

VersaBank Subsidiary VersaVault Initiates Commercialization Stage of Its Digital Safety Deposit Box for Cryptocurrency Exchanges and Crypto Investment Funds

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VersaBank is pleased to announce that its subsidiary, VersaVault, has successfully completed beta testing for its previously announced digital safety deposit box and is initiating commercialization of its services. The first phase of the rollout will be to provide digital safe keeping as well as multi signature services for cryptocurrency exchanges and crypto based investment funds.

The beta testing, conducted with our initial target client base, focused on ensuring VersaVault's design would meet the specific requirements of cryptocurrency exchanges and crypto funds. Furthermore, it focused on designing a seamless, efficient and timely experience for our clients, but one which maintained the unique features of the VersaVault; providing our clients with the most technologically advanced digital and cyber-security solutions while maintaining their absolute privacy. VersaVault does not have the ability to 'drill' into a client's digital safety deposit box, nor does it have the ability to look inside, only the client has the capability to access their digital valuables and only they know of their contents inside.

David Taylor, President and CEO of VersaBank and its subsidiary, VersaVault, stated: "I am just delighted with the successful results of our strenuous beta testing. While many are considering ideas and plans for a digital safety deposit box, we have designed and built it, and are now commercializing a first of its kind service that provides our clients with the most sophisticated security and authentication technology available globally, in which our clients enjoy absolute privacy. The VersaVault will now begin rolling out services to cryptocurrency exchanges and crypto investment funds."

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.

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 VersaBank'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, VersaBank's ability to maintain good relations with its employees, 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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