

XTM Announces Receipt of MCTO

TORONTO--(BUSINESS WIRE)--May 1, 2024--**XTM Inc. ("XTM" or the "Corporation") (QB: XTMIF / CSE: PAID / FSE: 7XT)** announced today that further to its application to the Ontario Securities Commission (the "**OSC**") for a management cease trade order ("**MCTO**") to be imposed in respect of its delay in filing its audited annual financial statements, management's discussion and analysis, annual information form, and related certifications, all for the year ended December 31, 2023 (collectively, the "**Annual Filings**"), the OSC has granted the MCTO. The MCTO restricts trading in securities of the Corporation by management of the Corporation until such time as the Issuer Statements have been filed by the Corporation and the MCTO is no longer in effect.

The MCTO does not affect the ability of shareholders who are not insiders of the Company to trade their securities of the Company.

In connection with the Corporation's expectation that it may be unable to file the Issuer Statements on time, the Corporation applied for an MCTO under National Policy 12-203 – *Management Cease Trade Orders* ("**NP 12-203**") as disclosed in the Corporation's news release dated April 22, 2024.

As previously announced, the Corporation applied for the MCTO due to a delay related to audit procedures and quality review to support reliance on third party service organizations XTM, and has now determined that it will not be able to file Issuer Statements on time.

On April 30, 2024, the OSC, as the Corporation's principal regulator, granted the Corporation's application for the MCTO.

The Corporation's finance and accounting teams are working diligently with its auditors and the Corporation expects to have the audit of the Issuer Statements completed no later than May 31, 2024. The Corporation will issue a news release once the Issuer Statements have been filed. Until the Corporation files the Issuer Statements, it will comply with the alternative information guidelines set out in NP 12-203 by issuing bi-weekly default status reports, in the form of news releases, for so long as the Issuer Statements have not been filed.

About XTM

XTM, with offices in Miami, Toronto, Denver and London, is a Fintech creator of payment innovations including fully certified Earned Wage Access through its 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. 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. Founded in 2016, QRails, Inc., together with its U.K. subsidiary, QRails Limited is SAP-certified, QRails also has earned several industry certifications under PCI DSS, and SOC. For more information, please visit www.QRails.com.

The CSE has not approved nor disapproved the contents of this press release, and the CSE does not accept responsibility for the adequacy or accuracy of this release.

Disclaimer for Forward-Looking Statements

This press release contains "forward-looking information" within the meaning of applicable Canadian securities laws. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. Forward-looking information in this press release includes, without limitation, statements relating to the date of filing of the Issuer Statements and the satisfaction of the provisions of NP 12-203.

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking information include, but are not limited to, third parties such as the auditors of the Corporation and the Corporation's principal regulator, the OSC, in respect of the Issuer Statements respectively, as well as the Corporation's ability to adequately respond to the needs of the Corporation's auditor in completing the audit, and being able to sufficiently complete all work required by the Corporation to allow for the filing of the Issuer Statements.

The forward-looking information contained herein is made as of the date of this press release and is based on the beliefs, estimates, expectations and opinions of management on the date such forward looking information is made. The Corporation undertakes no obligation to update or revise any forward looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward looking information, except as required by applicable law.

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