

XS FINANCIAL PROVIDES \$7 MILLION EQUIPMENT LEASE FACILITY TO LIVWELL ENLIGHTENED HEALTH

LOS ANGELES, CA, February 25, 2022 – XS Financial Inc. ("XS Financial", "XSF" or the "Company") (CSE: XSF) (OTCQB: XSHLF), a specialty finance company providing CAPEX and equipment financing solutions to cannabis companies in the United States, announced today that it has entered into a lease agreement with LivWell Enlightened Health ("LivWell"). LivWell is a vertically integrated operator with 21 retail stores in Colorado and a provisioning center in Michigan. All amounts are in U.S. dollars.

LivWell has been approved for an equipment lease facility of \$7M for new equipment with up to 60-month terms. This equipment acquisition will help further expand their cultivation, manufacturing, and processing facilities in their current operating markets.

John Lord, CEO of LivWell commented: "Working with XS Financial has been a seamless and professional process. A great team to work with for our CAPEX needs."

David Kivitz, CEO of XS Financial commented: "We are thrilled to add LivWell, one of the longest-tenured cannabis operators, to our rapidly expanding portfolio of top tier portfolio companies. LivWell has established a significant footprint in the CO and MI markets, and we are excited to provide them with access to standby CAPEX and equipment financing. We look forward to supporting LivWell with this lease facility through their next phase of growth".

About LivWell Enlightened Health

Serving quality cannabis since 2009, our mission is to empower people to live life well. With careful tending and hard work, we've grown from a single location to the nation's most trusted multi-state cannabis company. LivWell is a vertically integrated cannabis retailer from seed to sale. In addition to cultivating cannabis, LivWell researches, extracts, and manufactures its own CPG brands to consistently bring its customers quality products across multiple categories including topicals, edibles, tonic drops, CBD pet tinctures, concentrates, and vaporizers.

About XS Financial

Founded in 2017, XS Financial specializes in providing CAPEX financing solutions to cannabis companies in the United States, including cultivators, processors, manufacturers and testing laboratories. In addition, XSF has partnered with over 200 original equipment manufacturers (OEM) through its network of Preferred Vendor partnerships. 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 subordinate voting shares are traded on the Canadian Securities Exchange under the symbol "XSF". For more information, visit: www.xsfinancial.com.

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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.