

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Xigem Technologies Inc. (the “Issuer”).

Trading Symbol: XIGM

Number of Outstanding Listed Securities: 83,235,232

Date: August 31, 2021

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.

On August 9, 2021, the issuer announced that it has completed the previously announced acquisition of cloud-based, peer-to-peer payment app FOOi.

Under the terms of the acquisition agreement, Xigem has acquired substantially all of the assets of FOOi Inc. for consideration of \$500,000 to be satisfied by the issuance of 1,666,667 common shares in the capital of Xigem at a deemed price equal to \$0.30 per share.

FOOi is a mobile app that facilitates digital payments through peer-to-peer and peer-to-business financial transactions. Users can “share money in the moment” by opening the app and tapping on the person or organization to whom they would like to transfer funds. FOOi features a simplified sign-up process, allowing users to complete transactions within minutes of installation by quickly and securely connecting credit cards and debit cards to their FOOi accounts.

Integrated with iAgent, Xigem’s platform technology, FOOi can create a unique environment for the Company’s clients and their users. The Company expects FOOi to become a valuable asset to iAgent as it supports completing the circle of functionality and enhancing its customer relationship management efficacy.

The mobile payment market was valued at US\$1.48 trillion in 2019, and is projected to exceed US\$12 trillion by 2027, representing an average growth rate of 30% from 2020 to 2027.¹ Factors driving the growth include the ongoing penetration of smartphones and growth in mobile commerce, as well as an increase in demand for fast and hassle-free transaction services. In addition, a desire for contactless payments among retail consumers during the COVID-19 pandemic has accelerated adoption.

The Vendor has agreed to use any proceeds received from the sale of the Consideration Shares to purchase a secured, interest-bearing note from Baron Auto Group (“BAG”). BAG is a quickly growing non-prime lender in the Canadian automobile market serving hundreds of clients and is expected to be a customer of Xigem’s where it would employ both iAgent and potentially the FOOi technology. While Brian Kalish is the Chief Executive Officer of Xigem, he is also the interim Chief Executive Officer of BAG, but is not a shareholder or debtholder, and receives no compensation from BAG. While the Transaction is not a “related party transaction” within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions, the Company nonetheless took steps to mediate the conflict of interest created by Mr. Kalish’s roles in the Transaction. To that end, Mr. Kalish abstained from voting on the approval of the Transaction, and the Company has, as a condition to closing the transaction, obtained a valuation report in respect of FOOi prepared by a Chartered Business Valuator, which concluded that FOOi has a value equivalent to at least the Purchase Price.

On August 11, 2021, the issuer announced that it has been approved to commence trading of its common shares on the OTCQB[®] Venture Market (“OTCQB”), beginning today under the ticker symbol XIGEMF.

The OTCQB[®] is a leading market for early-stage and developing U.S. and international companies. Recognized as an established public market by the U.S. Securities and Exchange Commission, the OTCQB[®] has helped companies build considerable shareholder value including enhanced liquidity and valuation. Investors may benefit from efficient trading through their preferred broker or financial advisor, transparent pricing with real-time quotes, and trusted disclosure that is made broadly available to broker-dealers and market data providers.

The Company’s common shares will continue to trade on the Canadian Securities Exchange under the symbol “XIGM”, and through the Deutsche Börse Group under the symbol “2C1”.

An application with the Depository Trust & Clearing Corporation (DTCC) is currently pending to further enable the easier electronic clearing and settlement of the Company’s common shares in the United States.

On August 17, 2021, the issuer announced that its common shares can now be traded on Wealthsimple Trade. Wealthsimple recently announced that the Canadian Securities Exchange and 220 qualified CSE-listed securities, including Xigem, are now supported on its trading platform.

Wealthsimple has attracted more than one million clients in Canada through innovative financial products and simple, low-cost services. Its online stock-trading platform, Wealthsimple Trade, is fully mobile, self-directed and offers commission-free trades.

In addition to the CSE, Xigem's common shares recently commenced trading on the OTCQB® Venture Market ("OTCQB") under the ticker symbol XIGMF, offering enhanced access for U.S. investors. The Company's shares will continue to trade through the Deutsche Börse Group under the symbol "2C1". Investors may find information and trading statistics on Xigem at: <https://www.otcmarkets.com>, <https://www.boerse-frankfurt.de>, <https://www.tradegate.de>, and <https://thecse.com>.

On August 19, 2021, the issuer commented on the further transformation of the digitally-driven remote economy that has been accelerated by the world's response to the COVID-19 pandemic. Xigem offers a software-as-a-service (SaaS) platform designed to improve productivity and overall results for organizations operating in the remote economy.

To survive the global COVID-19 pandemic, organizations around the world developed new ways of interacting with customers, employees, patients, students and suppliers. The solutions typically included digital technologies that enable tasks to be completed remotely. In many cases, the impact of the digital transformation is expected to continue even as governments work on easing pandemic restrictions.

McKinsey estimates that the pandemic resulted in companies speeding up their overall adoption of digital technologies by three-to-seven years in a span of months. Business practices that were considered "best-in-class speed" just three years ago is now slower than average.⁷ According to BCG, businesses that merely digitize existing processes will not generate lasting advantage. It is essential for leaders to understand the bigger picture of how technology can create dynamic advantage, such as improving organizational learning, adaptation, and collaboration.

On August 30, 2021, the issuer published its financial results for the quarter ended June 30, 2021 ("Q2 2021"). All figures referenced in this news release are in Canadian dollars unless otherwise noted.

Second Quarter Highlights

Key milestones achieved during the quarter ended June 30, 2021, include the following:

- Completed a private placement financing raising net proceeds of \$559 thousand for general corporate purposes.
- Announced a letter of intent to enhance its patented iAgent SaaS technology platform for the CPG marketplace.
- Established an Advisory Board providing counsel to the Company's executives and directors, and named prominent legal, private equity and marketing leaders as initial members.

- Announced plans to launch an enhanced version of its iAgent SaaS platform for the small-to- medium enterprise space, expanding its addressable market in the US\$80 billion customer relationship management software market¹.
- As the Company ramped up operations in its first full quarter as a public company, it recorded a net loss of approximately \$1 million or \$0.01 per share on a diluted basis; driven by approximately \$721 thousand of sales and marketing, and corporate and business development fees. The Company expects to begin recognizing revenue in the third and fourth quarter of 2021.
- The Company ended the second quarter with approximately \$1.5 million of cash, approximately \$2.9 million of assets, approximately \$470 thousand of current liabilities, with no long-term debt.

Subsequent Highlights

Company announcements made subsequent to the end of Q2 2021 include the following:

- Completed the purchase of the assets of peer-to-peer payment app FOOi, for integration with its iAgent application, marking the Company's entry into the US\$1.5 trillion mobile payments market².
 - Announced an LOI to acquire a 25% interest in FB LABS Corp., a lead generation software company having significant success in the USD \$100 billion hotel food and beverage vertical³. Nearly 50 hotels operating under the Fairmont, Novotel, Sofitel and other banners currently use the FB LABS platform.
 - The Company's common shares commenced trading on the OTCQB[®] Venture Market under the ticker symbol XIGMF.
 - The Company announced support for trading its CSE-listed common shares on the popular Wealthsimple platform.
2. Provide a general overview and discussion of the activities of management.
None other than as described 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.

N/A

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.

On August 9, 2021, the issuer announced that it has completed the previously announced acquisition of cloud-based, peer-to-peer payment app FOOi.

Under the terms of the acquisition agreement, Xigem has acquired substantially all of the assets of FOOi Inc. for consideration of \$500,000 to be satisfied by the issuance of 1,666,667 common shares in the capital of Xigem at a deemed price equal to \$0.30 per share.

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 trademarks.

N/A

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

N/A

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.

N/A

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

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Common Shares	1,666,667	Deemed price equal to \$0.30 per share.	N/A

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 is 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: September 2, 2021.

Brian Kalish
Name of Director or Senior Officer

"signed"
Signature

CEO
Official Capacity

<i>Issuer Details</i> Name of Issuer Xigem Technologies Inc.	For Month End August 2021	Date of Report YY/MM/DD 21/09/02
Issuer Address 2704-401 Bay St		
City/Province/Postal Code Toronto ON M5H 2Y4	Issuer Fax No. ()	Issuer Telephone No. (647) 250-9824
Contact Name Brian Kalish	Contact Position CEO	Contact Telephone No. (647) 250-9824
Contact Email Address briank@xigemtechnologies.com	Web Site Address www.xigemtechnologies.com	