



Radiant Technologies Inc. releases third Quarter 2021 financial results

- *Revenues up significantly, management guides to \$20-\$25M in revenues for calendar 2021*

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 third quarter ended December 31, 2020 and provided an update on its recent corporate developments.

Fiscal Q3 Highlights and Subsequent Events

Business Developments

- Radiant continued the transformation of its business by successfully launching a wide range of Cannabis 2.0 products in Canada utilizing its Sales License in the provinces of Alberta, BC, Manitoba and Saskatchewan. This is a part of a broad strategy to introduce Radiant branded products in the growing recreational market for Cannabis 2.0 products in Canada. For the quarter, the sales volumes were driven by the Company’s products in the concentrate and vapes categories. The market for premium concentrates is showing early signs of adoption and growth and Radiant is well positioned to create a market presence with its own brands and formulations.
- Radiant announced a licensing agreement with Tunaaaaroom ("Tunaaaa") to manufacture and distribute a wide range of premium cannabis extracts targeting the recreational cannabis consumers in Canada, with a focus on distillate dabs and vape extracts. Radiant will gain access to Tunaaaa's specific genetics and will bring Tunaaaa's vast catalogue of unique flavours to the market with monthly drops of new terp profiles. Radiant and Tunaaaa will also work in collaboration on CBD and CBN distillate dabs to create additional unique terpene extract products for recreational cannabis consumers.
- Radiant announced its first shipment of orders in January 2021 with Tunaaaaroom in Saskatchewan under the brand name TRX. Radiant and Tunaaaaroom will be expanding their partnership by adding additional retail brands in Saskatchewan in March-April 2021 in various product categories. These include resin, dabs, vape carts, juice crystals, THCa diamonds, Shatter etc.

Fiscal Q3 Summary

- Revenues generated in the quarter of \$1.8M represented a significant growth from the previous quarter and reflected the beginning of a ramp up from reduced operations in Q1 2021. This represents a transformational quarter for Radient in its operating history as it transitions to commercialize its science-based technology stack into operating profitability. Fiscal Q1 2021 was impacted largely due to the shutdown of manufacturing activities at the plant and reduced staff. After the management and operational changes in Q2 2021, Radient began ramping up operations in Q3 2021, as sales volumes picked up. The revenue increase was predominantly on the back of the roll out of Premium 5 products and restart of operations with a focus on cannabis concentrates and vapes with Radient branded products.
- Radient announced the addition of new partners that include Tunaaroom, Fluum, Dreamy CBD etc. as sales volumes continued to grow. Radient expects the operational ramp up in volumes will continue in the coming quarters as it moves towards profitability on an operating basis. Radient expects sales volumes to be a minimum of 50,000 units per month through calendar 2021 driven by strong demand and existing partnerships that have been announced. Management believes gross revenues to be in \$20-\$25M range at a minimum for calendar 2021 and will provide additional earnings guidance in the upcoming months. Management is also focused on building its revenue profile through additional partnerships and collaborations to launch unique brands of formulations and cannabinoid products as it completes its product registrations across provinces in Canada.
- Loss before other income (expenses) reflected one time write down to net realizable of inventory of \$6.6M mainly on account of soft distillate pricing. This is a non-recurring and a one-time charge. The loss numbers will change accordingly in the forthcoming quarters on the back of increases in revenues and wide-ranging cost cutting initiatives initiated by the new management. Radient continues to restructure its operations through a combination of cost reductions and deferring expansion initiatives in Edmonton and Germany.
- As product sales volumes increase, concurrently with a reduced cost curve, management believes Radient will turn cash flow positive operationally towards the second half of calendar 2021.

Management Changes

Radient announced the appointment of Harry Kaura as the CEO of the Company effective Feb 03, 2021. The change was a plan to leverage Radient's expertise in science and formulations and grow its revenues to build a strong Radient brand of cannabis products. Harry has been a board member of Radient since 2013 and played a key role in the Business Development initiatives and in the transformation of the

manufacturing unit to roll out products that Radient has launched recently. Jan Petzel, who was the interim CEO of Radient during the transitional period handed his role over to Harry Kaura. Jan continues to serve the business in an active advisory role to support Harry Kaura and the team. The new management is committed to take the Company to operational profitability in 2021. This will be achieved through a combination of the accelerated commercialization of Radient's products, the rationalization of capital spending and the implementation of wide scale cost reductions.

Shares for Debt

Radient also announced that it has entered into a series of shares for debt arrangements with various creditors for up to \$1.8 M at a deemed value of \$0.10 per share in January 2021 and then followed up with a subsequent announcement for up to \$6M at a deemed value that was adjusted to \$0.105 per share. This includes \$2.2M of conversion of secured debt from Akaura Holdings (owned by CEO Harry Kaura) and an additional \$1M of conversion of indebtedness into shares by Fillmore Construction Management. This is a part of the growing faith and confidence in the business prospects for Radient and steps initiated by the new management to turn the business into a positive operating cash flow in 2021. Management strategy remains focused to de-lever Radient's balance sheet, ramp up operations and execute its business plans.

Securities issued in the shares for debt arrangement will be subject to a 4 month hold period and are subject to the approval of the TSX Venture Exchange.

About Radient

Radient Technologies is an innovative science-based company that is a commercial manufacturer of high-quality cannabinoid based formulations, ingredients and products. Utilizing a proprietary extraction and downstream processing platform that recovers up to 99% of cannabinoids from the cannabis plant, Radient develops specialty products and ingredients that contain a broad range of cannabinoid and terpene profiles while meeting the highest standards of quality and safety. Radient also has a science lab that is focused on innovation with expertise in formulations and technologies offering unique solutions in the cannabis and wellness space. Please visit www.radientinc.com for more information.

SOURCE: Radient Technologies Inc.

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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.

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