

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: Carl Data Solutions Inc. (the "Issuer")

Trading Symbol: CRL

Number of Outstanding Listed Securities: 76,561,398

Date: February 6, 2019

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

During the month of January 2019, the Issuer continued to focus on developing the enterprise application platform for the collection and storage of data sets. The application improves the scalability and functionality of each acquired application with the integration of advanced analytics and machine learning. The Issuer's goal is to deliver a comprehensive data management solution for datasets of any size, type and complexity, and to continue to build a universal platform for other data-centric applications for industry and government. The Company previously acquired the assets of and entered into a consulting agreement with AB Embedded Systems. By integrating the services of AB Embedded Systems, the Company aims to produce superior data collection devices in house at a lower cost. The issuer continued to work with AB Embedded Systems to develop data collection device prototypes.

The Issuer also continued its organizational integration process with acquired FlowWorks Inc. ("FlowWorks") during fiscal 2016. FlowWorks' technology helps its clients analyze and understand a combination of sensor and environmental data to manage water and waste water systems. The Issuer continues to adapt this powerful tool to take advantage of the opportunities in other data intensive verticals such as oil, power and gas, electrical utilities that are helping to drive the Industrial IoT revolution. As part of this integration, the company has taken steps to finance the expansion and development of FlowWorks' business.

During the month of January 2018, the Company entered into an agreement to develop cryptomining facilities with Connected Fintech Inc. Connected Fintech Inc will build the infrastructure and hardware needed for the cryptocurrency mining and the Company intends to leverage its complimentary Industrial Internet of Things ("IIoT") technologies to optimize the mining process. During the month ended December 2018, the Company, through its subsidiary Astra Smart Systems Inc. acquired additional processors and expects to increase its cryptomining output moving forward. The Company completed some cryptomining activities during the month of January 2019 but has temporarily halted due to current market prices of cryptocurrencies.

During the month of June 2018, the Company completed the acquisition of Astra Smart Systems Inc, a technology company that manufactures environmental monitoring devices, produces "Big Data" software applications and runs a data centre which can host over 1,000 servers. As part of the acquisition, the Company obtained all of Astra's intellectual property, firmware, software, code libraries, contracts, licences, agreements, documentation and leads database along with datacentre infrastructure assets and production line equipment. The Company's data hosting contract ended in December 2018, and management is currently investigating new opportunities for Astra.

2. Provide a general overview and discussion of the activities of management.

See above.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

N/A

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

As noted above, the Company has temporarily halted cryptocurrency mining activities and will resume when and if market prices for cryptocurrencies increase to a point where the Company can achieve a profit.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

N/A

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

N/A

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

N/A

8. Describe the acquisition of new customers or loss of customers.

N/A

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

N/A

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

During the month ended January 31, 2018 the Company terminated contracts with three employees for the purpose of working capital conservation. There are no further anticipated lay-offs or terminations.

11. Report on any labour disputes and resolutions of those disputes if applicable.

N/A

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

N/A

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

During the month ended January 31, 2019, the Company issued a total of \$130,000 in convertible debentures which were used for working capital purposes. The convertible debentures have a six-month maturity, bear interest at 10% and are convertible into common shares of the Company at a price of \$0.15.

14. Provide details of any securities issued and options or warrants granted.

During the month ended January 31, 2018, the Company repurchased and returned to treasury 36,888 common shares at a price of \$US 0.225 per common share from a shareholder pursuant to a settlement agreement with a former dissenting shareholder that was entered into in February 2017.

15. Provide details of any loans to or by Related Persons.

N/A

16. Provide details of any changes in directors, officers or committee members.

N/A

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

N/A

### **Certificate Of Compliance**

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated February 6, 2019.

Greg Johnston  
Name of Director or Senior Officer

"Greg Johnston"  
Signature

CEO  
Official Capacity

Name of Issuer <u>Carl Data Solutions Inc.</u>	For Month Ended <u>January 31, 2019</u>	Date of Report <u>February 6, 2019</u>
Issuer Address <u>1090 West Georgia Street, Suite 488</u>		
City/Province/Postal Code <u>Vancouver, BC V6E 3V7</u>	Issuer Fax No. <u>N/A</u>	Issuer Telephone No. <u>(778) 379-0275</u>
Contact Name <u>Greg Johnston</u>	Contact Position <u>CFO</u>	Contact Telephone No. <u>(778) 994-6107</u>
Contact Email Address <u>greg@carlsolutions.com</u>	Web Site Address <u><a href="http://www.carlsolutions.com">www.carlsolutions.com</a></u>	