

## **PowerBand Announces Pursuit of Strategic Transactions, Information on Executive Transfer of Share Rights, and Management Changes**

**TORONTO, ON / ACCESSWIRE / May 4, 2022 / PowerBand Solutions Inc. (TSX.V:PBX) (OTCQB:PWWBF) (FRA:1ZVA) ("PowerBand", "PBX" or the "Company")**, a comprehensive e-commerce solution transforming the online experience to sell, trade, lease, and finance vehicles, wishes to inform shareholders that it is pursuing strategic transactions and negotiations with certain arm's length third parties with a view to recapitalizing the Company in order to further the continued growth of the Company's online platforms, while focusing on stabilizing costs and expenses. Further updates will be provided as they become available. There are currently no agreements with respect to these transactions in place, and there are no guarantees that any such transactions will occur.

The board of directors learned on Friday, April 29, 2022, that Mr. Jennings had entered into an amended and restated loan agreement with an arm's length lender (the "**Lender**") on April 1, 2022 (the "**Loan Agreement**") for an aggregate principal loan amount of USD \$12,044,072. This represented a consolidation of a number of loans drawn over a period of time. As security for the consolidated loan amount, Mr. Jennings transferred certain rights, including voting rights, of 44,188,828 common shares of the Company he held (the "**Secured Shares**") to the Lender. At this time, based on the limited information available to the Company and because the Loan Agreement represents a number of transactions over a period of time, the Company is of the view that the Loan Agreement does not represent a "change of control" of the Company (as defined by the policies of the TSX Venture Exchange and applicable securities laws), but it continues to review the matter. Pursuant to the terms of the Loan, the Company understands that all rights to an amount of common shares of the Company equal in number to the Secured Shares would be returned to Mr. Jennings provided the loan is repaid and there is no intervening event of default. Mr. Jennings disputes that it was ever his intention to transfer voting control of the Secured Shares to the Lender, and has demanded that the Lender immediately return voting control of the Secured Shares to him.

The board is continuing its internal review of the terms of the Loan Agreement, whether a change of control occurred, and the disclosure and other obligations of the parties. The board has requested, and Mr. Jennings has agreed, that he will not be involved in the Company's corporate governance, and is removing himself from the Company's day-to-day operations, which will be assumed by Darrin Swenson, the Company's chief operating officer and a director, who will serve as interim chief executive officer. We understand that Mr. Jennings has retained independent counsel, is conducting his own review of matters relating to the Loan Agreement, and has agreed to step aside so that he can focus on resolving these matters. In the event a change of control is determined to have occurred, the TSX Venture Exchange may require a halt in trading of the Company's common shares until such time as its review of the change of control is completed.

**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 any phone, tablet or PC connected to the internet. PowerBand's transaction platform - being trademarked under DRIVRZ™ - is being made available across North American and global markets.

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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.*

*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*

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**SOURCE:** PowerBand Solutions Inc.