



AFC Gamma Serves as Lead Investor in Consortium's \$71 Million Senior Secured Credit Facility to Fund Operations in Three States

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Highlights AFC Gamma's Presence in the Growing Medical Marijuana Markets in Texas, Michigan and Pennsylvania

WEST PALM BEACH, Fla., May 05, 2021 (GLOBE NEWSWIRE) -- AFC Gamma, Inc. (NASDAQ:AFCG) ("AFCG") today announced it has invested \$15 million in Consortium Inc.'s ("Consortium", or the "Borrower") (CSE: TIUM.U), (OTCQB: CNTMF) \$71 million credit facility. Seaport Global, LLC acted as the placement agent.

"We are excited to work with our partners at Seaport Global to support Consortium, a well-established and experienced operator in Florida as it expands into Texas, Michigan and Pennsylvania," said Leonard M. Tannenbaum, AFCG's Chief Executive Officer. "We believe this partnership will help catalyze Consortium's next phase of growth in these states, which have favorable supply and demand dynamics and significant growth prospects."

Jack Mascone, Head of Capital Markets for Seaport Global, added, "As one of the lead investors in this transaction, AFCG is an institutional lender with deep knowledge and industry connections. We are pleased that AFCG committed early and is part of our syndicate."

AFCG will hold \$15 million of the credit facility, which consists of the upfront first-lien term loan.

Headquartered in Miami, and operating under the Fluent™ brand, Consortium is licensed to produce and sell medical cannabis in Florida, where the Borrower is the owner and operator of cultivation and production facilities, and operator of 20 dispensaries. Consortium is also the owner and operator of a cultivation and production facility and sells products via home deliveries in Texas, the operator of one dispensary in Pennsylvania, and the operator of an outdoor cultivation facility in Michigan.

States Enabling Next Phase of Growth:

Texas. In April 2021, the Texas House approved a bill that would expand the state's medical cannabis program to include those with chronic pain, all cancer patients and Texans suffering from PTSD. The bill is currently being considered by the Senate before it can be sent to the governor to be signed into law. As of April 30, 2021, there are approximately 5,400 Texans registered with the state to use medical cannabis, though advocates estimate that there are over 2 million people eligible based on current law.¹

Michigan. In 2018, Michigan became the first Midwestern state to legalize both medical and recreational marijuana use.² By December 2020, Michigan had experienced the highest sales growth of any legal cannabis market in the United States, realizing a 146% growth in gross merchandise value.³ In total, more than \$341 million in adult-use marijuana sales was reported for fiscal year 2020.⁴

Pennsylvania. Pennsylvania legalized use of medical marijuana in April 2016 and by August 2020, approximately 230,000 Pennsylvanians were registered and approved to buy marijuana, according to the Department of Health. In 2019, estimated sales were between \$225 million and \$275 million and between \$400 million and \$500 million in 2020. The state expects sales to reach \$1 billion in the next three to four years.⁵

About AFC Gamma, Inc.

AFC Gamma, Inc. (NASDAQ:AFCG) is an institutional lender to leading cannabis companies with strong operations and cash-flow prospects, real-estate-security and other collateral, and locations in states with favorable supply/demand fundamentals and legislative environments. AFCG's platform provides innovative and customized financing solutions through first-lien loans, mortgage loans, construction loans and bridge financings. The senior-management team of the company has a combined approximately 100 years of experience in investment management and disciplined credit investing across a range of economic cycles.

Forward-Looking Statements

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect the company's current views and projections with respect to, among other things, future events and financial performance. All statements other than historical facts, including, without limitation, statements regarding Consortium's facilities and the projected sales of medical marijuana in Texas, Michigan and Pennsylvania are forward-looking statements. Words such as "believes," "expects," "will," "intends," "plans," "guidance," "estimates," "projects," "anticipates," and "future" or similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions and are not guarantees of future performance, conditions or results. Certain factors, including an unfavorable change in the regulations of the cannabis industry and other important risks and uncertainties discussed under the caption "Risk Factors" in our final prospectus filed with the U.S. Securities Exchange Commission on March 19, 2021, relating to the company's Registration Statement on Form S-11, as amended (File No. 333-251762), could cause actual results and performance to differ materially from those projected in these forward-looking statements. New risks and uncertainties arise over time, and it is not possible for the company to predict those events or how they may affect AFC Gamma, Inc. Therefore, you should not place undue reliance on these forward-looking statements. The company does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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- ¹“[Texas' medical cannabis program could expand under bill OK'd by House](#)” *The Texas Tribune*. April 29, 2021.
- ²“[Michigan Allocates \\$20 Million From Cannabis Tax Revenue to Medical Marijuana Research](#)” *Michigan Marijuana Facts*. April 8, 2021.
- ³“[More Recreational Marijuana Options Are Opening Up the Local Market](#)” *Michigan Marijuana Facts*. February 13, 2021.
- ⁴“[First Adult-Use Marijuana Payments Distributed to Michigan Municipalities, Counties](#)” *Michigan Department of Treasury*. March 4, 2021.
- ⁵“<https://www.inquirer.com/business/weed/medical-marijuana-cannabis-pennsylvania-sales-explode-patient-visits-double-jushi-terrapin-station-20200814.html>” *The Philadelphia Inquirer*. August 16, 2020.