



Radiant Technologies Inc. announces Q2 2022 financial results

- *Close of definitive agreement with Tunaaaaroom Extracts Inc. ("TRX")*
- *Imminent Launch of HighGrade Supply Ltd. ("HighGrade") products related to hydrocarbon extracts*
- *Ramp in revenues by 46% from Q1 2022 and a further reduction in operating costs of almost 20% from Q1 2022 to move towards operating profitability*

Radiant Technologies Inc. ("Radiant" or the "Company") (TSX Venture: RTI; OTCQX: RDDTF), a manufacturer of high-quality cannabinoids-based formulations and products today announced its results for the quarter- end Sept 30, 2021, and provided an update on its recent corporate developments.

Key Business Developments and Subsequent Events

- **HighGrade Supply Ltd:** The Company advanced its exclusive licensing and extraction agreement with HighGrade Supply ("HighGrade") with installation of a custom hydrocarbon system designed for high throughput and purity. The capacity of the HighGrade platform will be 1,100 kgs of biomass daily between hydrocarbons and other solvents with room to grow as the demand in the Canadian market increases. HighGrade will bring its legacy brands into the Radiant fold and will bring to market some of the highest quality cannabis 2.0 products, including distillates and isolates of products that include - THCa Crystalline, Delta 8 THC, CBG, CBN and hydrocarbon products like High Cannabinoid Full spectrum extracts, Crumble, Shatter etc. The products are expected to hit the retail stores in January 2022.
- **Atomic Eh!:** Radiant, in collaboration with Atomic Eh! ("Atomic") successfully launched their Goombay and Green Chrome concentrate lines, including Shatter, THCa, Live Resin and Distillate Carts, Caviar, THC and CBD Tinctures, as a part of the indigenous cannabis brands. Atomic has launched these products into six provinces so far with several new SKUs coming to market outside of the concentrate and vape category. The Company expects to have a nationwide launch of hydrocarbon-based cannabinoid extracts through these channels in the subsequent quarters. The Indigenous community as such has been largely underrepresented with

approximately only 4% (ref: MjBizdaily) of licensed cannabis producers having any kind of Indigenous involvement or representation.

- **Q2 2022** was the continuation of the transformational year for Radient with a launch of a wide range of Radient branded products and formulations in the rapidly growing recreational cannabis market in Canada with over 55 SKUs active in the market. Radient branded products continued to gain widespread acceptance especially in Ontario following the launch of its products in this province. The TRX brand that was launched in Q1 2022 consolidated its position as a premium cannabinoid concentrate brand, with most major Provincial and Territorial retail markets in Canada, (except for Quebec). The products included high quality premium cannabis products including live resin vape cartridges, caviar and THCa diamonds.

Tunaaaaroom Xtracts Inc. Definitive Agreement:

The Company is pleased to announce that it has entered into a definitive agreement dated November 29, 2021, to acquire Tunaaaaroom Xtracts Inc. (the “**Agreement**”) in an all-stock transaction. The Agreement supersedes the binding letter of intent announced June 30, 2021

On December 8, 2020, Radient and TRX entered a licensing agreement to co-develop and sell premium cannabis products under the TRX brand. TRX product sales have continued to expand and are now sold through provincially licensed retailers in seven Canadian provinces and territories: Ontario, British Columbia, Alberta, Saskatchewan, New Brunswick, the Northwest Territories, and the Yukon. Pursuant to the Agreement, Radient will acquire TRX (the “**Acquisition**”) for 70 million common shares of Radient priced at \$0.12 per share and 15 million warrants of Radient exercisable at a price of \$0.15 per share for a period of two years following the closing of the Acquisition, plus up to 25 million common shares of Radient at a deemed price of \$0.12 per share issued contingently upon certain revenue performance milestone achievements following the closing of the Acquisition. All of the securities issued pursuant to the Acquisition are subject to a four-month hold period.

In accordance with the terms of the Acquisition, Radient will acquire all of the rights, title and interest in TRX's intellectual property, including the TRX brand and the rights to sell all TRX branded products. Following the closing of the Acquisition, Radient will receive 100% of the revenue of all TRX-branded products and will pay royalties amounting to 4.0% of TRX revenue if TRX revenue is equal to or greater than \$500,000 in a calendar month or \$1,500,000 in a calendar-year quarter. No royalty will be paid if TRX revenue is less than \$500,000 in a calendar month and if TRX revenue is less than \$500,000 in each of nine consecutive calendar months there shall be no further royalty payments thereafter.

In connection with the Acquisition, Radient has contracted with the vendors of TRX to provide cannabis growing management services and to develop new products and brands for Radient for a period of at least three years following the closing of the Acquisition.

The Acquisition is an arms length transaction and is expected to close prior to December 31, 2021 and remains subject to customary closing conditions including TSX Venture Exchange approval.

Fiscal Q2 2022 Summary

- The ramp up in revenues continued from the previous quarter on the back of a number of strategic agreements that were signed by the Company to launch Radient branded products and SKUs. Revenues ramped up to \$1.1M in Q2 2022, an increase of 46% in comparison to Q1 2022 (previous quarter) and over 2300% from Q2 2021 (previous year), consistent with the ongoing transformation and commercialization of its technology stack. Radient is committed in its efforts to create high-quality, yet affordable products through innovative distribution channels.
- The current order backlog continues to grow with the TRX brand of premium cannabis products consolidating its position as a dominant high selling brand in the recreational premium cannabis space in Canada. Revenue is expected to grow significantly in the subsequent quarters from the sales of other Radient branded products through its partnership with Atomic Eh!
- Operating costs were reduced significantly by 50% in fiscal Q2 2022 to \$1.7M in comparison to \$3.4M for the same period in Q1 2021 and a further reduction of 17% from Q1 2022 (previous quarter). These included a 55% reduction in SG&A in Q2 2022 compared to Q2 2022. The Company is tracking a steady decrease in costs and a ramp up in revenues and the cost savings of over \$1.7M for fiscal Q2 2022 consistent with the management plan towards achieving cash flow break even and operating profitability in fiscal 2022.

Management Commentary

CEO Harry Kaura comments: "This quarter continues to show progress in Radient under the new management team to move towards operating profitability. As a part of the current initiatives, there is a \$2M non-dilutive investment of equipment coming in for the hydrocarbon program that will place Radient in a position to produce high end BHO products at a commercial scale.

Radiant is also pleased to announce that Atomic Eh! has been launched in six provinces so far and has repeat orders in all six, with several new SKU's coming to market in the near future in the pre-roll and dry flower categories.

Management has been focused on cutting costs and despite severe cash constraints, the Company was able to restructure successfully. The Business Development Team was able to achieve significant milestones with a very limited budget, with the team laser focused on promoting the brands into all provinces.

The acquisition of TRX will enable Radiant to further grow its footprint in both the recreational and medical cannabis markets. The TRX brand is widely recognized for its high-quality cannabis strains containing proprietary terpene profiles. TRX will continue to provide the markets with leading premium products at reasonable prices. The TRX team was deeply involved and instrumental in bringing in the HighGrade team and assisting in the turnaround of RTI."

Eli Katsakioris from TRX comments: "We are excited to be a part of RTI. Over the past twelve months RTI has become our home in the cannabis industry. After watching the dedication from the new management to moving this Company in a direction that we believe in, our decision to be part of that journey has been validated. With the relationships and brand recognition TRX has made in the cannabis space, along with our hand selected new brands and production lines, TRX believes RTI is poised to be a real leader in several product categories."

Rob Morrison, CEO of HighGrade comments: "We are excited to bring our experience and expertise to Radiant. We are looking forward to raising the bar in the Hydrocarbon and Distillation in the Canadian market, bringing our Highgrade brands to retail shelves in 2022, as well as working with RTI's existing brands. The new management team behind Radiant is one of the key reasons why we decided to choose RTI as our home."

About Radiant

Radiant Technologies is a commercial manufacturer of diverse, novel and high-quality cannabis extracts and packaged products. Radiant develops specialty products and ingredients that contain a broad range of cannabinoid and terpene profiles while meeting the highest standards of quality and safety. Radiant is focused on innovation with expertise in formulations and technologies offering unique solutions in the cannabis and wellness space. Please visit www.radiantinc.com for more information.

SOURCE: Radiant Technologies Inc.

For further information please contact:

Radient - Investor Relations, ir@radientinc.com

Forward Looking Information:

This press release contains “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking information includes, without limitation, statements regarding the growth of the Company’s business operations. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Radient, as the case may be, to be materially different from those expressed or implied by such forward-looking information. Although Radient has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. Radient does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.