

POWERBAND SIGNS LETTER OF INTENT TO ACQUIRE LEADSOURCE

Vancouver, British Columbia -- (Newsfile Corp. – July 10, 2018) - PowerBand Solutions Inc. (TSXV: PBX) (OTCQB: PWWBF) (Frankfurt: 1ZVA) ("**PowerBand**" or the "**Company**"), a leading online auction and remarketing platform to buy and sell used vehicles, is pleased to announce that it has entered into a non-binding Letter of Intent (the "**LOI**") with 1070879 B.C. Ltd. operating as LeadSource Canada ("**LeadSource**") to acquire 100% of all outstanding shares of LeadSource (the "**Transaction**").

Based in Kelowna, British Columbia, LeadSource is a next generation automotive private sale event marketing company. Lead Source integrates its proprietary consumer conquest methodology with the latest in advanced database mining techniques to harvest qualified, 'in-equity' sales leads through its customer contact centre. LeadSource provides training to the dealership's staff and orchestrates all aspects of the multi-day private sales events, resulting in a dynamic and transparent customer experience that is unlike any other current offering in the marketplace.

Kelly Jennings, CEO of PowerBand stated: "We are very pleased that LeadSource Canada, and its President, Paul Mountney, will be joining PowerBand. Paul has been involved in the private sale event industry for years and has built up a vast nationwide network of industry contacts. By incorporating PowerBand's instant LiveNet Auction into LeadSource's private sales event platform we believe the company will differentiate itself in the marketplace. Customers looking to trade in their used vehicle at the sales event will be able to watch live bids for their vehicle appear on the dealership's showroom display, providing them with the confidence that the industry's top buyers are providing them with the best available, real-time, price for their trade-in".

Paul Mountney, President of LeadSource Canada commented: "I am looking forward to working with Kelly and the PowerBand team. I strongly believe that with Kelly's industry contacts and experience, and by incorporating the LiveNet Auction into our sales process, we may see significant revenue growth for the balance of 2018, and for years into the future."

As consideration for the Transaction PowerBand will pay LeadSource a cash purchase price of up to \$100,000 for 100% of the shares. Paul Mountney will enter into an employment agreement that will include an annual bonus of common shares being issued based on surpassing annual targets for the number of private sales events performed.

PowerBand and LeadSource expect to complete the Transaction before the end of July 2018, subject to a number of conditions, including, the approval of the TSX Venture Exchange, the approval of the board of directors of PowerBand, as well as the execution of a Definitive Agreement.

About PowerBand Solutions Inc.

PowerBand Solutions Inc. is a technology provider listed on the TSX Venture Exchange that is developing solutions for automotive and other industries that drive efficiency and transparency in the marketplace. PowerBand has developed and commercialized a leading-edge online auction platform that increases revenues and profit margins for its automotive dealership, Original Equipment Manufacturer, commercial fleet and rental company customers. PowerBand's remarketing platform, the PowerBand Exchange, incorporates the industry's latest auction technologies, inventory management, market intelligence, and appraisal processes.

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FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements relating to the Company and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding future plans and objectives of the Company, are forward looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. As a result, we cannot guarantee that any forward-looking statement will materialize and the reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as at the date of this news release, and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by Canadian securities law.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this news release.