

NOT FOR DISSEMINATION IN THE UNITED STATES

**XTM ANNOUNCES CHANGE TO PREVIOUSLY ANNOUNCED
PROPOSED OFFERING OF SECURITIES**

Toronto, Canada – December 14, 2023 – XTM INC. (“**XTM**” or the “**Company**”) (CSE:PAID; QB: XTMIF; FSE:7XT), announces that the terms of its non-brokered private placement offering for aggregate gross proceeds of up to US\$5,000,000 (the “**Offering**”) of units originally announced on December 13, 2023, have been revised from an issuance of units of convertible debentures to the issuance of convertible debentures in the principal amount of US\$1,000 at a rate of 12% per annum from the date of issuance of the Company (each a “**Debenture**”) and is due 24 months after the date of issuance. Each Debenture shall be convertible at the option of the holder thereof into units (“**Units**”) of the Company at a price of US\$0.11 per Unit. Each Unit shall entitle the holder thereof to receive one common share in the capital of the Company (“**Common Shares**”), for no additional compensation, and one warrant to purchase a Common Share upon payment of US\$0.11 to the Company for a period of 24 months from the Initial Closing Date.

The Debenture will be a secured obligation of the Company ranking junior in right of payment to all existing secured credit agreements and financing arrangements of the Company, and senior in right of payment to all current and future unsecured obligations of the Corporation.

The Company intends to use the net proceeds of the Offering for general corporate and working capital purposes. The proposed Offering is expected to close on or about December 22, 2023, or such later date as the Company may determine (the “**Closing**”). The Closing is subject to certain conditions including, but not limited to, the satisfaction of customary closing conditions and the receipt of regulatory approvals, including the approval of the Canadian Securities Exchange (the “**CSE**”). There can be no assurance as to whether or when the proposed Offering may be completed, or as to the actual size or specific terms of the Offering.

The securities issued in connection with the Offering are subject to a statutory hold period of four months and one day from the date of issuance.

About XTM

XTM is a Miami and Toronto, Denver and London-based Fintech creator of payment innovations including fully certified and vertically integrated Earned Wage Access through its QRails AnyDay™ product. Founded in the cloud-banking space to further support businesses to inspire their workforce in the hospitality, personal care and services staffing industries, XTM provides on-demand pay for many large brands including Earls, Maple Leaf Sports & Entertainment, Cactus Club, Marriott Hotels and Live Nation. XTM continues to innovate with further digital featurization to support businesses to inspire workers to want to work more with shift scheduling and call-outs, staff management, expense management, in-app health and financial wellness; and gamified loyalty programs. XTM's Today Financial™ is in use through POS and Payroll integrations and directly through web-portals by thousands of businesses and their workers across Canada and the United States.

Cautionary Notes

Forward-Looking Statements:

This news release includes certain statements and information that constitute forward-looking information within the meaning of applicable Canadian securities laws. All statements in this news release, other than statements of historical facts are forward-looking statements. Such forward-looking statements and forward-looking information specifically include, but are not limited to, statements that relate to the terms, timing and completion of the Offering and the pricing in respect thereof, the use of proceeds of the Offering; and timely receipt of all necessary approvals, including any requisite approval of the CSE.

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Statements contained in this release that are not historical facts are forward-looking statements that involve various risks and uncertainty affecting the business of the Company. Such statements can generally, but not always, be identified by words such as “expects”, “plans”, “anticipates”, “intends”, “estimates”, “forecasts”, “schedules”, “prepares”, “potential” and similar expressions, or that events or conditions “will”, “would”, “may”, “could” or “should” occur. All statements that describe the Company’s plans relating to operations and potential strategic opportunities are forward-looking statements under applicable securities laws. These statements address future events and conditions and are reliant on assumptions made by the Company’s management, and so involve inherent risks and uncertainties, as disclosed in the Company’s periodic filings with Canadian securities regulators. As a result of these risks and uncertainties, and the assumptions underlying the forward-looking information, actual results could materially differ from those currently projected, and there is no representation by the Company that the actual results realized in the future will be the same in whole or in part as those presented herein.

The risk factors and uncertainties that could cause actual results to differ materially from the anticipated results or expectations expressed in this press release, include, without limitation: the ability of XTM to satisfy the conditions to Closing of the Offering, including obtaining approval of the CSE on a timely basis, or at all; that the Offering may not be completed on the terms and timeline indicated, or at all; that the Company’s use of proceeds of the Offering may differ from those indicated; additional financing requirements; adverse market conditions; and other risk factors described from time to time in the Company’s securities filings

The Company disclaims any intent or obligation to update forward-looking statements or information except as required by law. Readers are referred to the additional information regarding the Company’s business contained in the Company’s reports filed with the securities regulatory authorities in Canada. Although the Company has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking statements, there may be other factors that could cause actions, events or results not to be as anticipated, estimated or intended. For more information on the Company and the risks and challenges of its business, investors should review the Company’s filings that are available at www.sedarplus.ca.

The Company provides no assurance that forward-looking statements and information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Company does not undertake to update any forward-looking statements, other than as required by law.

For further information, please visit www.xtminc.com or contact:

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