

XTM Inc. Provides Further Disclosure on Licensing Agreement

MIAMI, TORONTO, January 24, 2023 – XTM, Inc. (“XTM” or the “Company”) (QB: XTMIF / CSE:PAID / FSE:7XT), a Miami and Toronto, Denver and London-based Fintech creator of payment innovations including fully certified Earned Wage Access (“EWA”) through its QRails AnyDay™ product, further to its news release of January 19, 2024 that the Company entered into a USD\$3,000,000 licensing agreement on January 19, 2024 (the “Licensing Agreement”) to provide EWA processing for a U.S. entity (the “Customer”), is providing further context to its Licensing Agreement at the request of CIRO. The Licensing Agreement is for a 5 -year term whereby the Customer will receive a license over a 5 year period (the “License”) and will be billed XTM’s net computational cost to process and a monthly margin per month, per card up to 100,000 cards at which time the terms will be renegotiated.

XTM has a combination of cloud and on-premise based, API-driven, prepaid and debit issuer processor services, together with QRails which offers a full program manager capable of providing any combination of services required as part of a client program (the “Processing Platform”). As part of this License, the Customer may use the XTM Processing Platform for processing and/or may operate the Processing Platform independently.

The Customer shall be responsible for all program management services and banking relationships.

From time to time, the Customer may request XTM provide certain consulting and professional services related to the Processing Platform, including platform management support services, client onboarding and implementation support services, and tier 1 and 2 support for the Customer clients. The scope and value of such services shall be agreed upon by the parties at the time of the Customer’s request.

XTM shall continue to develop, update, apply security, currency, infrastructure and application upgrades, patch and/or make improvements (collectively, the “Upgrades”) to the Processing Platform during its normal course of operations and shall make such Upgrades available as soon as practicable for acceptance and use to the Customer. If such upgraded services have a third party cost, the Customer will have the option, by way of the API, to integrate such upgraded services and pay such third party costs a profit margin.

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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.

About QRails / AnyDay

QRails Inc. ("QRails") is a fully owned subsidiary of XTM. A cloud-based, API-driven issuer-processor QRails enables payroll providers, financial institutions and other global fintech companies to keep up with the on-demand economy by delivering innovative digital payment solutions to their employees. QRails helps companies modernize and leverage payroll as a differentiator in attracting and retaining talent all at low to no cost for the employee and employer. QRails' flagship solution, AnyDay™, is the first provider to own their full tech stack that powers their Earned Wage Access solution.

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 regarding the Licensing Agreement, the cost and processing of the Licensing Agreement and the License, the Processing Platform and use by the Customer, any consulting and professional services to be provided, if at all, the Upgrades, if any such Upgrades are made to the Processing Platform, and 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 renegotiate favourable terms of the Licensing Agreement, or at all, the maintenance and Upgrades of the Processing Platform, increased industry competition, the ability 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

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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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