

DRT Cyber, a VersaBank Subsidiary, Opens Washington, D.C., Head Office and Names Gurpreet Sahota Chief Operating Officer

October 16, 2019

(London, Ontario) – DRT Cyber Inc. (“DRT Cyber”), which develops innovative cyber security solutions and is a VersaBank (TSX:VB) subsidiary, today named Gurpreet Sahota as Chief Operating Officer (COO) and opened its Washington, D.C., based head office.

Sahota worked at Blackberry for 16 years, during which time he also served as Principal Architect of Cyber Security before he moved to VersaBank subsidiary, VersaVault Inc. (“VersaVault”) as Chief Architect, Cyber Security. In 2018, Sahota oversaw the development of VersaVault, the digital equivalent of a safety deposit box, which allows customers to conveniently, securely and privately store their digital valuables, including cryptocurrencies. VersaVault has been moved into DRT Cyber as its first product offering. VersaVault is sold globally through a license agreement by Chairmans Financial B.V. (“Chairmans”), which allows Chairmans to utilize technology developed and procured by VersaVault to offer global clients secure and private storage of digital assets.

With the opening of its head office in Washington, D.C., DRT Cyber is strategically located close to a significant number of potential clients within its target market, including financial institutions, large U.S. based and multi-national corporations and U.S. federal government departments and agencies. With the ever increasing cyber threats made to corporations, financial services and government entities, DRT Cyber expects to follow in the innovative path on which VersaBank was founded and focus on developing innovative cyber security solutions for the ever expanding digital world.

David Taylor, President & CEO of VersaBank, and its subsidiary, DRT Cyber, stated: “Gurpreet Sahota’s primary responsibility as COO will be to focus DRT Cyber on providing innovative cyber security techniques to safeguard its clients’ high-value assets and to continue to lead the development of leading edge cyber security technology in this rapidly evolving industry. Sahota also will lead potential acquisitions of complementary cyber security technology firms. Opening DRT Cyber’s offices in Washington, D.C., enables us to be close to the multitude of large corporations and financial services companies operating in the City, and to the federal government, all of which are increasingly challenged with guarding against cyber threats on a daily basis. It is my view that cyber threats today pose the single, most significant threats globally, and they have the ability to cause the most widespread and destructive effects on both the private and public sectors.”

About DRT Cyber

DRT Cyber Inc. is a wholly owned subsidiary of VersaBank and was formed to provide innovative cyber security solutions to safeguard its clients’ high-value assets. DRT Cyber’s clients are

expected to include financial institutions, large U.S. based and multi-national corporations and US federal government departments and agencies, which are increasingly challenged to safeguard their high-value assets. DRT Cyber operates from Washington, D.C., and services clients globally.

Visit DRT Cyber's website at: <https://drtcyber.com>

About VersaBank

VersaBank adopted an electronic branchless model in 1993, becoming the world's first branchless financial institution. It holds a Canadian Schedule I chartered bank license and obtains its deposits, and the majority of its loans and leases, electronically. VersaBank's Common Shares trade on the Toronto Stock Exchange under the symbol VB and its Series 1 Preferred Shares and Series 3 Preferred Shares trade under the symbols VB.PR.A and VB.PR.B, respectively. Visit VersaBank's website at: <https://www.versabank.com>

Forward Looking Information

Information in this news release that is not current or historical factual information may constitute forward-looking information within the meaning of securities laws. This information is based on certain assumptions regarding technology development, expected growth, results of operations, performance, and business prospects and opportunities (collectively, the "Assumptions"). While VersaBank considers these Assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Forward-looking information is subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from what VersaBank currently expects. These risks, uncertainties and other factors include, but are not limited to: the timing and market acceptance of future products, competition in DRT Cyber's potential markets, the development of appropriate and secure software in respect of DRT Cyber, the ability of DRT Cyber to provide a safe and private vault for digital assets, VersaBank's reliance on customers, fluctuations in currency and exchange rates, commodity prices or interest rates, changes in the law or regulations and VersaBank's and DRT Cyber's ability to protect its intellectual property (collectively, the "Risks"). For more exhaustive information on these Risks you should refer to VersaBank's filings with the securities regulatory authorities, including VersaBank's most recently filed annual information form, which is available on SEDAR at www.sedar.com. Other than as required under securities laws, we do not undertake to update any forward-looking information at any particular time. The reader should not place undue importance on forward-looking information and should not rely upon this information as of any other date. All forward-looking information contained in this news release is expressly qualified in its entirety by this cautionary statement.

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