

POWERBAND

SOLUTIONS

March 2020

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Forward-looking information is based on assumptions management believes to be reasonable at the time such statements are made, including but not limited to, continued success in software development, access to qualified sales force, continued involvement of current management, automotive industry activity levels remaining constant, receipt of required regulatory approvals, and such other assumptions and factors as set out herein. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Such forward-looking information has been provided for the purpose of assisting investors in understanding the Company's business, operations and exploration plans and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking information is made as of the date hereof, and the Company does not undertake to update such forward-looking information except in accordance with applicable securities laws. 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 presentation. Forward-looking information is based on assumptions management believes to be reasonable at the time such statements are made.

Our Mission

To create an online **consumer directed marketplace** for consumers, dealers, manufacturers and lenders to complete automotive transactions.

The Pain We're Addressing

87%

Of Americans
Dislike The Car
Dealership
Experience

49%

Of Americans Feel
Tricked Into
Unnecessary
Add-ons

61%

Of Americans Feel
They Are Taken
Advantage of by the
Dealership

52%

Of Americans Feel
Anxious or
Uncomfortable at
Dealerships

Our Goal is to **disrupt the broken business model of the automotive industry**, replacing distrust and confusion with transparency, access to information, and ease of use. Our solutions streamline the interactions among all participants in the automotive industry by removing unnecessary middlemen.

PowerBand will **empower** the consumer to **self-direct** the transaction.

The **POWERBAND** Auto Platform

Used Inspections

LOI for Exclusive North American Agreement w/ TÜV NORD Mobility:
Have Inspection Performed in Your Driveway with a Single Click.

Leasing

Access to PowerBand and RouteOne leasing options
Pick the best lease for you!

Inventory

Relationship with RouteOne, gives PowerBand access to 18,000+ dealerships
Choose from thousands of vehicles.

Appraisal Tool

True, accurate automotive values based on detailed, current criteria
Find out what your car is worth.

Auction Platform

Online Auction Technology Connects Consumers, Commercial Dealers, and Dealerships to Fast Transparent Transactions
Sell your car in minutes.

Financing

Agreement with RouteOne Giving Users Access to Over 1,400+ Finance Sources
Receive same loan terms as the dealership.

Licensing

PowerBand is currently licensed in 33 states via MUSA acquisition
Platform will be available nationally in US and Canada.



The Car Market

United States (2018A)

17M

New Cars Sold

40M

Used Cars Sold

31%

Of New Vehicles
Were Leases

Canada (2018A)

2M

New Cars Sold

4M

Used Cars Sold

37%

Of New Vehicles
Were Leases

The PowerBand Breakdown

Canada



100% Ownership of PowerBand
Canada
70% Ownership over Canadian
leasing division*.

United States



91% Ownership over PowerBand US*:

PowerBand US:
Owns 60% of MUSA Auto Finance LLC
Owns 50% of D2D

About MUSA Auto Finance LLC

- Launched in 2014.
- Tesla's first non-captive leasing partner.
- Network of over 500 dealers.
- Offering lease solutions for new and used leases with US national footprint.
- Model has demonstrated **commercialization** with over 3,000 leases originated in their short history.
- First-of-its-kind technology to navigate the underwriting, funding, and delivery process; **entire customer experience in minutes**.
- Leading position in the prime market with an average lessee FICO score in excess of 700.

History

2014: - MUSA Auto Finance founded

2016: – Partnered with Crestline Investors

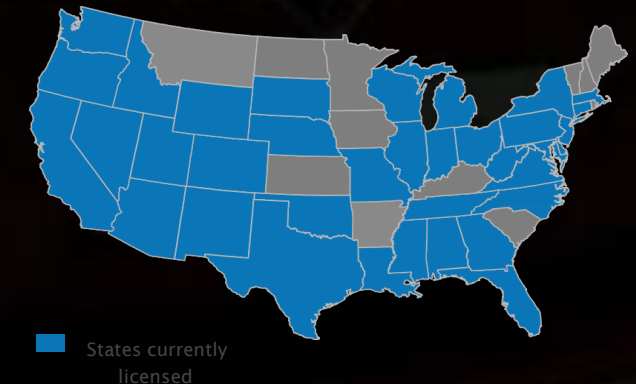
2017: - Goldman Sachs \$125.0 million Warehouse Facility
- Launched originations Q2

2018: - MUSA licensed in 33 states

- Partnership with Tesla finalized

2019: -PowerBand Acquisition

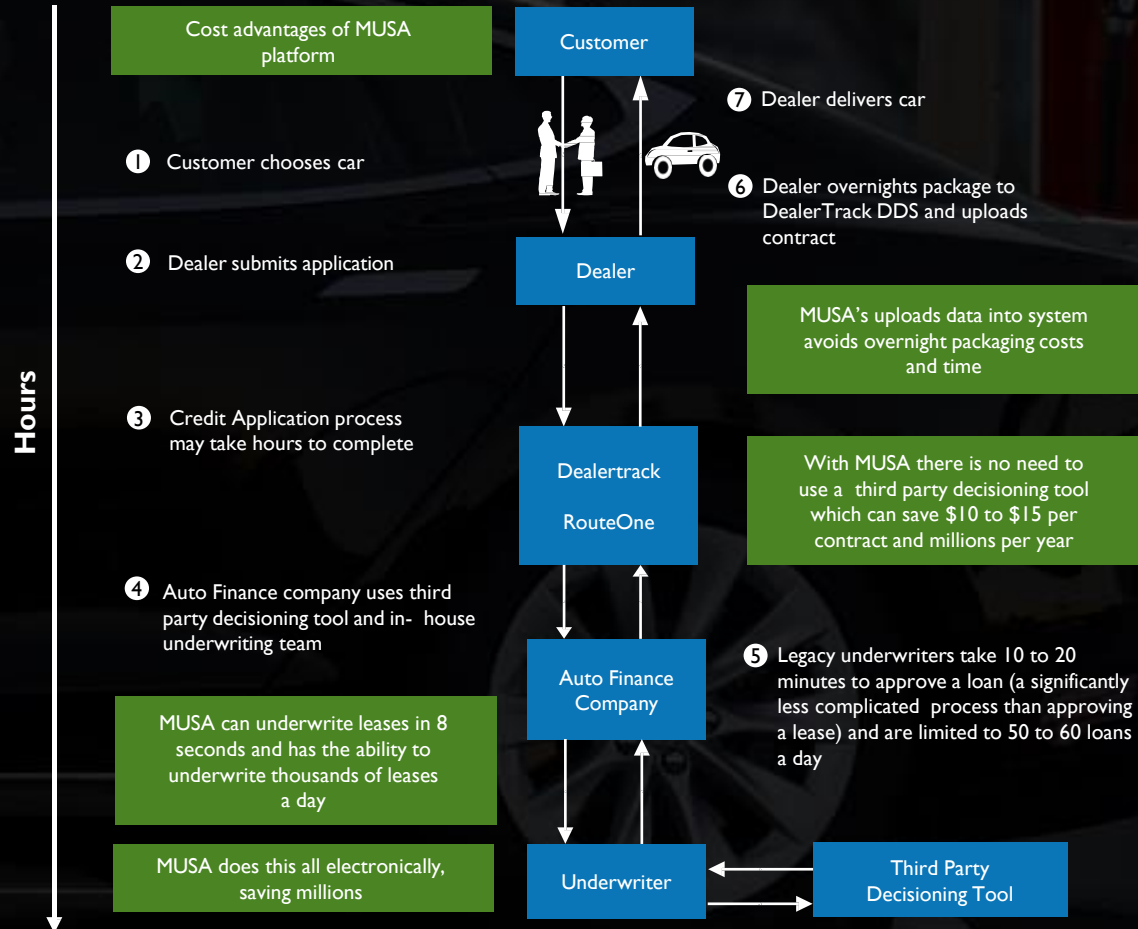
Licensed in 33 States



MUSA is Disrupting Auto Leasing

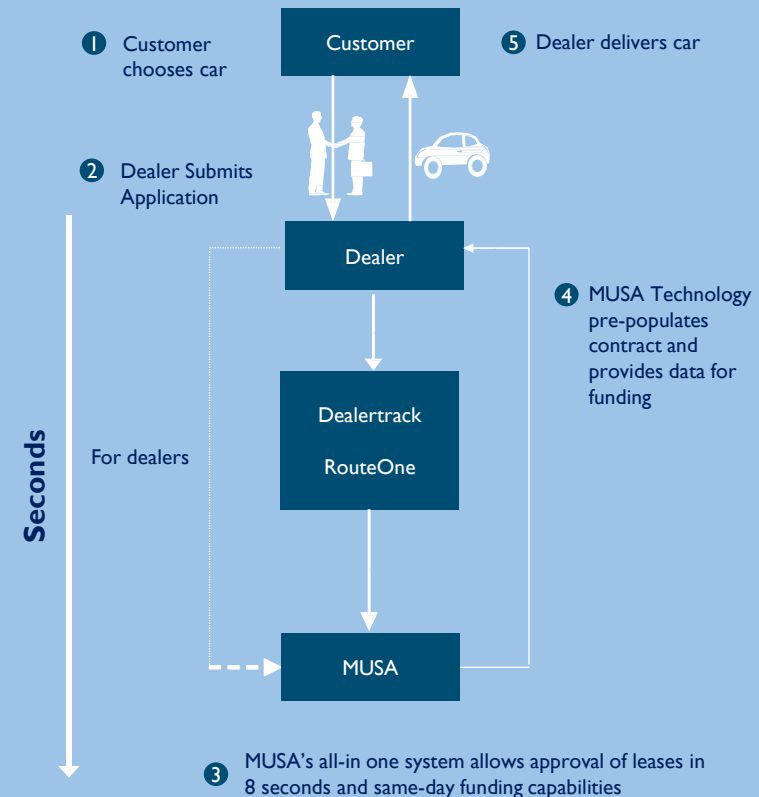
Legacy Industry Solutions

- Legacy solutions are complicated, expensive, and slow at processing leases.

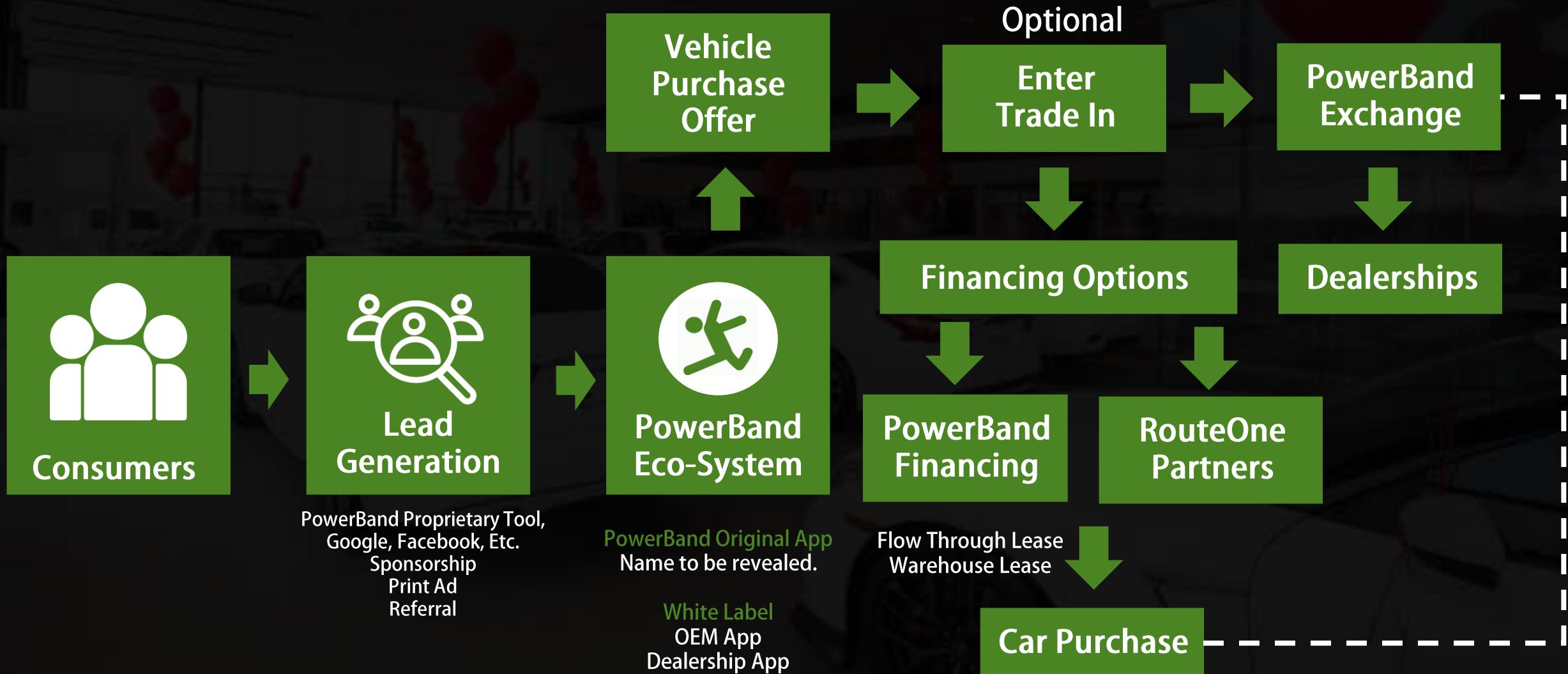


MUSA's Simplified Platform

- Elimination of third-party decisioning tool and the human capital required in underwriting leases saves millions of dollars, hours of time, and MUSA can underwrite thousands more contracts per day.



Consumer to Dealership Model



Major Partners: RouteOne LLC

- Leading financial platform formed in 2002 by Ally Financial, Ford Motor Credit Co., TD Auto Finance and Toyota Financial Services.
- Network of 18,000+ dealerships.
- 1,400 financing sources.
- Main competitor: DealerTrack purchased by Cox Automotive (Owner of AutoTrader) for \$4B in 2015₁.



Major Partners: TÜV NORD

Powerband and TÜV NORD Mobility have signed a Letter of Intent to integrate their respective business platforms.



- Founded in 1869, with over 10,000 employees globally.
- German based.
- Millions of vehicle inspections performed in Europe annually.
- Book appointment within platform and have inspection performed in Driveway, Mechanic Shop, Dealership, etc.
- Experts perform inspection on over 100 points on the vehicle.
- A TÜV NORD report includes: vehicle photographs, test drive, vehicle information, and history via Carfax report.

TÜV NORD has Partnered with Twinner®
For Digital Imaging



A Digital Twinn® is a digital recreation of a vehicle. Within just a few minutes, Twinner® generates a detailed dataset containing all the relevant figures, features and defects of the car.

Major Partners: D&P Holdings

\$12.5M USD Strategic Investment for Debentures, Convertible into 9% interest of PowerBand US and 30% of Canadian Leasing Division*

- One of the largest providers of automotive warranty and insurance products in the United States.
- Directly working with more than 850 dealerships in all 50 states.
- Managing general agency for The Hanover Insurance Company, which has a \$5-billion market cap and is rated A (Excellent) with the rating agency AM Best.



Revenue Streams

- ✓ Trade In Auctions (C2D, D2D, C2C)
- ✓ Leasing Vehicles
- ✓ Resale of Leased Vehicles
- ✓ Lead Generation
- ✓ Inspection Fees
- ✓ Exporting Vehicles From Canada to US
- ✓ Add-ons (Insurance, Warranties, etc.)

What's a Lease Worth?

Example: \$50,000 Book Value Vehicle with a 4 year term, APR 6.5%, assumes 50% residual value with a blended interest rate of 4.5%.

			Warehouse Facility	Net Present Value
Trade In: \$350	+	Avg Upfront Fee: \$800	+	Interest Spread: \$2,794
				= \$3,994

			Flow Through	Net Present Value
Trade In: \$350	+	Avg Upfront Fee: \$800	+	Fees from Sale: @ 0.5% = \$250
				= \$1,765
				Service Fee: @ 0.2%, 4 years = \$365

Assumptions:

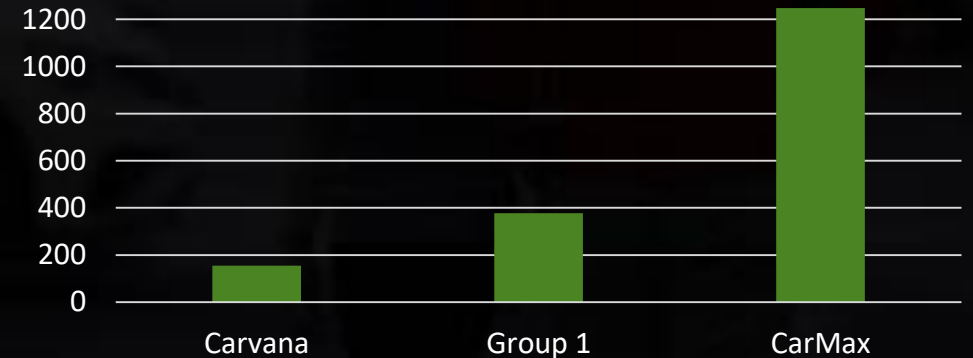
WACC of 4.5%. This model does not include operating expenses associated with sales or leasing. Assumes a residual value of 50%.
Warehouse NPV assumes, Default Rate of 2.65% with 4 missed payments at end of Year 2 with a \$750 repo expense.
Assumes 50% purchase option of \$450, and a \$450 disposition fee covering resale paid upfront.
Model does not assume profit from resale.
Flow Through assumes the company can sell lease at time of purchase to a third party bank or credit union.
NPV assumes Consumer has Trade-In at time of purchase.
Values subject to negotiation.

POWERBAND

Comparables: Transactional

	Total Transactions TTM	Enterprise Value	Gross Profit per Unit Last Qtr	EV/Annual Cars Sold
Carvana Co	154.7k	\$5.8B	\$2,714	\$37.4k
Group 1 Automotive	377.5k ₁	\$3.9B	\$1,313 ₂	\$10.2k
CarMax	1,247.6k	\$22.9B	\$1,709 ₂	\$18.4k
Average	593.7k	\$10.8B	\$1,912	\$22.0k

Total Cars Sold Per Trailing Twelve Months (TTM)



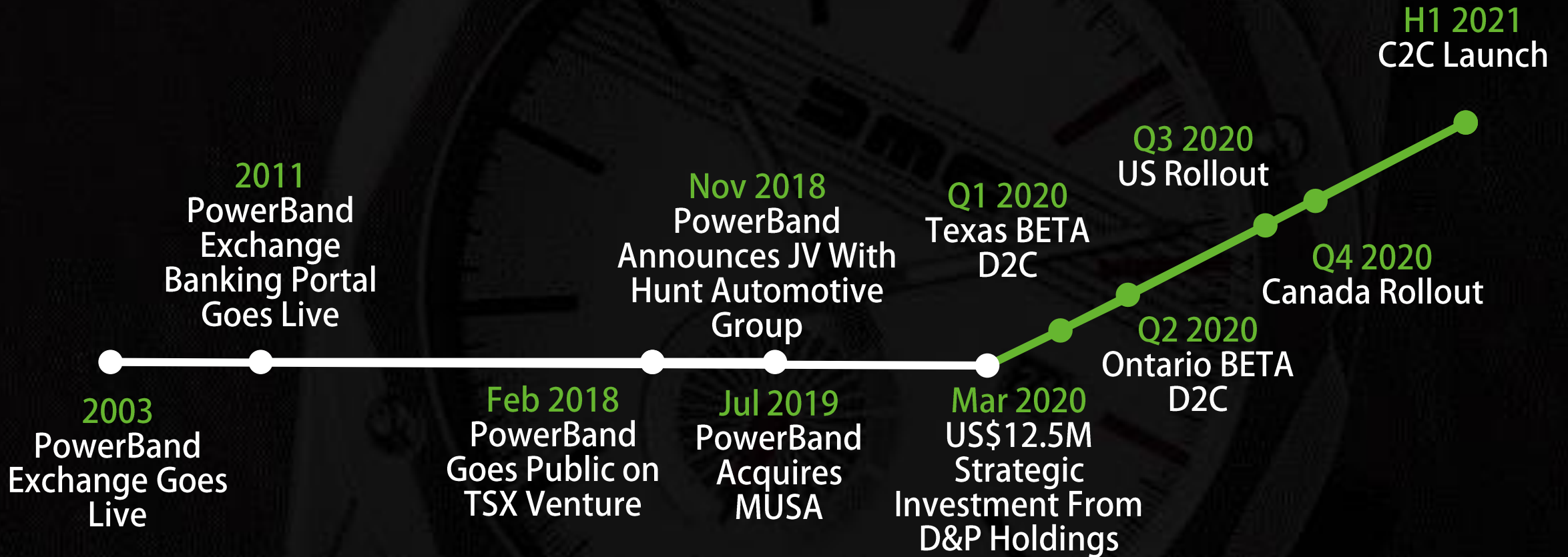
PowerBand 2020 Targets (\$USD₃)

Target Total Car Transactions	Enterprise Value	Gross Profit per Unit	EV/ 2020 Target Transactions
7,785	\$8.7M	\$269-2500	\$1.1k

PowerBand 2020 Targets

	Transactions
LiveNet/MarketPlace Auctions	4,110
Commercial Vehicles	1,560
D2D (50% JV)	1,185
Vehicle Export	510
Consumer Sales	420
Total Consolidated Transactions	7,785

The Timeline



Management

Name and Title	Background
Kelly Jennings Chairman of the Board	<ul style="list-style-type: none">• Founder of PowerBand Solutions• Franchise Dealer owner operator• More than 28 years of automotive experience
Darrin Swenson Chief Operating Officer PowerBand & D2D Auto Auctions	<ul style="list-style-type: none">• BOD PowerBand Solutions• COO Hunt Automotive Group• More than 25 years of automotive / auction experience
Jeff Morgan * CEO MUSA *MUSA Board Member	<ul style="list-style-type: none">• Partner and GM of Vehicle Leasing Inc.• Founder and CEO MUSA, Avert, IAG, and Mortgages USA• Brings more than 25 years auto finance experience to Board
Richard Goldman VP Corporate Development PowerBand	<ul style="list-style-type: none">• Co-founder of AutoSoldNow, later acquired by PowerBand• 30+ years capital markets, public company experience
Scott Schondau EVP Finance & Treasury MUSA	<ul style="list-style-type: none">• Alex Brown / Deutsche Bank / JP Morgan / Bear Stearns• Brings more than 24 years of financial experience to MUSA
Cinde Perales Chief Compliance Officer MUSA	<ul style="list-style-type: none">• SVP at Exeter Finance Corp. / EVP at AmeriCredit (GM Financial)• Brings more than 30 years of auto finance experience to MUSA
Sean Severin Chief Technology Officer PowerBand	<ul style="list-style-type: none">• Head of product innovation at FCT• 20+ years of technology, product development, customer relations and management
Bobby Goodwin Chief Technology Officer MUSA	<ul style="list-style-type: none">• SVP at Exeter Finance Corp. / Founder of Dynamic Web• 19+ years of information technology experience to MUSA

Board of Directors

Board Member	Background
Kelly Jennings Chairman of the Board	<ul style="list-style-type: none">• Founder of PowerBand Solutions• Franchise Dealer owner operator• More than 28 years of automotive experience
Darrin Swenson Chief Operating Officer PowerBand & D2D Auto Auctions	<ul style="list-style-type: none">• BOD PowerBand Solutions• COO Hunt Automotive Group• More than 25 years of automotive / auction experience
Ivan Buzbuzian Independent Director	<ul style="list-style-type: none">• Active participant in several business ventures both in the private and public sectors• 35+ years capital markets, project development, operations, and management experience• Global business development network
Bill Butler Chairman of Audit Committee	<ul style="list-style-type: none">• CPA, CA - manages the Burlington, Ontario office of a well known regional accounting firm• Strong background in accounting and assurance• Deep understanding of the automotive dealership industry
Andrea Parliament Director	<ul style="list-style-type: none">• B.A.Hons, J.D., M.B.A. – Strong legal and business background• Worked on Bay Street for a large national legal firm and Scotiabank• Has served as a Director for-profit and non-profit organizations

Capital Structure

As of 3/20/2020

		Exercise Price	Exercise Date
Shares Outstanding	111,917,888		
Options	12,478,500	\$ 0.10 - 0.30	Apr, '21 – Dec'24
Warrants	21,379,247	\$0.15 - \$0.60	Feb '21-Dec'21
Convertible Debentures	21,266,968	\$0.065 - 0.085	Oct, '20
Fully Diluted Shares Outstanding	169,042,603		

Insider Ownership	45.5%
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OTCMarkets
OTCQB: PWWBF

BÖRSE
FRANKFURT
Frankfurt: 1ZVA