

POWERBAND ANNOUNCES CONVERTIBLE DEBENTURE FINANCING

Vancouver, British Columbia -- (Accesswire – October 22, 2019) - PowerBand Solutions Inc. (TSXV: PBX) (OTCQB: PWWBF) (Frankfurt: 1ZVA) ("**PowerBand**", "**PBX**" or the "**Company**"), a leading online automotive leasing, auction remarketing, and vehicle acquisition and sales platform in North America, is pleased to announce that it has received conditional approval from the TSX Venture Exchange ("**TSXV**") for the issuance of a non-brokered private placement of unsecured convertible debentures in the principal amount of one million five hundred thousand dollars (\$1,500,000)(the "**Debenture**"). The Debenture will be advanced in two tranches, the first to be drawn and advanced on October 22, 2019 in the amount of one million dollars (\$1,000,000) and the second to be drawn and advanced on December 11, 2019 in the amount of five hundred thousand dollars (\$500,000). There are no fees to be paid to finders in connection with the private placement.

The Debenture will mature on October 22, 2020 and bear interest at a rate of 9% per annum. The principal amount of the Debenture is convertible into common shares of the Company ("**Common Shares**") at the option of the holder. The conversion price on the first advance of \$1,000,000 is \$0.065. The conversion price on the second advance of \$500,000 will be the closing price per Common Share of PBX on the TSX Venture Exchange ("**TSXV**") on the day prior to the second advance, subject to the TSXV's minimum pricing requirement. At the election of the debenture holder, any accrued and unpaid interest may be converted into Common Shares at a conversion price equal to the Market Price (as such term is defined in the Policies of the TSXV) at the time of such conversion.

The proceeds of the Debenture financing will be used for working capital and for general corporate purposes.

The Debenture issued is subject to resale restrictions imposed by applicable law or regulation, and any securities issued will be subject to a four month hold period which will expire on the date that is four months and one day from the date of issuance.

In addition, the Company announces that it intends to settle an outstanding debt of \$712,969.90 owed to the CEO of the Company, as of October 21, 2019, through the issuance of 12,963,089 Common Shares in the capital of PowerBand at a deemed price of \$0.055 per Common Share, the closing share price of PBX on the TSX Venture Exchange on October 21, 2019.

The issuance of the Common Shares to settle the debt is subject to the approval of the TSX Venture Exchange. All securities issued will be subject to a four month hold period which will expire on the date that is four months and one day from the date of issuance.

About PowerBand Solutions Inc.

PowerBand Solutions Inc. is a technology provider listed on the TSX Venture Exchange. The Company has commercialized its leading-edge cloud-based platform to buy, sell, lease, and auction vehicles. With the recent receipt of its exporter license and its acquisition of MUSA Auto Finance, the Company is now well positioned to become a leader in the USD\$10 billion cross-border used vehicle export market, the USD\$100 billion used vehicle auction market, and the USD\$120 billion vehicle leasing market in the U.S. and Canada.

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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.