disbursements upon the completion of certain milestones and expectations regarding making further investments in the coming months. Forward-looking statements are not guarantees of future performance, actions, or developments and are based on expectations, assumptions and other factors that management currently believes are relevant, reasonable and appropriate in the circumstances, including, without limitation, the following assumptions: that the Company and its investee companies are able to meet their respective future objectives and priorities, assumptions concerning general economic growth and the absence of unforeseen changes in the legislative and regulatory framework for the Company. Although management believes that the forward-looking statements are reasonable, actual results could be substantially different due to the risks and uncertainties associated with and inherent to Timia's business. Material risks and uncertainties applicable to the forward-looking statements set out herein include, but are not limited to, the Company having insufficient financial resources to achieve its objectives; availability of further investments that are appropriate for the Company on terms that it finds acceptable or at all; successful completion of exits from investments on terms that constitute a gain when no such exits are currently anticipated; intense competition in all aspects of business; reliance on limited management resources; general economic risks; new laws and regulations and risk of litigation. Although Timia has attempted to identify factors that may cause actual actions, events or results to differ materially from those disclosed in the forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, predicted, estimated or intended. Also, many of the factors are beyond the control of Timia. Accordingly, readers should not place undue reliance on forward-looking statements. Timia undertakes no obligation to reissue or update any forward-looking statements as a result of new information or events after the date hereof except as may be required by law. All forward-looking statements contained in this news release are qualified by this cautionary statement.

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For further information: Darren Seed, Vice President, Capital Markets & Communications, Mike Walkinshaw, CEO, TIMIA Capital Corporation, (604) 398-8839, IR@timiacapital.com

CO: TIMIA Capital Corp.

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