

PROSMART ANNOUNCES TERMINATION OF DISCUSSION ON POTENTIAL TRANSACTION

KELOWNA, BC – May 27, 2019 – ProSmart Enterprises Inc. (TSXV:PROS) (“**ProSmart**” or the “**Company**”) announced on December 14, 2019 and again on February 22, 2019 that it had entered into a non-binding letter of intent with a private acquirer regarding the potential sale of all or substantially all of the assets of the Company (the “**Potential Transaction**”) which Potential Transaction, if consummated, would represent a “Reviewable Disposition” as defined in Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets* of the TSX Venture Exchange (the “**TSXV**”). The Company also made clear in the announcement that there could be no guarantee that the Potential Transaction would be completed as proposed or at all.

Today, the Company confirms that the Potential Transaction will not be completed. Accordingly, the Company is no longer in business discussions with that potential buyer.

In connection with the Potential Transaction, the Company’s common shares were halted from trading by the TSXV effective December 14, 2019. Following termination of discussions regarding the Potential Transaction, the Company will apply to have the trading halt lifted by the TSXV. In addition, the Company’s shares also remain under a cease-trade order issued by the British Columbia Securities Commission on February 1, 2019 (see press release dated February 1, 2019). The Company is working to have the cease-trade order revoked as soon as possible.

On behalf of ProSmart Enterprises Inc.

Alan Schuler
Co-Founder & Chief Executive Officer

About ProSmart Enterprises Inc.

ProSmart Enterprises Inc. (TSX-V:PROS) is the parent company of *Sportgo*™, a global online network connecting sports fans, teams and brands and is an emerging leader in sports content marketing through online tools and mobile apps. *Sportgo*™ works with over 1,500 governing bodies in more than 100 countries and provides unprecedented access to the \$1.3 trillion sports market¹ through its proprietary Marketplace Engine. *Sportgo*™ is also the first-and-only online network to provide educational content created exclusively by hall-of-fame and professional athletes, which has been a key driver in user growth.

¹ Source: Plunkett Research. Ltd.

For more information on ProSmart and *Sportgo*™, please visit the following links:
ProSmart Enterprises Inc. -- <http://prosmartinc.com>
Sportgo™ -- <https://www.sportgo.com/>

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The shares of ProSmart Enterprises Inc. trade publicly on the TSX Venture Exchange under the symbol TSXV:PROS.

"Neither 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."

Forward-looking Statements: Certain statements in this press release are "forward-looking statements" which reflect the Company's current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. In some cases, these forward-looking statements can be identified by words or phrases such as "may", "might", "will", "expect", "anticipate", "estimate", "intend", "plan", "indicate", "seek", "believe", "estimates", "predicts" or "likely", or the negative of these terms, or other similar expressions intended to identify forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including without limitation, those risks and uncertainties discussed elsewhere on the website at www.prosmartinc.com and in the Company's filings on SEDAR. Investors should not place undue reliance on forward-looking information. The forward-looking information contained herein is made as of the date hereof and is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.