

Gravitas Announces Sale of Certain Indebtedness

Toronto, Ontario--(Newsfile Corp. - December 16, 2019) - Gravitas Financial Inc. (CSE: GFI): Gravitas Financial Inc. ("**Gravitas**") announces that it has sold to Ilium Capital Corp. ("**Ilium**"), indebtedness in a principal amount of \$4,993,739 owing to it by 2242257 Ontario Inc., an affiliate of Gravitas (the "**Purchased Indebtedness**") for consideration of \$375,000 (the "**Transaction**") pursuant to a debt purchase agreement ("**Ilium Purchase Agreement**") dated as of the date hereof.

The Ilium Purchase Agreement was entered into following the agreement by each of The Canadian Family Office Network Ltd. and Gravitas to terminate the previously announced purchased agreement dated as of October 18, 2019.

A committee established in connection with the previously announced sale and investment solicitation process (the "**SISP**"), comprised of an independent and disinterested member of the board of directors of Gravitas, as well as board of directors following the recommendation of the committee, reviewed and accepted the terms of the Transaction and determined that it is in the best interest of Gravitas considering, among other things:

- the recommendation of FTI Capital Advisors - Canada ULC ("**FTI**"), the party assisting with its SISP, after consultation with FAAN Advisors in its capacity as Chief Process Advisor, with FTI advising that the Transaction is reasonable and appropriate;
- concern regarding the financial ability of 2242257 Ontario Inc. to meet its obligations with respect to the Purchased Indebtedness;
- the Transaction being supported by the majority holders of Gravitas' secured debt; and
- the current financial situation of Gravitas.

None of the proceeds from the Transaction shall be distributed to shareholders of Gravitas. As has been previously disclosed, Gravitas intends to use all of the proceeds of all transactions effected pursuant to the SISP to repurchase all of the secured debt in order to satisfy and discharge its obligations under the applicable indentures other than such portion of the proceeds that the debtholder has approved for use to pay Gravitas' operating expenses.

Forward-looking Statements.

Certain statements in this news release constitute "forward-looking" statements. These statements relate to future events or our future performance and, in certain cases, can be identified by the use of words such as "will", "shall", "could" occur, or the negative forms of any of these words and other similar expressions. Forward-looking statements include the use of proceeds of the Transaction. All such statements involve substantial known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to vary from those expressed or implied by such forward-looking statements. Forward-looking statements reflect current expectations regarding future events and operating performance and speak only as of the date of this news release. Forward-looking statements involve significant risks and uncertainties, they should not be read as guarantees of future performance or results, and they will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, that the closing conditions to the Transaction are not satisfied or waived (if applicable). Although the forward-looking statements contained in this news release are based upon what management of Gravitas believes are reasonable assumptions on the date of this news release, Gravitas cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are subject to certain risks and uncertainties and other risks detailed from time-to-time in Gravitas' ongoing filings with the securities regulatory authorities, which filings can be found at www.sedar.com. These forward-looking statements are made as of the date of this news release and Gravitas disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise, unless required by applicable securities laws.

ABOUT GRAVITAS FINANCIAL INC.

Gravitas Financial Inc. is a platform company that creates businesses in key traditional and emerging sectors with strong industry partners. Our industry focus includes financial services and fintech. We leverage our unique platform to develop a continuous pipeline of new ventures with significant blue-sky potential. Our platform is complimented by strong investment research and digital investment media groups.

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

For further information, please contact:

Vikas Ranjan, President, Gravitas Financial Inc.

Email: vikas@gravitasfinancial.com

Phone: 647-352-2666

NOT FOR DISSEMINATION IN THE UNITED STATES OR DISTRIBUTION TO U.S. NEWS WIRE SERVICES

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/50853>