This presentation has been prepared solely for the benefit and use of certain qualifying investors. This presentation is confidential and proprietary, and may not be disclosed, reproduced, distributed or used for any other purpose without the express written consent of POSaBIT.

Forward-Looking Statements

Certain information contained herein and certain oral statements made are forward-looking and relate to the POSaBIT business strategy, product development, timing of product development, events and courses of action. Statements which are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, outlook, expectations or intentions regarding the future including words or phrases such as "anticipate," "objective," "may," "will," "might," "should," "could," "can," "intend," "expect," "believe," "estimate," "predict," "potentialAction," "is designed to" or similar expressions suggest future outcomes or the negative thereof or similar variations. Forward-looking statements may include, among other things, statements about: our expectations regarding our expenses, sales and operations; our future customer concentration; our anticipated cash needs and our estimates regarding our capital requirements and our need for additional financing; our ability to anticipate the future needs of our customers; our plans for future products and enhancements of existing products; our future growth strategy and growth rate; our future intellectual property; and anticipated trends and challenges in the markets in which we operate. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which POSaBIT will operate in the future, including the demand for our products, anticipated costs and ability to achieve goals. Although we believe that the assumptions underlying these statements are reasonable, they may prove to be incorrect. Given these risks, uncertainties and assumptions, you should not unduly rely on these forward-looking statements.

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 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 and blockchain/crypto exchange technology generally, 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.

Market And Industry Data

The information contained herein could include market and industry data that has been obtained from third party sources, including industry publications. POSaBIT believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, POSaBIT has not independently verified any of the data from third party sources referred to in this presentation or ascertained the underlying economic assumptions relied upon by such sources.

Notice to United States Investors

This information contained herein does not constitute a general offer to the public, or the general solicitation from the public, of offers to subscribe or purchase any of POSaBIT's securities in the United States. The distribution of this information and the offer and sale of the securities in certain jurisdictions in the United States may be restricted by law. Persons into whose possession this information comes are required to inform themselves about and to observe any such restrictions. This presentation is not, and shall not be deemed, to be, an offer to sell, or the solicitation of any offer to buy, any securities of POSaBIT nor shall there be any sale of POSaBIT's securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. POSaBIT's securities have not been and will not be registered under the U.S. Securities Act of 1933 (the "U.S. Securities Act") or the securities laws of any state of the United States and may not be offered or sold within the United States or to, for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act) unless an exemption from such registration is available. The financial statements of POSaBIT are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and are subject to Canadian auditing and auditor independence standards. IFRS differs in some respects from United States generally accepted accounting principles and thus may not be comparable to financial statements of United States companies.

In making an investment decision, investors must rely on their own examination of POSaBIT and the terms of any offering, including the merits and risks involved. The securities have not been approved or disapproved by the securities and exchange commission or by any state securities commission or regulatory authority, nor have any of the foregoing authorities or any Canadian securities regulatory authority passed on the accuracy or adequacy of this presentation. Any representation to the contrary is a criminal offense.

Resale Restrictions

The securities are being offered on a private placement basis in reliance upon prospectus exemptions under applicable securities legislation. Resale of the securities offered will be subject to restrictions under applicable securities legislation.
COMPANY OVERVIEW
POSABIT AT A GLANCE

POSaBIT is the leading payments infrastructure provider for the cannabis industry.

www.posabit.com

INDUSTRY FOCUS
CANNABIS

LOCATIONS
300+

ACTIVE IN STATES
14

CSE
PBIT

OTC
POSAF

2021 GUIDANCE
Expected revenue growth: 125% - 140%
Expected revenue: $17.5 - $19.0 million
Gross Margin: 28-32%
Transactional Sales: $350 - $375 million
## POSABIT OVERVIEW

### MILESTONES

- Doubled Revenue each year since 2017
- Achieved EBITDA profitability in Q3 2020
- Expanded into 14 states
- Completed integrations with a variety of industry partners

### Current Offerings

- Pure PIN Debit
- Point of Banking
- Consumer ACH
- Credit
- Delivery Payments
- Point of Sale

### Future Offerings

- B2B ACH
- In-Store Payment Kiosks
- POS Integrations
- Loyalty Integrations
- Mobile App
- Payments Rewards
At POSaBIT, we have a superior management team with significant experience in the technology field.

**RYAN HAMLIN**  
CEO / Co-Founder  
Nearly *three decades* of software development and management experience  
Former Executive at *Microsoft*  
Founded *Placefull* in 2011 and serves as Chairman of the Board

**MATT FOWLER**  
CFO  
Former Senior Vice President of Finance and Accounting at *AuthenticID*.  
Former Vice President of Finance and Reporting at *Phytelligence*  
Former Director and Corporate Controller in charge of accounting and reporting for *Rhapsody International Inc.*

**JON BAUGHER**  
CRO / Co-Founder  
Nearly *three decades* of software and technology sales experience  
Former VP, Sales at *Placefull*  
Has extensive senior sales leadership experience on a national and global scale

**ANDY SWEET**  
CTO  
Brings over *two decades* of software start-up experience with a proven history of *technical leadership*  
Founded *Diamondsoft* and was an executive at *Shop & Support*
THE POSaBIT TIMELINE

- **POSaBIT is Established**
  - **Nov 2015**

- **Builds First Fully-Compliant, Non-Cash Payment Solution for Dispensaries**
  - **2015-2016**

- **Launches Payments Solution in WA & CO**
  - **2017**

- **Launches Full Point-of-Sale System for Dispensaries**
  - **2018**

- **POSaBIT Goes Public (CSE:PBIT)**
  - **2019**

- **Launches First Fully-Mobile Point-of-Sale System, & Reached profitability**
  - **2020**

- **OTC Listing, Full Payment Infrastructure, including B2B Payments, Self-serve Kiosk, & Invoicing**
  - **2021**
KEY GROWTH DRIVERS

NEW MERCHANTS

STATE LEGALIZATION

DIGITAL PAYMENTS PENETRATION

PARTNERSHIPS

NEW OFFERINGS
POSaBIT has dispensary partners in 14 states* across the country, and will continue their expansion in 2021.

POSaBIT plans to operate in 5 to 8 new states in 2021.
INVESTMENT HIGHLIGHTS
INVESTMENT HIGHLIGHTS

CANNABIS MARKET IS GROWING RAPIDLY

DIGITAL PAYMENTS PENETRATION IS LOW, BUT RISING

POSABIT HAS A BEST IN CLASS PAYMENTS AND POINT OF SALE OFFERING

UNIT ECONOMICS ARE SUSTAINABLE AND HAVE UPSIDE POST-LEGALIZATION
THE OPPORTUNITY

CURRENT MARKET (BIG)

- 8,000+ medical and recreational dispensaries in the US
- Average store sales of $3M annually
- Total processing opportunity $22B+
- Less than 20% have some form of electronic payment processing today (and, in those stores, only 35% of transactions are electronic - 65% still cash)
- Additional state legalization as well as full federal legalization will eventually result in the majority of this shifting to digital commerce (away from cash)

FUTURE MARKET (MASSIVE)

- States that recently passed cannabis legislation (e.g. New York)
- Continued expansion in current legal markets (e.g. Illinois, Arizona)
- Future federal legalization
- Continued normalization of electronic payments

*Data on this slide comes from a combination of POSaBIT internal reporting, publicly available data, and extrapolations based on those sources*
The Legal Market is Projected to Reach $22B in 2021\(^{(1)}\)
Expected to grow at a CAGR of 19%, to reach nearly $38B by 2025\(^{(1)}\)

**ADDRESSABLE MARKETS**

1. BDS Analytics, 3.15.21
2. IQVIA Institute for Human Data Science, Global Use of Medicines, January 2019.
5. BDS Analytics, February 2021.
Support for cannabis legalization is one of the fastest-evolving issues in the U.S.

- 39 states, DC, Guam, and PR have already legalized medical cannabis.
- 18 states have also legalized cannabis for adult-use.
- On Election Day ’20, AZ, MT, NJ, and SD legalized adult-use cannabis, and MS and SD legalized medical cannabis.
- In 2021, NM, NY, and VA legalized adult-use cannabis.
- Legalization of adult-use in NJ and NY is putting pressure on neighboring states, such as PA, CT, and MD to legalize.
DIGITAL PAYMENT PENETRATION: LOW BUT RISING

ROUGHLY 70% OF ALL DISPENSARIES ACROSS THE COUNTRY REMAIN EXCLUSIVELY CASH ONLY.

WHEN STORES BEGIN TAKING DIGITAL PAYMENTS, THEY ALMOST NEVER REVERT TO CASH-ONLY.

STORES THAT USE DIGITAL PAYMENTS SEE STEADILY INCREASING ADOPTION RATES OVER TIME.

CARD PAYMENTS HAVE BECOME INCREASINGLY ACCEPTABLE IN THE INDUSTRY AND, IN SOME MARKETS, EXPECTED.
POSaBIT has, *without a doubt*, the best payments infrastructure in the cannabis industry.

<table>
<thead>
<tr>
<th>POSaBIT Feature</th>
<th>THE COMPETITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Regulatory Compliance</td>
<td>Leading ACH Only Platform</td>
</tr>
<tr>
<td></td>
<td>Leading POB Reseller</td>
</tr>
<tr>
<td></td>
<td>ATM Machines (cash)</td>
</tr>
<tr>
<td></td>
<td>Non-compliant Systems</td>
</tr>
<tr>
<td>Transparent Banking Relationships</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>✘</td>
</tr>
<tr>
<td>Custom-Built Software</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>✘</td>
</tr>
<tr>
<td>Robust Back-End Reporting Portal</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Best-in-Industry Equipment</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Full Suite of Payment Options</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Onboarding and Install Assistance</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Live, Expert Customer Support</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Host of Software &amp; Hardware Integrations</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>-</td>
</tr>
</tbody>
</table>
POSABIT'S GREATEST COMPETITION IS CASH

POSaBIT's Advantages over Cash

- In typical retail environments, cash is only used in 11% of all transactions (down from 16% in 2018).
- In a cash-only dispensary, consumers are forced to make a trip to the ATM.
- Customers artificially limit their spending power by taking out cash prior to their purchase.
- With a cap on their spending power, deciding on their purchase and discussing options with a budtender becomes a lengthier process.
- The average card transaction is almost double the average cash transaction.
- Store employee tips skyrocket with card payments (dollar amounts vs. loose change).
FEDERAL LEGALIZATION

The most common question we are asked is “What happens to POSaBIT when cannabis is federally legalized?”

The more pertinent question is “What will federal legalization even mean for the cannabis industry?”

- On day 1 of federal legalization, nothing will change. 7-11 won't begin selling marijuana. It won't be available on Amazon.

- There are innumerable regulations and laws and infrastructure that must be put in place across the country.

- State laws and regulations will continue to exist, including states who decide to keep cannabis illegal (see: Idaho). Similar to sports betting and online gambling.
WAVES OF LEGALIZATION

WAVE 1: THE PRESENT

- Few payment processors in the industry
- POSaBIT has the best infrastructure & solutions
- Addressable market is sizable & rapidly expanding

WAVE 2: HIGH-RISK

- Immediately post-federal legalization
- Cannabis payments will still be considered high-risk
- Market opportunity will begin to rapidly accelerate
<table>
<thead>
<tr>
<th>Category</th>
<th>Q2 2021</th>
<th>Q2 2020</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments</td>
<td>$87.2M</td>
<td>$26.4M</td>
<td>232%</td>
</tr>
<tr>
<td>Revenue</td>
<td>$4.9M</td>
<td>$1.5M</td>
<td>232%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>$1.3M</td>
<td>$0.3M</td>
<td>350%</td>
</tr>
<tr>
<td>Gross Profit Margin</td>
<td>27%</td>
<td>20%</td>
<td>35%</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$185K</td>
<td>$(240)K</td>
<td>177%</td>
</tr>
</tbody>
</table>
POSABIT 2021 GUIDANCE

**TOTAL REVENUE**

$17.5M - $19.0M

**TRANSACTION SALES FOR CARD SERVICES**

$350M - $375M

**GROSS PROFIT MARGIN**

28% - 32%

**EXPAND TO 5 TO 8 NEW STATES**
## POSABIT QUARTERLY FINANCIALS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross Transactional Sales</strong></td>
<td>$13.7M</td>
<td>$13M</td>
<td>$15.8M</td>
<td>$11.4M</td>
<td>$15.6M</td>
<td>$26.7M</td>
<td>$42.2M</td>
<td>$47.3M</td>
<td>$64M</td>
<td>$87.3M</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>$897.8K</td>
<td>$816.7K</td>
<td>$1M</td>
<td>$800K</td>
<td>$942.2K</td>
<td>$1.49M</td>
<td>$2.33M</td>
<td>$3.1M</td>
<td>$3.55M</td>
<td>$4.96</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td>$36K</td>
<td>$123.8K</td>
<td>$154.5K</td>
<td>$34.2K</td>
<td>$70.8K</td>
<td>$292K</td>
<td>$575.1K</td>
<td>$796.7K</td>
<td>$899.7K</td>
<td>$1.3M</td>
</tr>
</tbody>
</table>
## POSABIT YEARLY FINANCIALS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021 Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross Transactional Sales</strong></td>
<td>$54M</td>
<td>$132M</td>
<td>$350-$375M</td>
</tr>
<tr>
<td><em>Growth Rates</em></td>
<td>N/A</td>
<td>144%</td>
<td>136%</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>$3.4M</td>
<td>$7.8M</td>
<td>$17.5-$19M</td>
</tr>
<tr>
<td><em>Growth Rates</em></td>
<td>N/A</td>
<td>129%</td>
<td>143%</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td>$296.6K</td>
<td>$1.68M</td>
<td>$5.1M - $5.8M</td>
</tr>
<tr>
<td><em>Gross Margin</em></td>
<td>9%</td>
<td>22%</td>
<td>28% - 32%</td>
</tr>
</tbody>
</table>
APPENDIX
POSABIT BOARD OF DIRECTORS

Our board combines their collective cross-industry experience to enhance and support the POSaBIT vision

RYAN HAMLIN
CEO / Co-Founder / Chairman

Former Executive at Microsoft
Founded Placefull in 2011 and serves as Chairman of the Board.

JON BAUGHER
CRO / Co-Founder / Director

Former VP, Sales at Placefull
Has extensive senior sales leadership experience on a national and global scale.

MIKE APKER
Director

Former CEO of Oberon Financial Technology, Former COO and Exec VP at Envestnet, 20 years at Hewlett-Packard and Silicon Graphics.

DON TRINGALI
Director

Founder and Chief Executive Officer of Augusta Advisory Group, a US-based boutique financial and business consulting firm.

LOUIS CAMHI
Director

Former Analyst Citadel, Previously Analyst at Three Corner Global and Investment Banker at Credit Suisse
POSABIT (CSE:PBIT AND OTC:POSAF)

- **52-Week Price Range:** .045 - .50
- **Shares Outstanding:** 109,222,139
- **Fully Diluted Shares:** 149,206,406

**Board, Management and Associates Ownership:** 37%
### SUMMARY BALANCE SHEET

<table>
<thead>
<tr>
<th></th>
<th>As of June 30, 2021</th>
<th>As of December 31, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash</strong></td>
<td>$4,952,491</td>
<td>$977,654</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>$3,013,283</td>
<td>$2,364,186</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>8,332,742</td>
<td>$3,685,719</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>$7,330,527</td>
<td>$5,578,179</td>
</tr>
<tr>
<td><strong>Long-term debt</strong></td>
<td>$2,496,405</td>
<td>$1,164,525</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>$9,826,932</td>
<td>$6,742,704</td>
</tr>
<tr>
<td><strong>Stockholders’ Equity</strong></td>
<td>-$1,494,191</td>
<td>-$3,056,985</td>
</tr>
<tr>
<td><strong>Total liabilities &amp; Equity</strong></td>
<td>$8,332,742</td>
<td>$3,685,719</td>
</tr>
</tbody>
</table>

Increase in cash due to EBITDA profits and $2M private placement in Feb. 2021
THANK YOU

CONTACT
Investor Relations
investors@posabit.com

CSE:PBIT
OTC:POSAF

www.posabit.com