

# FORM 7

## MONTHLY PROGRESS REPORT

Name of CNSX Issuer: **TraceSafe Inc. (formerly Blockchain Holdings Ltd.) (the "Issuer")**.

Trading Symbol: **TSF**

Number of Outstanding Listed Securities: **35,765,784**

Date: **January 1, 2021 for the month of December 2020**

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.

**The Issuer continued business development activities.**

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

**The Issuer continued business development activities and arranging financing to expand operations.**

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.

The Issuer is actively marketing and developing leads for its suite of location services product and software and developing new features for other purposes.

2. 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. **None.**

3. 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.

Please refer to news release dated December 7, 2020, December 8, 2020 and December 14, 2020. **None are Related Person.**

4. 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.**

5. 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.

**None.**

6. Describe the acquisition of new customers or loss of customers. **Please refer to news release dated December 7, 2020, December 8, 2020 and December 14, 2020.**

7. 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.

The Issuer is developing additional features to its platform technology for the purpose of marketing to different markets outside of quarantine management. The Issuer filed a trademark application to the U.S. Patent and Trademark Office (USPTO).

8. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs. **The Issuer continues to add consultants and employees as required for business development and finance functions.**

9. Report on any labour disputes and resolutions of those disputes if applicable. **N/A.**

10. 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.**
11. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness. **The Issuer has arranged a USD\$1,500,000 accounts receivable revolving credit facility with a third party to advance up to 85% of eligible accounts receivables at a discount of 2.7% for up to 30 days and 0.09% per day beyond 30 days.**
12. Provide details of any securities issued and options or warrants granted.  
**A total of 164,286 shares were issued in settlement of services. A total of 50,000 shares were issued due to the exercise of options. A total of 37,5000 shares were issued due to an exercise of warrants.**  
*(1) State aggregate proceeds and intended allocation of proceeds.*
13. Provide details of any loans to or by Related Persons.  
**N/A**
14. Provide details of any changes in directors, officers or committee members.  
**Mr. Donald Padgett resigned as a director and Mr. Murray Tevlin was appointed as a new director. Please refer to news release dated December 2, 2020.**
15. Discuss any trends, which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends. **None that we are aware of.**

## 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 is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX 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 CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: January 1, 2021.

Alan Tam  
Name of Director or Senior  
Officer

Signed "Alan Tam"  
Signature

Chief Financial Officer  
Official Capacity

<b>Issuer Details</b> Name of Issuer TraceSafe Inc. (formerly Blockchain Holdings Ltd.)	For Month End December 31, 2020	Date of Report YY/MM/DD 2021/01/01
Issuer Address Sea Meadow House Blackburne Hwy, PO Box 116		
City/Province/Postal Code Road Town, Tortola, British Virgin Islands	Issuer Fax No.	Issuer Telephone No. (604) 283-2339 x 702
Contact Name Alan Tam	Contact Position CFO	Contact Telephone No. (604) 283-2339 x 702
Contact Email Address ba@tracesafe.io	Web Site Address https://tracesafe.io	