

POSaBIT Announces Strategic Investment to Accelerate Next Phase of Growth

Investment by several US Accredited Investors Positions the Company for Rapid Expansion

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TORONTO & SEATTLE--(BUSINESS WIRE)--February 23, 2021--POSaBIT Systems Corporation (CSE: PBIT) ("POSaBIT" or the "Company"), a leading financial technology company delivering unique payment processing and point-of-sale (POS) systems for cash-only businesses with a focus on the cannabis industry, announces that it has closed a non-brokered private placement (the "Offering") for gross proceeds of \$2 million USD. The Offering consists of approximately 11 million units at a price \$0.23 CAD per unit, with each unit consisting of one common share and 0.3627 share purchase warrant; each whole warrant will entitle the holder to purchase one common share at a price of \$0.35 CAD per share for a period of three years. An aggregate of 4 million whole warrants were issued. The unit price represents an 8% premium to the 30-day volume weighted average trading price of POSaBIT shares.

"The strong interest demonstrated by our new investors represents a powerful vote of confidence in our Company," stated Ryan Hamlin, CEO/co-founder of POSaBIT. "We feel very good about our execution where our product innovation enabled substantial 2020 growth, and we see tremendous opportunity to continue investing in our business. The capital infusion will help us invest to pursue the untapped potential of our industry-leading suite of product offerings in 2021 and beyond."

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

This news 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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