

XS FINANCIAL PROVIDES \$5 MILLION EQUIPMENT LEASE FACILITY TO SKYMINT BRANDS

LOS ANGELES, CA, October 13, 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 Skymint Brands (formerly known as Green Peak Innovations), Michigan’s leading vertically integrated cannabis operator and the largest holder of recreational use and medical cannabis licenses in the State. All amounts are in U.S. dollars.

Skymint Brands has been approved for an equipment lease facility of up to \$5.0 million for new equipment, to be deployed in multiple tranches on a pro-rata basis and based on 48-month terms. Skymint Brands has already begun to draw down on the lease facility to assist with its strong growth in Michigan.

David Kivitz, CEO of XS Financial commented: “Our financing will enable Michigan’s leading vertically integrated recreational and medical cannabis company to obtain mission-critical equipment. This transaction exemplifies our strategic focus, which is to collaborate with premier cannabis and hemp operators and support their growth, resulting in larger leasing agreements and the potential for repeat business. We believe this is just the start of a long term, mutually beneficial relationship with Skymint Brands, and we look forward to growing alongside them as they continue to scale and capture market share.”

Al Gever, President of Skymint Brands commented: “On the heels of strong performance in our first full year of operations, we are thrilled to have identified a strategic partner with extensive experience and deep expertise as a cannabis equipment financier. XS Financial will play a critical role in financing our growth capital as we significantly scale our operations heading into 2021 and extend our leadership position in Michigan.”

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.

About SKYMINT BRANDS™

Beginning operations in Fall 2018, Skymint (formerly known as Green Peak Innovations) is Michigan's leading vertically integrated cannabis company and the state's largest medical and recreational license holder. With two state-of-the-art indoor grow facilities, the company cultivates, processes, markets, distributes and sells a full range of branded cannabis products, including SKYMINT™, North Cannabis™, Jolly Edibles™, the Two Joints™ brand, which benefits the Last Prisoner Project, and SKYMINT X DNA GENETICS.™ Just as SKYMINT treats its plants like people - tending to and caring for them by hand, and

even playing them music - each and every product is handcrafted to ensure the safest, cleanest, highest quality products at the best value. SKYMINT™ products can be found at the company's SKYMINT™ provisioning centers and via retailers around Michigan through a robust wholesale network. As purveyors

of premium-crafted cannabis, SKYMINT™ has developed a portfolio of the finest cannabis brands available for daily wellness, healing, or just getting high on life. SKYMINT™ inspires people everywhere to feel better, live better and do better. Learn more: www.skymint.com/dna-x-skymint/

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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.

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.