



## KABN NORTH AMERICA ANNOUNCES PRIVATE PLACEMENT FINANCING FOR UP TO \$1.0 MILLION

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**Toronto, ON – December 7, 2020** – KABN Systems NA Holdings Corp. (CSE:KABN) (the “**Company**” or “**KABN North America**” or “**KABN NA**”), a Canadian Fintech company that specializes in continuous online identity verification, management and monetization in Canada and the U.S., is pleased to announce that it has entered into an agreement with Mackie Research Capital Corporation, as sole agent and sole bookrunner (the “**Agent**”), in connection with a best efforts, private placement of units of the Company (the “**Units**”) at an indicative price of \$0.15 per Unit (the “**Offering Price**”), to be determined in the context of the market, for gross proceeds of up to \$1,000,000 (the “**Offering**”).

Each Unit will be comprised of one common share of the Company (a “**Common Share**”) and one Common Share purchase warrant (a “**Warrant**”). Each Warrant shall be exercisable to acquire one Common Share (a “**Warrant Share**”) at an indicative exercise price of \$0.20 per Warrant Share, to be determined in the context of the market, for a period of 24 months from the closing of the Offering.

The Agent will have an option (the “**Agent’s Option**”) to offer for sale up to an additional 15% of the number of Units sold in the Offering at the Offering Price, which Agent’s Option is exercisable, in whole or in part, at any time up to 48 hours prior to the closing of the Offering.

The Company intends to use the proceeds raised under the Offering for working capital and general corporate purposes.

The securities to be issued under the Offering will be offered by way of private placement in each of the provinces of Canada, and such other jurisdictions as may be determined by the Company, in each case, pursuant to applicable exemptions from the prospectus requirements under applicable securities laws.

The Offering is expected to close on or about December 28, 2020, or on such earlier date as agreed upon between the Company and Agent (the “**Closing**”), and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Canadian Securities Exchange. The Units to be issued under the Offering will have a hold period of four months and one day from Closing.

In connection with the Offering, the Agent will receive an aggregate cash fee equal to 8.0% of the gross proceeds from the Offering, including in respect of any exercise of the Agent’s Option. In addition, the Company will grant the Agent, on date of Closing, non-transferable compensation options (the “**Compensation Options**”) equal to 8.0% of the total number of Units sold under the Offering (including in respect of any exercise of the Agent’s Option). Each Compensation Option will entitle the holder thereof to purchase one Unit at an exercise price equal to the Offering Price for a period of 24 months following the Closing.

The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any state securities laws, and accordingly, may not be offered or sold within the United States except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This press release does not constitute an offer to sell or a solicitation to buy any securities in any jurisdiction.

**About KABN North America – [www.kabnnaholdco.com](http://www.kabnnaholdco.com)**

KABN Systems NA Holdings Corp. through its wholly owned subsidiary KABN Systems North America Inc. focuses on the verification, management and monetization of digital identity, empowering users to control and benefit from the use of their online identity. KABN NA's propriety technology suite includes 4 key products:

**Liquid Avatar** allows users to create high quality digital icons representing their online personas. These icons, in conjunction with KABN ID, allow users to manage and control their Self Sovereign Identity and to use Liquid Avatars to share verifiable credentials, including access, identity and designation credentials, and public and permission based private data when they want and with whom they want. [www.liquidavatar.com](http://www.liquidavatar.com)

**KABN ID** is an *Always On*, biometric and blockchain based digital identity validation and verification platform allowing users to continuously and confidently prove themselves throughout the online community.

**KABN Card** is a Visa approved prepaid card program allowing users to manage both digital and fiat currencies and earn cashback and other loyalty incentives. [www.kabncard.com](http://www.kabncard.com)

**KABN KASH** is a cashback, loyalty and engagement program that powers the KABN NA's revenue ecosystem. KABN NA provides its products and services at no cost to consumers and generates revenues through permission-based partner programs. [www.kabnkash.com](http://www.kabnkash.com)

For more information, please visit [www.kabnnaholdco.com](http://www.kabnnaholdco.com) or [www.kabnsystemsna.com](http://www.kabnsystemsna.com)

KABN Systems NA Holding Corp. is a publicly listed company listed on the Canadian Securities Exchange under the symbol "KABN".

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*The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.*

*This news release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities under the KABN Financing in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*

**Forward-Looking Information and Statements**

This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking 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". The forward-looking information and forward-looking statements contained herein may include, but is not limited to, information concerning the ability of the Company to generate revenues, roll out new programs and to successfully achieve business objectives, including to accelerate the Company's development, customer

acquisition and business platform, and expectations for other economic, business, and/or competitive factors.

By identifying such information and statements in this manner, the Company is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such information and statements. In addition, in connection with the forward-looking information and forward-looking statements contained in this press release, the Company has made certain assumptions. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information and statements are the following: changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws; compliance with extensive government regulation. Should one or more of these risks, uncertainties or other factors materialize, or should assumptions underlying the forward-looking information or statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.

Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws.