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In making an investment decision, investors must rely on their own examination of POSaBIT and the terms of any offer, 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.

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Market And Industry Data

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- Important factors that could cause actual results to differ materially from POSaBIT’s expectations include, consumer sentiment towards POSaBIT’s products and blockchain/cryptocurrency 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.
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COMPANY OVERVIEW
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
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
POSaBIT is Established

Launches Payments Solution in WA & CO

POSaBIT Goes Public (CSE: PBIT)

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

OTC Listing, Full Payment Infrastructure, including B2B Payments, Self-Serve Kiosk, & Invoicing

NOV 2015

2015-2016

2017

2018

2019

2020

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.

*Alaska, Washington, Oregon, California, Arizona, Nevada, Colorado, Oklahoma, Montana, Michigan, Maryland, Pennsylvania, Maine, and Missouri
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.

**SUPPORT FOR FULL LEGALIZATION**
(1969 – 2019)

<table>
<thead>
<tr>
<th>Year</th>
<th>Legal Yes</th>
<th>Illegal No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1969</td>
<td>84%</td>
<td>12%</td>
</tr>
<tr>
<td>2019</td>
<td>66%</td>
<td>31%</td>
</tr>
</tbody>
</table>

*Source: Gallup Opinion Poll on Support for Legalization*
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>Feature</th>
<th>POSABIT</th>
<th>Leading ACH Only Platform</th>
<th>Leading POB Reseller</th>
<th>ATM Machines (cash)</th>
<th>Non-compliant Systems</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Regulatory Compliance</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td>Transparent Banking Relationships</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td>Custom-Built Software</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td>Robust Back-End Reporting Portal</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Best-in-Industry Equipment</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Full Suite of Payment Options</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Onboarding and Install Assistance</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Live, Expert Customer Support</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Host of Software &amp; Hardware Integrations</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<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).
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: THE FUTURE

- Immediately post-federal legalization
- Cannabis payments will still be considered high-risk
- Market opportunity will begin to rapidly accelerate
FINANCIAL OVERVIEW
## POSABIT Q2 2021 RESULTS

<table>
<thead>
<tr>
<th></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>
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<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><strong>Growth Rates</strong></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><strong>Growth Rates</strong></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><strong>Gross Margin</strong></td>
<td>9%</td>
<td>22%</td>
<td>28% - 32%</td>
</tr>
</tbody>
</table>
Our board combines their collective cross-industry experience to enhance and support the POSaBIT vision.
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

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

<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>
THANK YOU

CONTACT
Investor Relations
investors@posabit.com

CSE:PBIT
OTC:POSAF

www.posabit.com