

X T M I N C .

TO: MNP LLP

AND TO: Abu-Farah Professional Corporation

AND TO: Alberta Securities Commission
British Columbia Securities Commission
Ontario Securities Commission
Canadian Securities Exchange

RE: **Notice of Change of Auditor**

XTM Inc. (the “**Corporation**”) hereby delivers the following notice in accordance with Section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”):

1. The Corporation’s auditor, MNP LLP (the “**Former Auditor**”) resigned as the Corporation’s auditor on September 20, 2024.
2. The Corporation wishes to change its auditor to Abu-Farah Professional Corporation (the “**Successor Auditor**”).
3. The Successor Auditor has been appointed as the new auditors of the Corporation effective September 23, 2024.
4. The resignation of the Former Auditor and the appointment of the Successor Auditor was considered and approved by the board of directors of the Corporation (the “**Board**”).
5. There were no modified opinions in the Former Auditor’s reports in connection with the audits of the Corporation for the period commencing at the beginning of the Corporation’s two most recently completed financial years and ending on the date of Former Auditor’s resignation. There have been no further audits of financial statements subsequent to the Corporation’s most recently completed fiscal year and ending on the date of the Former Auditor’s resignation.
6. The Former Auditor has advised that there is a “reportable event”, as defined in NI 51-102, as follows:

The Former Auditor considers there to be an unresolved issue relating to the Corporation’s ability to conclude on the auditing and accounting for prepaid funds (i.e. customer deposit liabilities) and restricted cash as they relate to the use of restricted cash by the Corporation in a manner that contravenes the terms of the relevant customer contracts.

The Corporation’s audit committee and board of directors discussed the issue with the Former Auditor.

The Corporation has authorized the Former Auditor to respond fully to inquiries from the Successor Auditor concerning the reportable event, without limitation.

The Corporation does not agree with the Former Auditor that there is a basis for the reportable event.

7. The Corporation requests that both the Former Auditor and the Successor Auditor review this Notice and each prepare a letter addressed to the applicable securities regulatory authorities, stating, for each statement in this Notice, whether it (i) agrees, (ii) disagrees, and the reasons why, or (iii) has no basis to agree or disagree; and deliver the letter to the Corporation on September 24, 2024.

DATED September 24, 2024.

Yours very truly,

XTM INC.

Per: (s) *"Marilyn Schaffer"*

Name: Marilyn Schaffer
Title: Chief Financial Officer