

POSaBIT Closes Non-Brokered Private Placement

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TORONTO--(BUSINESS WIRE)--November 1, 2019--POSaBIT Systems Corporation (CSE: PBIT) ("POSaBIT" or the "Company") announces that it has closed a non-brokered private placement the ("Offering"). In connection with the closing of the Offering, POSaBIT issued an aggregate of 11,178,000 units (the "Units") at a price of \$0.10 per Unit for gross proceeds of \$1,117,800. Each Unit consists of one common share (a "Common Share") and one Common Share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one Common Share until November 1, 2021 at an exercise price of \$0.25 per Common Share.

The securities issued pursuant to the Offering will be subject to a four month hold period in accordance with applicable Canadian securities laws.

The net proceeds raised under the Offering will be used for expansion and business development activities and general working capital and corporate purposes.

In connection with the Offering, the Company paid to Canaccord Genuity Corp. finder's fees consisting of \$34,265 in cash and 342,650 finder's warrants, with each finder's warrant exercisable to acquire one Common Share of the Company until November 1, 2021 at an exercise price of C\$0.25 per share.

This press release shall not constitute an offer to sell or solicitation of an offer to buy the securities in any jurisdiction. The securities will not be and have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirements.

Forward-Looking Statements

This press release contains forward-looking statements, including statements regarding events and courses of action. Statements which are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, outlook, expectations or intentions regarding the future including words or phrases such as "anticipate," "objective," "may," "will," "might," "should," "could," "can," "intend," "expect," "believe," "estimate," "predict," "potential," "plan," "is designed to" or similar expressions suggesting future outcomes or the negative thereof or similar variations. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which POSaBIT will operate in the future, including the demand for our products, anticipated costs and ability to achieve goals. Although we believe that the assumptions underlying these statements are reasonable, they may prove to be incorrect.

Forward-looking statements are subject to known and unknown risks, uncertainties and other important factors that may cause the actual results to be materially different from those expressed or implied by such forward-looking statements, including but not limited to, business, economic

and capital market conditions. POSaBIT is an early stage company with a short operating history; it may not achieve profitability; and it may not actually achieve its plans, projections, or expectations. Given these risks, uncertainties and assumptions, these forward-looking statements should not be unduly relied upon.

Except as required by law, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future event or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. Neither we nor any of our representatives make any representation or warranty, express or implied, as to the accuracy, sufficiency or completeness of the information in this news release. Neither we nor any of our representatives shall have any liability whatsoever, under contract, tort, trust or otherwise resulting from the use of the information in this news release or for omissions from the information in this press release.

About POSaBIT

POSaBIT (CSE: PBIT) is a financial technology company that delivers unique and innovative, blockchain-enabled payment processing and point-of-sale systems for cash-only businesses. POSaBIT specializes in resolving pain points for complex, high-risk, emerging industries like cannabis with an all-in-one solution that is compliant, user-friendly and utilizes top-of-the-line hardware. POSaBIT's unique solution provides a safer and transparent environment for merchants while creating a better overall experience for the consumer. For additional information, visit: www.posabit.com.

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