

POSaBIT Provides Business Update

Expects to Exceed High End of FY 2021 Revenue Guidance

Signs Agreement with Large MSO in California

Cites Strong Position in Home State of Washington

TORONTO & SEATTLE--(BUSINESS WIRE)--January 26, 2022--POSaBIT Systems Corporation (CSE: PBIT, OTC:POSAF), the leading provider of payments infrastructure in the cannabis industry, today provided an update on its business.

- Total revenue for FY 2021 is expected to exceed the high end of the previously provided guidance of \$19.0 to \$20.5 million with Q4 2021 revenue expected to exceed Q3 2021
- A large Multi-Store Operator (MSO) in California entered into an agreement with POSaBIT in Q4 2021
- Now engaged with 8 of top 12 merchants in its home state of Washington¹

“We finished 2021 strong and expect to report full-year revenue in excess of the guidance we provided to investors in November,” said Ryan Hamlin, CEO and Co-founder of POSaBIT. “Our preliminary results also indicate growth in the fourth quarter both on a year-over-year basis and sequentially compared to the third quarter that will represent another quarter and year of record revenue. We have chosen to update investors now, so that we can discuss business trends at upcoming conferences. We are extremely encouraged by the results and look forward to providing additional details when we release our comprehensive fourth quarter and full year results.”

Hamlin continued, “We have further expanded our footprint with the signing of a new processing agreement with a large MSO in the state of California and continue to reinforce our leadership position in our home state of Washington where we are now engaged with 8 of the top 12 cannabis merchants.”

These preliminary and unaudited financial results are subject to customary financial statement procedures by POSaBIT and its auditors. Actual results could be affected by subsequent events or determinations. While POSaBIT believes there is a reasonable basis for these preliminary financial results, the results involve known and unknown risks and uncertainties that may cause actual results to differ materially. These preliminary results represent forward-looking information. See "Forward-Looking Statements" and "Financial Outlook".

¹ As of November 30, 2021

Forward-Looking Statements

This press release contains forward-looking statements, including statements regarding our business strategy, product development, timing of product development, 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. Forward-looking statements may

include, among other things, statements about: our expectations regarding our expenses, sales and operations; our future customer concentration; our anticipated cash needs and our estimates regarding our capital requirements and our need for additional financing; our ability to anticipate the future needs of our customers; our plans for future products and enhancements of existing products; our future growth strategy and growth rate; our future intellectual property; and our anticipated trends and challenges in the markets in which we operate. 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. Given these risks, uncertainties and assumptions, you should not unduly rely on these forward-looking statements.

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; the ability to manage our operating expenses, which may adversely affect our financial condition; our ability to remain competitive as other better financed competitors develop and release competitive products; regulatory uncertainties; market conditions and the demand and pricing for our products; our relationships with our customers, distributors and business partners; our ability to successfully define, design and release new products in a timely manner that meet our customers' needs; our ability to attract, retain and motivate qualified personnel; competition in our industry; our ability to maintain technological leadership; our ability to manage risks inherent in foreign operations; the impact of technology changes on our products and industry; our failure to develop new and innovative products; our ability to successfully maintain and enforce our intellectual property rights and defend third-party claims of infringement of their intellectual property rights; the impact of intellectual property litigation that could materially and adversely affect our business; our ability to manage working capital; and our dependence on key personnel. 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.

Important factors that could cause actual results to differ materially from POSaBIT's expectations include consumer sentiment towards POSaBIT's products and blockchain/cryptocurrency exchange technology generally, litigation, global economic climate, loss of key employees and consultants, additional funding requirements, changes in laws, technology failures, competition, and failure of counterparties to perform their contractual obligations.

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 news release.

Financial Outlook

This press release contains a financial outlook within the meaning of applicable Canadian securities laws. The financial outlook has been prepared by management of POSaBIT to provide an outlook for POSaBIT's forecast revenue for the twelve and three month period ending December 31, 2021, respectively and may not be appropriate for any other purpose. The financial outlook has been prepared based on a number of assumptions including the assumptions discussed under the heading "Forward-Looking Statements" above and assumptions with respect to market conditions, pricing and demand. The actual results of POSaBIT's operations for any period will likely vary from the amounts set forth in these

projections and such variations may be material. POSaBIT and its management have approved the financial outlook in this press release and believe that it has been prepared on a reasonable basis and such financial outlook is being provided for the purpose of providing further information about POSaBIT's future business operations. However, because this information is highly subjective and subject to numerous risks, including the risks discussed under the heading "Forward-Looking Statements" above, it should not be relied on as necessarily indicative of future results.

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**](http://www.posabit.com).

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