

POSaBIT Closes Non-Brokered Private Placement of Convertible Notes and Warrants

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TORONTO & SEATTLE--(BUSINESS WIRE)--November 13, 2020--POSaBIT Systems Corporation (CSE: PBIT) ("POSaBIT" or the "Company") announces that it has closed a non-brokered private placement (the "Offering") of an aggregate of US\$1,040,000 principal amount of 12% convertible unsecured notes due December 31, 2023, convertible into common shares of the Company ("Common Shares") at a conversion price of C\$0.12 per Common Share, and 5,650,231 common share purchase warrants (the "Warrants"). Each Warrant will entitle the holder to purchase one Common Share for a period of five years at an exercise price of C\$0.12 per Common Share. The Company received aggregate gross proceeds from the Offering of US\$1,040,000.

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 general working capital and corporate purposes.

In connection with the Offering, the Company paid to Canaccord Genuity Corp. finder's fees consisting of \$64,350 in cash and 349,608 finder's warrants, with each finder's warrant exercisable to acquire one Common Share of the Company until November 13, 2022 at an exercise price of C\$0.12 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.

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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