

D&P HOLDINGS TO INVEST UP TO USD 10-MILLION IN POWERBAND

Texas-based Insurance Administrator Operates Across The United States

Vancouver, British Columbia (March 2, 2020) — PowerBand Solutions Inc. (TSXV: PBX) (OTCQB: PWWBF) (Frankfurt: 1ZVA) ("**PowerBand**", "**PBX**" or the "**Company**") is pleased to announce that its wholly-owned subsidiary, PowerBand Solutions US Inc. ("**PowerBand US**") has executed a Term Sheet to complete a USD 10 million Convertible Debenture Agreement (the "**Debentures**") in a series of tranches with Texas-based D&P Holdings, Inc. ("**D&P**"). It is the latest step to secure credit facilities for PowerBand's consumer platform to revolutionize how vehicles are bought, sold, leased and traded around the globe.

The capital injection will advance PowerBand's ongoing negotiations with lenders to secure access to extensive credit facilities. Those credit facilities will be available to consumers and dealers using the PowerBand transaction system to use their smart phones, tablets and computers to acquire electric and non-electric vehicles across the United States, Canada and other global markets.

"This is another milestone in PowerBand's strategy to acquire extensive credit facilities that will be made available to consumers and dealers using the PowerBand cloud-based platform," said PowerBand CEO Kelly Jennings. "Our mission is to take out unnecessary middlemen and make it as easy for people to buy, sell, lease and trade their electric and non-electric vehicles as buying a product on Amazon or ordering an Uber on their smart phone."

D&P is one of the United States' largest administrators of automotive warranty and insurance products, directly working with more than 850 dealerships in all 50 states. It is the managing general agency for The Hanover Insurance Group, which has a \$5-billion market cap and is rated A (Excellent) with the rating agency AM Best.

D&P will be granted exclusive global rights to act as administrator for new products being sold globally through PowerBand's transaction platform. These products include administering all requested and approved vehicle services contracts, auto warranty products, guaranteed asset protection, down payment protection, excess wear and tear, key replacement, windshield replacement, tire and wheel, ETCH/anti-theft, lease wrap, and all ancillary products.

"We believe this strategic investment into PowerBand will be a catalyst to allow PowerBand to secure the necessary credit facilities for its revolutionary transaction system," said D&P's CEO John Armstrong. "Powerband enables a vehicle lease to be approved in seconds, rather than days, as they have proven with Tesla. We think that, in itself, is revolutionary for everyone who acquires a car or truck. And we anticipate many other benefits that will disrupt and simplify how people buy and sell cars and trucks."

The Debenture is a non-brokered private placement of unsecured convertible debentures in the aggregate principal amount of USD \$10 million. It is intended that the Debentures will close in three tranches: the first tranche of USD \$1.5 million is anticipated to occur in early to mid-March, 2020 (the "**Initial Closing Date**"), the second tranche of USD \$3.5 million to close on the date that is 30 days after the Initial Closing Date, and the third tranche of USD \$5 million on the date that is 60 days after the Initial Closing Date. Each Debenture shall have a face value of USD \$10,000, with a total contemplated issuance of 1,000 Debentures.

Under the agreement, D&P will also have a 60-day option to subscribe for an additional USD 2.5-million in equity securities of PowerBand’s Canadian leasing division for an additional 21 per cent. In the event all Debentures are converted by D&P, and the option completely subscribed for, D&P would have a 30 per cent interest in PowerBand’s Canadian leasing division, assuming no other securities are issued in the interim.

The Debentures will all mature on the date that is three years after the initial Closing Date, and bear interest at a rate of 9 per cent per annum, payable monthly. PowerBand US can prepay, on thirty (30) days advance notice, all or any part of the principal and accrued but unpaid interest, at no penalty.

The Debenture holder, at any time during the term, shall have the option to exchange any number of its Debentures into (i) Common Shares of PowerBand US, and (ii) Common Shares of PowerBand’s Canadian leasing division, legally and beneficially owned by PowerBand Solutions Inc., on the basis of one Debenture for each of one Common Share of PowerBand US and one Common Share of PowerBand’s Canadian leasing division. Assuming the conversion of all of the Debentures, D&P would hold 9 per cent interest in PowerBand US and a 9 percent interest in PowerBand’s Canadian leasing division.

In consideration of its investment, D&P will be issued on the Initial Closing Date 2,500,000 share purchase warrants (“**Warrants**”) entitling it to acquire common shares of the Company at an exercise price of CDN \$0.30 for a term of 24 months. Any common shares of the Company issued from the exercise of the Warrants 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. The issuance of the Warrants will be subject to the approval of the TSX Venture Exchange.

About PowerBand Solutions Inc.

PowerBand Solutions Inc. is a technology provider listed on the TSX Venture Exchange. The Company’s cloud-based platform is revolutionizing how we buy, sell, lease, and auction vehicles. With the receipt of its exporter license and its acquisition of MUSA Auto Finance, the Company is well positioned to become a leader in the cross-border used vehicle export market, the used vehicle auction market, and the vehicle leasing market in the U.S. and Canada.

For further information, please contact:

Richard Goldman, VP Corporate Development
P: 1-866-768-7653
rgoldman@powerbandsolutions.com

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.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws, unless an exemption from such registration is available.