

XS FINANCIAL OBTAINS REVOLVING CREDIT FACILITY TO SUPPORT CONTINUED GROWTH OF ITS LEASING PORTFOLIO

LOS ANGELES, CA, November 23, 2020 – XS Financial Inc. ("XS Financial", "XSF" or the "Company") (CSE: XSF) (OTCQB: XSHLF), a specialty finance company providing equipment leasing solutions to cannabis and hemp companies in the United States, announced today that it has successfully closed a US\$2 million senior secured revolving credit facility, with an FDIC insured bank, which has a term of two (2) years, expiring in November 2022. Loans made under the revolving facility will bear interest at an annual rate equal to the greater of i) eight percent (8.0%) per annum or ii) the Wall Street Journal Prime plus four percent (4.0%) and may be prepaid with no penalty at any time.

The loans under the credit agreement contain customary financial covenants for transactions of this type, including limitations with respect to indebtedness, liens, and disposition of assets.

XS Financial intends to use such loan proceeds, together with cash on hand, to fund additional equipment leases with new and existing customers.

Antony Radbod, COO of XS Financial, commented: "This credit facility provides XS Financial with greater financial flexibility and better positions us for long-term success. We believe our ability to secure this revolving facility with favorable pricing and terms speaks to both the credibility of XS Financial, the shifting sentiment toward the industry we serve, and the growing number of high-quality customers we finance, including large publicly traded multi-state operators. We are excited to close our first credit facility with an FDIC insured bank and anticipate gaining access to additional credit lines as we scale our leasing portfolio".

About XS Financial

Founded in 2017, XSF specializes in providing equipment leasing solutions in the United States to owner/operators of cannabis and hemp companies, including cultivators, oil processors, manufacturers and testing laboratories. In addition, XSF 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. 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 XSF stakeholders. The Company's common shares are traded on the Canadian Securities Exchange under the symbol "XSF" and in the United States on the OTCQB under the symbol "XSHLF." For more information, visit: www.xsfinancial.com.

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Forward-Looking Information

This press release contains "forward-looking information" and may also contain statements that may constitute "forward-looking statements", collectively "forward-looking information", within the meaning of applicable Canadian securities legislation. Such forward-looking information is not representative of historical facts or information or current condition, but instead represent the beliefs and expectations regarding future events about the business and the industry and markets in which XS Financial operates, as well as plans or objectives of management, many of which, by their nature, are inherently uncertain. Generally, such forward-looking information can be identified by the use of terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved". Forward-looking information contained herein may include but is not limited to, any additional leasing opportunities and the ability to capitalize on such and the timing thereof. Forward-looking information is not a guarantee of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Accordingly, readers should not place undue reliance on forward-looking information, which are qualified in their entirety by this cautionary statement. XS Financial Inc., does not undertake any obligation to release publicly any revisions for updating any voluntary forward-looking information, except as required by applicable securities law.

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.