

High Fusion Announces the Sale of Its Colorado Property, Repayment of Debentures and Settlement of Director's Compensation

Toronto, Ontario--(Newsfile Corp. - March 13, 2023) - High Fusion Inc. (CSE: FUZN) ("High Fusion" or the "Company") is pleased to announce that on March 9, 2023, it closed the sale of the Company's property in Pueblo Colorado ("Property") with funds received on March 10, 2023 to be applied to the repayment of the 2020 Debentures. The Company also announces settlement of director's fees.

Colorado Property Sale and Repayment of 2020 Debentures

Under the terms of a purchase agreement for the sale by the Company of the Property, the purchase price of US\$1,175,000 was paid in cash less settlement of outstanding property taxes, commissions and transaction costs. The Property is pledged as security against the Company's 2020 Senior Secured Convertible Debentures ("2020 Debentures") which have an outstanding balance of \$1,124,000 (approximately US\$833,000). With the sale of the Pueblo Colorado property, funds have been deposited with the collateral agent to be used for the repayment of the 2020 Debentures in full. After the settlement of the above obligation and repayment of the 2020 Debentures, the remaining balance will be used to satisfy current and pending obligations.

The Property was originally purchased by the Company in 2014 and was leased to Palo Verde LLC, a licenced cannabis business under the Colorado Marijuana Enforcement Division ("MED"). In March 2021, the Company was approved for the transfer of the MED licence and Palo Verde LLC was purchased by the Company at that time. However due to a lack of funding, the Palo Verde operation had minimal activity during 2022 and both the medical and adult use licenses have not been renewed.

"While it is unfortunate that Palo Verde was not successful, the decision to sell the property and discontinue the Colorado licenses was a necessary part of the Company's reorganization and refocus on California," said John Durfy, CEO of High Fusion.

Settlement of Director's Compensation

As announced on January 20, 2023 the compensation committee and board of directors of the Company have approved \$214,000 in deferred compensation to directors of the Company. Subsequently the board of directors approved settlement of this obligation with the transfer of 2,853,333 Neural Therapeutic Inc. shares held by the Company to the following directors as compensation for board services:

- 1,120,000 NT shares to Adam Szweras;
- 566,667 NT shares to Brian Presement;
- 333,333 NT shares to Billy Morrison;
- 200,000 NT shares to Jason Dyck;
- 400,000 NT shares to Aaron Johnson; and
- 233,333 NT shares to Rachel Wright.

About High Fusion Inc.

High Fusion Inc. (formerly Nutritional High International Inc.) is focused on developing and manufacturing branded products in the cannabis industry with a specific focus on flower, pre-rolls, vapes, edibles and oil extracts for medical and adult recreational use. The Company operates and controls licenses in California.

High Fusion has manufacturing, retail and grow operations in California through its acquisition of the business of OutCo. The Company's main portfolio includes the OutCo and Thrive brands recently

acquired.

For updates on the Company's activities and highlights of the Company's press releases and other media coverage, please visit www.high-fusion.com.

For further information, please contact:

High Fusion Inc.

Robert Wilson, Chief Financial Officer

416-666-4005

Email: rwilson@nutritionalhigh.com

Caution Regarding Forward-Looking Information:

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR OTC MARKETS GROUP INC., NOR THEIR REGULATIONS SERVICES PROVIDERS HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

This news release may contain forward-looking statements and information based on current expectations. These statements include statements regarding: the sale of the Colorado property and statements regarding the development of the Company's business. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. This forward-looking information reflects the Company's current beliefs and is based on information currently available to the Company and on assumptions the Company believes are reasonable. These assumptions include, but are not limited to: the ability of the Company to successfully execute its business plans and legal changes relating to the cannabis industry proceeding as anticipated.

The Company's securities have not been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or applicable state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. Persons", as such term is defined in Regulation S under the U.S. Securities Act, absent registration or an applicable exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or any jurisdiction in which such offer, solicitation or sale would be unlawful.

Additionally, there are known and unknown risk factors which could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; the actual results of the Company's future operations; competition; changes in legislation affecting the Company; obtaining and maintaining regulatory approvals including acquiring and renewing U.S. state, local or other licenses, the uncertainty of existing protection from U.S. federal or other prosecution, regulatory or political change such as changes in applicable laws and regulations, including U.S. state-law legalization, market and general economic conditions of the cannabis sector or otherwise; the timing and availability of external financing on acceptable terms; lack of qualified, skilled labour or loss of key individuals; risks related to the COVID-19 pandemic including various recommendations, orders and measures of governmental authorities to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, service disruptions, quarantines, self-isolations, shelters-in-place and social distancing, disruptions to markets, economic activity, financing, supply chains and sales channels, and a deterioration of general economic conditions including a possible national or global recession; and a deterioration of financial markets that could limit the Company's ability to obtain external financing.

A description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in the Company's disclosure documents on the SEDAR website at www.sedar.com. Although the Company 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. Accordingly, readers should not place undue reliance on forward-looking information. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking information contained in this press release is expressly qualified by this cautionary statement. The forward-looking information contained in this press release represents the expectations of the Company as of the date of this press release and, accordingly, are subject to change after such date. However, the Company expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law.

To view the source version of this press release, please visit
<https://www.newsfilecorp.com/release/158224>