

VersaBank Subsidiary VersaVault Licences VersaVault to Chairmans Financial B.V. To Provide Global Clients With Full Suite of Banking Services

May 21, 2019

(London, Ontario) -- VersaVault Inc. (“VersaVault”), a subsidiary of VersaBank, has entered into an exclusive licence agreement with Chairmans Financial B.V. (“Chairmans”), a company registered in the Netherlands operating in financial services. Chairmans is not related to VersaBank or any of its officers or directors.

The agreement permits Chairmans to use the VersaVault name and brand, and to offer global clients secure storage of digital assets, encryption, authentication and related services. VersaVault will operate from the United States and Europe and will service clients globally.

David Taylor, President & CEO of VersaBank, and its subsidiary, VersaVault Inc., stated: “This is exciting news. Numerous global cryptocurrency related exchanges and funds indicated to us they wanted an integrated solution – combining VersaVault’s innovative and world leading strong and secure storage for digital assets with a full suite of banking services. With this license arrangement, we’ve answered their request by offering a solution that enables the cryptocurrency industry to sign up with VersaVault and receive full banking services from Chairmans, all under one entity.”

VersaVault allows customers to conveniently, securely and privately store their digital valuables, including cryptocurrencies, in the digital equivalent of a safety deposit box.

The licensed technology and services are to be used by Chairmans in connection with a digital asset security business. This business will be carried on exclusively by, and in the name of, Chairmans. Neither VersaVault nor VersaBank will be party to any of the customer or other contracts (other than the licence and certain contracts with third party service providers) related to the business. This business will be established and principally be carried on in accordance with applicable laws in the European Union, where Chairmans operates, and in the United States. Chairmans also intends to offer VersaVault global clients with related deposit

services, again through its banking and financial services operations in the European Union and United Kingdom.

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>

Visit VersaVaults's website at: <https://www.versavault.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 software 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 VersaVault's markets, the development of appropriate and secure software in respect of VersaVault, the ability of VersaVault 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 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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