

FORM 11

NOTICE OF PROPOSED STOCK OPTION GRANT OR AMENDMENT

Name of Listed Issuer: POSaBIT Systems Corporation (the "Issuer").

Trading Symbol: PBIT

Date: October 14, 2020

1. New Options Granted:

Date of Grant: October 1, 2020

Name of Optionee	Position (Director/ Officer/ Employee/ Consultant/ Management Company)	Insider Yes or No?	No. of Optioned Shares	Exercise Price	Expiry Date ⁽¹⁾	No. of Options Granted in Past 12 Months
Mike Apker	Director	Yes	150,000	\$0.095	Oct 1, 2030	0
Ryan Hamlin	Director, Officer	Yes	750,000	\$0.095	Oct 1, 2030	0
Andy Sweet	Officer	Yes	1,863,662	\$0.095	Oct 1, 2030	0
Jon Baugher	Director, Officer	Yes	500,000	\$0.095	Oct 1, 2030	0
Consultant grant	Consultant	No	150,000	\$0.095	Oct 1, 2030	0
Stephen Gledhill	Officer	Yes	-	-	-	200,000
Employee grants	Employees	No	543,233	\$0.095	Oct 1, 2030	1,524,500
TOTAL			3,956,895			

(1) Or earlier in accordance with the Issuer's stock option plan (the "Plan"). The Plan provides that an option will expire and terminate upon the optionee ceasing to be a director, officer, employee or consultant of the Issuer, other than due to disability or death.

Total Number of optioned shares proposed for acceptance: 3,956,895

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2. Other Presently Outstanding Options:

Name of Optionee	No. of Optioned Shares ⁽¹⁾	Exercise Price	Original Date of Grant	Expiry Date
Employees	901,000	\$0.15	Oct 17, 2019	Oct 17, 2029
Stephen Gledhill	200,000	\$0.15	Oct 17, 2019	Oct 17, 2029
Employee	4,384	\$0.0057	Mar 4, 2016	Mar 4, 2026
Jon Baugher	2,630,972	\$0.0285	Mar 6, 2016	Mar 6, 2026
Jon Baugher	2,630,972	\$0.0285	May 9, 2017	May 9, 2027
Jon Baugher	1,164,420	\$0.0285	Jan 9, 2018	Jan 9, 2028
Employee	43,849	\$0.0285	Jan 9, 2018	Jan 9, 2028
Employee	35,079	\$0.0684	May 9, 2018	May 9, 2028
Jeff Dossett	175,398	\$0.0285	Jan 9, 2018	Jan 9, 2028
Andy Sweet	1,613,662	\$0.2281	Mar 27, 2018	Mar 27, 2028
Employee	48,233	\$0.2281	Aug 8, 2018	Aug 8, 2028
TOTAL	9,447,969			

(1) Set out number of optioned shares for each grant with different terms.

3. Additional Information

- (a) If shareholder approval was required for the grant of options (including prior approval of a stock option plan), state the date that the shareholder meeting approving the grant was or will be held.

No shareholder approval was required.

- (b) State the date of the news release announcing the grant of options.

October 8, 2020.

- (c) State the total issued and outstanding share capital at the date of grant or amendment.

97,252,826 common shares.

- (d) State, as a percentage of the issued and outstanding shares of the Issuer indicated in (c) above, the aggregate number of shares that are subject to

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incentive stock options, including new options, amended options and other presently outstanding options.

13.78%

- (e) If the new options are being granted pursuant to a stock option plan, state the number of remaining shares reserved for issuance under the plan.

3,205,136.

- (f) If the Issuer has completed a public distribution of its securities within 90 days of the date of grant, state the per share price paid by the public investors.

Not applicable.

- (g) Describe the particulars of any proposed material changes in the affairs of the Issuer.

None.

4. Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 11 Notice of Proposed Stock Option Grant or Amendment is true.

Dated October 14, 2020.

Stephen Gledhill
Name of Director or Senior
Officer

"Stephen Gledhill"
Signature

Chief Financial Officer
Official Capacity

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