



POWERBAND ACCEPTS ADDITIONAL USD \$2.7 MILLION INVESTMENT; COMPLETES 2-YEAR MISSION TO OFFER TRANSFORMATIVE TRANSACTION SOLUTIONS FOR THE AUTO INDUSTRY & CONSUMERS

PowerBand Prepares to Begin Cloud-based Lease Originations in June in The United States

VANCOUVER, British Columbia (June 8, 2020) —PowerBand Solutions Inc. (TSXV: PBX) (OTCQB: PWWBF) (Frankfurt: 1ZVA) ("**PowerBand**", "**PBX**" or the "**Company**") is pleased to announce its wholly-owned subsidiary, PowerBand Solutions US Inc. ("**PowerBand US**"), is accepting an additional USD \$2.7-million investment from Texas-based D&P Holdings, Inc. ("**D&P**"), as it prepares for June vehicle lease originations in the United States.

PowerBand has completed its more than two-year mission to offer a cloud-based platform that will transform how we buy, sell, lease and finance vehicles, said PowerBand CEO Kelly Jennings. The platform removes unnecessary middlemen in the automotive retail sector and offers cloud-based solutions allowing automotive transactions to be carried out from any location, on smart phones and other devices.

The latest capital injection from D&P will assist PowerBand's US leasing platform, MUSA Auto Finance LLC ("**MUSA**"), to begin offering leases in June, which Jennings says will "make it as easy to acquire a car with PowerBand as it is buying a product on Amazon."

The investment will also be used to launch PowerBand's consumer app, Driveaway, that will enable people across the United States to access virtual auctions to buy and sell used cars, from dealers and directly between consumers. Driveaway will offer consumers and commercial partners a wider auction audience to ensure the value of their vehicles is recognized, eliminate the cost of transporting vehicles to physical auction lots and charges fees only upon success.

"This is a milestone month for PowerBand, as we prepare to offer extensive credit facility agreements, from major US financial institutions, on our US leasing platform, MUSA," said Jennings. "We are preparing to begin US lease originations in June."

Added Jennings: "I'm also delighted this additional investment from D&P minimizes dilution to our shareholders, who I want to thank for their unwavering patience and support as we now complete our two-year mission to deliver consumers, dealers and other commercial enterprises a powerful digital platform that eliminates unnecessary middlemen. PowerBand will allow consumers to buy, sell, lease or finance their vehicles on a smart phone or other digital device, from any location, as easily as they buy a product on Amazon. This is the digital innovation solution the automotive industry desperately needs, particularly as it emerges from the retail challenges of the COVID-19 pandemic."

D&P, which works directly with more than 850 dealerships in all 50 states, is one of the largest administrators of automotive warranty and insurance products in the United States. To date, it has invested USD \$6 million in PowerBand US.

"Our latest investment — part of our decision to invest up to USD \$10 million in PowerBand as a whole — reflects our confidence that PowerBand's cloud-based platform will transform how Americans buy, sell, lease and finance their vehicles," said D&P's CEO John Armstrong. "This is game-changing technology for the sector, particularly as automotive dealers look for ways to recover from the COVID-19 pandemic. D&P will also be offering consumers automotive insurance products on the PowerBand transaction platform, yet another benefit for consumers."

MUSA, which is 60 per cent owned by PowerBand, is leading the modernization of the new- and pre-owned vehicle leasing experience, providing dealers and consumers with the most advanced on-line leasing options in the industry. The technology takes an application, calculates a lease, auto-decisions the application, provides an approval back to dealer partners and prefills a lease contract accurately. Approvals can occur in a few seconds. As a result of its proprietary technology, MUSA was awarded a contract by Tesla Motors to become a national leasing partner in 2018.

Driveaway is a smartphone-based app that is being piloted by D2D Auto Auctions LLC (“**D2D**”). D2D is co-owned, in a 50-50 partnership, by PowerBand and Arkansas-based financier Bryan Hunt, Director of J.B Hunt Transport.

PowerBand’s virtual transaction platform, which includes MUSA and Driveaway, is being made available to thousands of dealerships working with RouteOne LLC (“**RouteOne**”) in the United States and Canada. RouteOne, formed by way of a joint venture between Ally Financial, Ford Motor Credit Company, TD Auto Finance, and Toyota Financial Services maintains a footprint of over 16,000 automotive dealers and 1,500 finance sources. RouteOne provides a comprehensive suite of finance and insurance tools, ranging from credit applications and eContracting to digital retail and compliance.

About PowerBand Solutions Inc.

PowerBand Solutions Inc., listed on the TSX Venture Exchange and the OTCQB markets, is a fintech provider disrupting the automotive industry. PowerBand’s integrated, cloud-based transaction platform facilitates transactions amongst consumers, dealers, funders and manufacturers (OEMs). It enables them to buy, sell, trade, finance, and lease new and used, electric- and non-electric vehicles, on smart phones or any other online digital devices, from any location. PowerBand’s transaction platform — being trademarked under DRIVRZ — is being made available across North American and global markets.

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the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

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