



KABN NORTH AMERICA ANNOUNCES CLOSING OF \$3 MILLION NON-BROKERED PRIVATE PLACEMENT

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Toronto, ON – December 22, 2020 – KABN Systems NA Holdings Corp. (CSE:KABN) (the “**Company**” or “**KABN North America**” or “**KABN NA**”), a Canadian Fintech company that specializes in continuous online identity verification, management and monetization in Canada and the U.S., is pleased to announce that it has closed its Non-Brokered Private Placement of units (“**Units**”) for gross proceeds of approximately \$3 Million (the “**Non-Brokered Offering**”) previously announced on December 10, 2020. A total of 19,999,997 Units were issued at a purchase price of \$0.15 per Unit, with each Unit comprised of one common share of the Company (a “**Common Share**”) and one Common Share purchase warrant (a “**Warrant**”). Each Warrant is exercisable to acquire one Common Share (a “**Warrant Share**”) at an exercise price of \$0.20 per Warrant Share for a period of 24 months from the closing. The Units will have a hold period of four months and one day from the applicable closing.

“We are pleased to welcome a number of new investors and financial services firms as Company shareholders. The interest in the offering was in excess of the available units, even after the increase in the offering from \$2 Million to \$3 Million,” said David Lucatch, CEO. “We would also like to welcome Mr. Rob Anson, CEO of Loop Insights Inc., and Mr. Sheldon Inwentash, Founder, Chairman and CEO of ThreeD Capital, both as new investors in KABN NA and as members of our Industry Advisory Committee to support the Company with its future growth.”

In connection with the Non-Brokered Offering, the Company paid finder's fee in the aggregate sum of \$130,620 and issued 990,800 compensation options (the “**Finders' Options**”) to certain eligible finders. Each Finders' Option entitles the holder to purchase one Unit at an exercise price equal to C\$0.15 per Unit at any time up to 24 months following closing.

The Company's previously announced brokered private placement of up to \$1.15 Million is expected to close on or about December 29, 2020, or on such earlier date as agreed upon between the Company and the agent, and is subject to certain conditions, including receipt of subscription agreements and payment of the subscription amounts by subscribers.

The securities described herein 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 accordingly, may not be offered or sold within the United States except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This press release does not constitute an offer to sell or a solicitation to buy any securities in any jurisdiction.

Update on Family Office Financing

With respect to the US-led Family Office financing originally announced on August 18, 2020, with subsequent updates made on September 16, and October 22, 2020, the subscribers have failed to date to fund their commitments. On December 8, 2020, the Company delivered demand letters to the subscribers, demanding that they close by December 11, 2020. Having failed to do so, the Company views these agreements as being at an end, and has demanded that the subscribers reimburse the Company for the costs it has incurred in respect of these subscriptions. The Company is reserving its rights to take further action in the future.

About KABN North America – www.kabnna.com

KABN Systems NA Holdings Corp. through its wholly owned subsidiary KABN Systems North America Inc. focuses on the verification, management and monetization of digital identity, empowering users to control and benefit from the use of their online identity. KABN NA's propriety technology suite includes 4 key products:

Liquid Avatar allows users to create high quality digital icons representing their online personas. These icons, in conjunction with KABN ID, allow users to manage and control their Self Sovereign Identity and to use Liquid Avatars to share verifiable credentials, including access, identity and designation credentials, and public and permission based private data when they want and with whom they want. www.liquidavatar.com

KABN ID is an *Always On*, biometric and blockchain based digital identity validation and verification platform allowing users to continuously and confidently prove themselves throughout the online community.

KABN Card is a Visa approved prepaid card program allowing users to manage both digital and fiat currencies and earn cashback and other loyalty incentives. www.kabncard.com

KABN KASH is a cashback, loyalty and engagement program that powers the KABN NA's revenue ecosystem. KABN NA provides its products and services at no cost to consumers and generates revenues through permission-based partner programs. www.kabnkash.com

For more information, please visit www.kabnna.com or www.kabnsystemsna.com

KABN Systems NA Holding Corp. is a publicly listed company listed on the Canadian Securities Exchange under the symbol "KABN".

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The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

This news release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities under the KABN Financing 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 or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

Forward-Looking Information and Statements

This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking 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". The forward-looking information and forward-looking statements contained herein includes statements regarding

the anticipated proceeds of the Brokered Offering, the closing date of the Brokered Offering and statements that suggest that the Brokered Offering will be completed and may include, but is not limited to, information concerning the ability of the Company to generate revenues, roll out new programs and to successfully achieve business objectives, including to accelerate the Company's development, customer acquisition and business platform, and expectations for other economic, business, and/or competitive factors..

By identifying such information and statements in this manner, the Company is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such information and statements. In addition, in connection with the forward-looking information and forward-looking statements contained in this press release, the Company has made certain assumptions. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information and statements are the following: changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws; compliance with extensive government regulation. Should one or more of these risks, uncertainties or other factors materialize, or should assumptions underlying the forward-looking information or statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.

Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws.