

POSaBIT to Announce First US\$10.0+ Million Quarter, up 58%+ Year-Over-Year, Enters New York Market and Has Contracted Merchants in 4 More States to Go Live By Year-End

New York represents twenty-first active state for the company and their fifth new state entered in 2022

TORONTO & SEATTLE--(BUSINESS WIRE)--October 18, 2022--POSaBIT Systems Corporation (CSE: PBIT, OTC: POSAF) (the “Company” or “POSaBIT”), the leading provider of point of sale software and payments infrastructure in the cannabis industry, is poised to announce their first ever US\$10.0+ million revenue quarter with record revenue of at least US\$10.0 million in Q3 2022¹ as compared to revenue of US\$6.3 million in Q3 2021, representing an approximately 60% increase year-over-year. The Company expects to announce complete results for the third quarter of 2022 by the end of November.

Additionally, POSaBIT has announced their imminent entry into the New York market, the twenty-first active state for the Company and their fifth new state entered in 2022.

“We are kicking off the fourth quarter with two tremendously exciting announcements,” said Ryan Hamlin, Co-Founder and CEO of POSaBIT. “Another record-breaking revenue quarter is in the books and we cannot wait to release our full earnings to investors next month. On top of that, our mission of eastward expansion continues with our entry into the state of New York, a major target market for us now that they are on the eve of recreational cannabis going live.”

POSaBIT’s 2022 goal of entering eight new states will soon be achieved, as the Company has contracted merchants in four more states preparing to go live within the next two months.

About POSaBIT

POSaBIT (CSE: PBIT) is a financial technology company that delivers unique and innovative 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 safe and transparent environment for merchants while creating a better overall experience for the consumer. For additional information, visit www.posabit.com.

¹ Preliminary and unaudited financial results are subject to customary financial statement procedures by the Company and its auditors. Actual results could be affected by subsequent events or determinations. While the Company 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 fiscal results represent forward-looking information. See “Cautionary Note Regarding Forward-Looking Information and Statements” and “Financial Outlook”.

Financial Outlook

This news release contains a financial outlook within the meaning of applicable Canadian securities laws. The financial outlook has been prepared by management of the Company to provide an outlook for the Company’s forecasted revenue for the financial quarter ended September 30, 2022 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 “Cautionary Note Regarding Forward-Looking Information and Statements” below. The actual results of the Company’s operations for any period will likely vary from the amounts set forth in these projections and such variations may be material. The Company and its management believe that the financial outlook has been prepared on a reasonable basis. However, because this information is highly subjective and subject to numerous risks, including the risks discussed under the heading “Cautionary Note Regarding Forward-Looking Information and Statements” below, it should not be relied on as necessarily indicative of future results.

Cautionary Note Regarding Forward-Looking Information and Statements

This news release contains certain forward-looking information within the meaning of applicable Canadian securities laws (“forward-looking statements”). All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “anticipate”, “achieve”, “could”, “believe”, “plan”, “intend”, “objective”, “continuous”, “ongoing”, “estimate”, “outlook”, “expect”, “project” and similar words, including negatives thereof, suggesting future outcomes or that certain events or conditions “may” or “will” occur. These statements are only predictions.

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, 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.

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