

**PROSMART ANNOUNCES FILING OF AMENDED AND RESTATED MANAGEMENT
DISCUSSION AND ANALYSIS FOR YEAR ENDED SEPTEMBER 30, 2019**

November 16, 2020 – Vancouver, Canada – ProSmart Enterprises Inc. (TSXV:PROS) (“**ProSmart**” or the “**Company**”) issues the following press release as a result of a review by the British Columbia Securities Commission to clarify the Company’s disclosure in the Company’s management discussion and analysis for the years ended September 30, 2019 and September 30, 2018 (the “**Original MD&A**”) filed on September 18, 2020. The Company filed an amended and restated management discussion and analysis for the years ended September 30, 2019 and September 30, 2018 (the “**Amended and Restated MD&A**”) on November 13, 2020. The Amended and Restated MD&A has been filed to:

- Provide additional disclosure regarding the Company’s significant events and expenditures that occurred in the fiscal year ended September 30, 2018 (the “**Events and Expenditures Disclosure**”);
- Include disclosure regarding the fourth quarter of the year ended September 30, 2019 (the “**Fourth Quarter Disclosure**”); and
- Provide additional disclosure regarding the Company’s related party transactions (the “**Related Party Disclosure**”).

The Events and Expenditures Disclosure in the Amended and Restated MD&A elaborates on the significant events and expenditures that occurred in the fiscal year ended September 30, 2018, as the initial disclosure contained in the Original MD&A was insufficient. Further details were provided related to the Company’s 2018 expenditures, including software and development costs and general and administrative costs, the write-off of software and development, and the write-off of goodwill.

The Fourth Quarter Disclosure was included in the Amended and Restated MD&A as it was not included in the Original MD&A. The Fourth Quarter Disclosure includes the results of the Company’s operations for the three months ended September 30, 2019, stating a loss of \$2,802.

The Related Party Disclosure in the Amended and Restated MD&A identifies the parties of the Company’s related party transactions by naming each related parties. Such identification was not included in the Original MD&A, as the Original MD&A only identified each related party by their position within the Company, rather than their name.

The Amended and Restated MD&A can be found on the Company’s SEDAR profile at www.sedar.com.

On behalf of ProSmart Enterprises Inc.

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