



XTRACTION SERVICES ACQUIRES CALIFORNIA LENDERS LICENSE ALLOWING FOR EXPANSION WITHIN THIS SIGNIFICANT GROWTH MARKET

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LOS ANGELES, CA, January 27, 2020 -- Xtraction Services Holding Corp., ("Xtraction Services", "XS" or the "Company") (CSE:XS) (OTCQB: XSHLF) a specialty finance company engaged in equipment leasing in the United States, is pleased to announce that it has acquired a California Finance Lenders ("CFL") license. The license is being acquired through the purchase of a local entity by issuing 450,671 common shares of XS, subject to a 12-month lockup, and the payment of certain legal transaction costs.

The acquisition of the lender license allows XS to significantly expand its lending and financing capabilities in the state of California ("CA"). The Company expects the license to play a crucial role given the steady increase in inbound requests from customers with business operations in CA.

David Kivitz, Chief Executive Officer of XS commented, "CA is one of the largest and fastest-growing cannabis and hemp markets globally. Over the past two years, we've arranged two equipment leases to CA based customers and have seen a large increase in inbound activity. The acquisition of this license will allow XS to complete additional CA transactions and provide a wider variety of financial products to address the needs of our growing customer base."

About Xtraction Services

Founded in 2017, XS specializes in providing equipment leasing solutions in the United States to owner/operators of cannabis and hemp companies, including cultivators, oil processors, manufacturers, testing laboratories, among others. In addition, XS 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. Further, XS also provides a full range of all on-site support services including staff recruitment, process development, and product formulation. 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 XS stakeholders.

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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 Xtraction Services 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 within California and the ability to capitalize on such and the timing thereof; and the offering of any new financial products.

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

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