

XS FINANCIAL PROVIDES \$5 MILLION EQUIPMENT LEASE FACILITY TO SUPPORT LARGE MULTI-STATE CANNABIS OPERATOR'S EXPANSION

LOS ANGELES, CA, November 2, 2020 – XS Financial Inc. ("XS Financial", "XSF" or the "Company") (CSE: XSF) (OTCQB: XSHLF), a specialty finance company providing scalable equipment leasing solutions to cannabis and hemp companies in the United States, announced today that it has entered into a lease agreement with a large scale, vertically integrated multi-state operator. All amounts are in U.S. dollars.

The customer has been approved for an equipment lease facility of up to \$5.0 million, which can be drawn upon in multiple tranches as needed, with 48-month terms.

David Kivitz, CEO of XS Financial commented: "We are providing equipment financing that will help support the growth of a large, publicly-traded multi-state operator focused on some of the most attractive cannabis markets in the United States. The customer has already drawn on three different lease schedules for an aggregate of \$419,000, with financed equipment being deployed in Nevada and Massachusetts. While we are not able to name the customer at this time due to confidentiality reasons, they are a great fit for us strategically and we see strong potential for repeat business."

About XS Financial

Founded in 2017, XSF specializes in providing equipment leasing solutions in the United States to owner/operators of cannabis and hemp companies, including cultivators, oil processors, manufacturers and testing laboratories. In addition, XSF provides a full range of consulting services including equipment selection and procurement, through its network of preferred vendor partnerships with original equipment manufacturers and equipment distributors. This powerful dynamic provides an end-to-end solution for customers which results in recurring revenues, strong profit margins, and a proven business model for XSF stakeholders. The Company's common shares are traded on the Canadian Securities Exchange under the symbol "XSF" and in the United States on the OTCQB under the symbol "XSHLF." For more information, visit: www.xsfinancial.com.

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Forward-Looking Information

This press release contains "forward-looking information" and may also contain statements that may constitute "forward-looking statements", collectively "forward-looking information", within the meaning of

applicable Canadian securities legislation. Such forward-looking information is not representative of historical facts or information or current condition, but instead represent the beliefs and expectations regarding future events about the business and the industry and markets in which XS Financial operates, as well as plans or objectives of management, many of which, by their nature, are inherently uncertain. Generally, such forward-looking information can be identified by the use of terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved". Forward-looking information contained herein may include but is not limited to, any additional leasing opportunities and the ability to capitalize on such and the timing thereof. Forward-looking information is not a guarantee of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Accordingly, readers should not place undue reliance on forward-looking information, which are qualified in their entirety by this cautionary statement. XS Financial Inc., does not undertake any obligation to release publicly any revisions for updating any voluntary forward-looking information, except as required by applicable securities law.

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