

# XTM Closes Over-Subscribed Private Placement for Gross Proceeds of more than \$8.5 million

For Immediate Release

**MIAMI, TORONTO, October 1, 2021 – XTM, Inc. (“XTM” or the “Company”)** (QB: XTMIF / CSE:PAID / FSE:7XT), a Miami and Toronto-based Fintech company in the neo-banking space, providing mobile banking and payment solutions for the hospitality and personal care industries throughout North America, is pleased to announce that on Wednesday, September 29 it closed a non-brokered private placement offering (the “**Offering**”) of 21,398,256 units of the Company (“**Units**”) at a price of \$0.40 per Unit, for gross proceeds of \$8,559,302.40.

“This over-subscribed Offering demonstrates our strength in the market and the confidence that investors have in our growth momentum” said Marilyn Schaffer, XTM CEO. “We expect to use the proceeds from the Offering in part to support the launch of our ambitious U.S. expansion plan. Canada is in a strong market and XTM’s position in the Canadian hospitality industry has experienced steady growth. The U.S. will provide added opportunity for the Company while we continue to gain a stronghold in Canada. XTM’s overall growth strategy is both ambitious and responsible, and we are very excited about new prospects and added value for our shareholders.”

Each Unit consists of one common share in the capital of the Corporation (each a “**Common Share**”) and one warrant exercisable for one additional Common Share at a price of \$0.65 for a period of 24 months after closing (“**Warrants**”). In the event that the volume-weighted average price (VWAP) of the Common Shares on the Canadian Securities Exchange or a recognized Canadian stock exchange is equal to or greater than \$1.00 over a ten consecutive trading day period, XTM may at its option accelerate the expiry of the Warrants by issuing a press release (a “**Warrant Acceleration Press Release**”) and in such case the expiry of the Warrants shall be deemed to be on the 30th day following the issuance of the Warrant Acceleration Press Release.

The Securities issued are subject to a four-month hold period under securities laws. XTM anticipates that the net proceeds of the Offering will be used for general working capital purposes and future strategic acquisitions.

An aggregate cash finder’s fee of \$684,744 (representing 8% of the gross proceeds) and 1,711,860 finder warrants (“**Finder Warrants**”), with the same exercise price and other terms as the Warrants (representing 8% of the number of Units issued), was paid to finders in respect of the Offering.

# X T M I N C .

## About XTM

XTM, [www.xtminc.com](http://www.xtminc.com), is a Miami and Toronto-based fintech innovator in the neo-banking space, helping businesses and service workers in the hospitality and personal care space disseminate and access earned wages and gratuities. XTM's Today™ Solution, comprised of a free mobile app and a Visa or Mastercard debit card with free banking features, is used by thousands of restaurants, salons and staff across Canada and the United States. XTM is a real-time payment specialist and our technology is used by Restaurants and Salons at no charge to automate and expedite worker payouts and eliminate cash from their ecosystems. XTM's Today solution drives enterprise value with efficiency and a bespoke user experience designed specifically for restaurateurs and personal care services.

For further information please visit:

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## Cautionary Statements

This press release contains "forward-looking information" within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking information. In some cases, forward-looking information can be identified by words or phrases such as "may", "will", "expect", "likely", "should", "would", "plan", "anticipate", "intend", "potential", "proposed", "estimate", "believe" or the negative of these terms, or other similar words, expressions and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. The forward-looking information contained in this press release includes, without limitation, information relating to the Company's expected use of proceeds from the Offering; the Company's intentions and expectations with respect to their expansion to the U.S.; the Company obtaining approval for such expansion from appropriate and necessary regulators; the timing and ability of the Company to expand into the U.S. and identify and acquire appropriate strategic acquisition opportunities and targets; the ability of the Company to continue growing in Canada and its ability to meet or exceed current performance in the U.S.; and the Company's commitment to take immediate steps increase shareholder value.

Forward-looking information is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances. While we consider these assumptions to be reasonable based on information currently available to management, there is no assurance that such expectations will prove to be correct.

By their nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, including known and unknown risks, many of which are beyond our control, could cause actual results to differ materially from the forward-looking information in this press release including the Company not using the proceeds of the Offering as expected, the Company not obtaining the necessary regulatory approval to expand to the U.S., the Company having sufficient financial resources and working capital following the Offering to execute its strategic plan, the inability or failure of the Company's to execute its business and strategic plans as contemplated or at all, changes in national or regional economic, legal, regulatory and competitive conditions and a resurgence in the COVID-19 pandemic.

Other risk factors include: the risks resulting from investing in a growing company in the financial technology space; reliance on management; the ability of the Company to service its debt; the Company's ability to obtain additional financing from time to time to pursue its business objectives; competition; litigation; inconsistent public opinion and perception regarding its products and services; and regulatory or political change. Additional risk factors can also be found in the Company's current MD&A, which has been filed on SEDAR and can be accessed at [www.sedar.com](http://www.sedar.com). Readers are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information.

The forward-looking information contained herein is made as of the date of this press release and is based on the beliefs, estimates, expectations and opinions of management on the date such forward-looking information is made. The Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.