



XTRACTION SERVICES PROVIDES A CORPORATE UPDATE ON NEW ADDITIONS TO ITS PREFERRED VENDOR PROGRAM AND LUCRATIVE SALE-LEASEBACK PRODUCT

- **Over 20 New Cannabis and Hemp Equipment Manufacturers Added to Preferred Vendor Program**
- **OEM Partners Now Offering XS's Sale-Leaseback Option to Existing Customers**

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LOS ANGELES, September 26, 2019 /CNW/ -- Xtraction Services Holding Corp., ("**Xtraction Services**", "**XS**" or the "**Company**") (CSE:XS), a fast growing provider of equipment leasing solutions to owner/operators of cannabis and hemp companies in the United States, is pleased to announce the addition of 20 new original equipment manufacturers ("**OEM**") to its list of preferred equipment vendors ("**Preferred Vendor Program**"), and discusses the lucrative sale-leaseback product.

David Kivitz, Chief Executive Officer of XS, commented, "We are thrilled to offer our diversified leasing solutions to our growing network of customers. One of the greatest challenges in this fast growing and rapidly changing industry is access to capital. Our products provide a simple solution to our OEM partners, such as Elevated Equipment Supply, (one of the largest equipment distributors on the west coast), which allows them to sell more equipment and provide their customers more purchasing power."

Joseph Lifschutz, Chief Executive Officer of Elevated Equipment Supply, commented, "We are extremely happy to be partnered with Xtraction Services and we anticipate an increase in transaction size and sales. The best part is XS's process makes it easy and seamless for our customers – they fill an application on our website and XS handles the rest. Their customer service makes this a stress-free relationship for all involved parties."

Preferred Vendor Program – Over 20 New Additions

This rapidly growing list of preferred equipment vendors includes but is not limited to: Capna Systems; Gilson; Cascade Sciences; USA Labs; Lab Society; Welch Vacum; and Torbal. In addition, through its exclusive partnership with Elevated Equipment Supply, one of the largest equipment distributors in California, XS is now pleased to offer Delta Separations, Buchi, Across International, ChemTech Services, PolyScience, and many more.

XS's Preferred Vendor Program provides OEM partners with seamless, white-label leasing options to their customers at the point of sale. Cannabis and hemp companies seek this type of flexibility as access to capital has remained challenging and limited. Leasing options within the manufacturing industry are very common, and while rare in the cannabis industry, XS's leasing products allow OEM partners to differentiate themselves from their competitors by providing these unique offerings to their customers.

Sale-leaseback Product – A Lucrative New Product Offering

XS's OEM partners are now offering its sale-leaseback product to existing customers. This product provides access to working capital from prior purchases, which can be used for expansion equipment and other growth initiatives. Most OEM's plan to pair this offer with discounted pricing on new equipment purchases, encouraging repeat business which will allow them to capture new sales from past customers.

About Xtraction Services

Founded in 2017, XS specializes in providing equipment leasing solutions in the United States to owner/operators of cannabis and hemp companies, including cultivators, oil processors, manufacturers, testing laboratories, among others. In addition, XS provides a full range of consulting services including equipment selection and procurement, through its network of preferred vendor partnerships with original equipment manufacturers and equipment distributors. Further, XS also provides a full range of all on-site support services including staff recruitment, process development, and product formulation. This powerful dynamic provides an end-to-end solution for customers which results in recurring revenues, strong profit margins, and a proven business model for XS stakeholders.

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Forward-Looking Statements

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