

XS FINANCIAL PROVIDES A \$3 MILLION EQUIPMENT LEASE FACILITY TO TEMESCAL WELLNESS

LOS ANGELES, CA, June 7 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 new lease agreement with Temescal Wellness, a leading Massachusetts operator, with multiple locations across the state. All amounts are in U.S. dollars.

Temescal Wellness has been approved for a \$3M equipment lease facility to purchase new equipment with up to 60-month terms. This equipment acquisition will expand the capabilities of existing processing facilities.

Michael Bates, Controller of Temescal Wellness commented: "Given the challenges faced in the cannabis industry, we diligently explored multiple financing options to evaluate the best return with respect to the pending completion of our North Adams facility. XS Financial was straight-forward through the process and offered the flexibility needed in the project. The biggest advantage they offered was their willingness to be a partner in equipment procurement. With extensive experience in the market, XS Financial worked with us to ensure we were putting funds to good use."

David Kivitz, CEO of XS Financial commented: "We are excited to support our new customer with their CAPEX financing needs as they expand their market position in Massachusetts. Temescal Wellness has grown consistently over the past several years and are well-positioned for continued growth."

About Temescal Wellness

Temescal Wellness is a privately-held, vertically integrated cannabis company with five locations across Massachusetts. Founded in 2015, Temescal has been focused on providing quality products and outstanding service to patients and customers at the three co-located dispensaries in Framingham, Hudson, and Pittsfield. With the upcoming completion of a new, larger cultivation facility in North Adams, the Company is expanding its footprint in an effort to introduce its highly desired products to the wholesale market. More information about the company can be found in the following link: <https://ma.temescalwellness.com/>

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 250 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.

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