

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: Liquid Avatar Technologies Inc. (the "Issuer").

Trading Symbol: CSE:LQID

Number of Outstanding Listed Securities: 103,801,949 Common Shares

Date: April 7, 2021

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 remains active in its business activities as detailed below in this section and summarized in sections (2 and 5). During the month, the Issuer changed its name to Liquid Avatar Technologies Inc. (from KABN Systems NA Holdings Corp.) and its CSE symbol to LQID (from KABN). Management focused during the month

on continued progress releases of its Liquid Avatar App platform, and then on March 25, released as previously announced the second phase of the Liquid Avatar App. The issuer has also continued onboarding of new merchants for its KABN KASH program. Management remains active in the final development of its KABN prepaid Visa Card program including the required partner readiness during the month. The Issuer also created Oasis Digital Studios Inc. to be an agency to assist artists and others with production of Non-Fungible Tokens (NFTs) as described below.

On March 1, 2021, the Issuer announced it has changed its business name to Liquid Avatar Technologies Inc. with a new trading symbol of LQID, effective for trading purposes March 3, 2021.

**Please see the Issuer's press release dated March 1, 2021 for further information.**

On March 10, 2021 the Issuer announced that together with ImagineAR Inc (CSE:IP) the Issuer would be launching Oasis Digital Studios, an agency supporting the development of AR Enhanced Non-Fungible Tokens.

**Please see the Issuer's press release dated March 10, 2021 for further information.**

On March 15, 2021, the Issuer announced that Oasis Digital Studios is teaming up with renowned entrepreneur Ruth McCartney and her firm McCartney Multimedia Inc. to support the development of AR Enhanced Non-Fungible Tokens for the entertainment and lifestyle sectors.

**Please see the Issuer's press release dated March 15, 2021 for further information.**

On March 17, 2021, the Issuer announced that Oasis Digital Studios would be partnering with RARE.Store, a recently launched NFT curated marketplace for iconic digital art, collectibles and experiences.

**Please see the Issuer's press release dated March 17, 2021 for further information.**

On March 22, 2021, the Issuer announced that Oasis Digital Studios has partnered with Apex Comic Groups to bring the PHAZER Universe and other published characters to Liquid Avatar as custom digital icons, integrated multi-media, Augmented Reality items and cinematic, AR enhanced Non-Fungible Tokens.

**Please see the Issuer's press release dated March 22, 2021 for further information.**

On March 24, 2021, the Issuer announced that Oasis Digital Studios together with McCartney Multimedia Inc. are bringing May Pang's exclusive collection of John Lennon's Lost Weekend photographs to the Non-Fungible Token collector market through Oasis Digital Studios.

**Please see the Issuer's press release dated March 24, 2021 for further information.**

On March 25, 2021, the Issuer announced the launch phase 2 of its Liquid Avatar Mobile App program in the Apple App Store and Google Play.

**Please see the Issuer's press release dated March 25, 2021 for further information.**

On March 29, 2021, the Issuer announced that Oasis Digital Studios would be presenting a major online event to provide interested parties and the public with a plain English view of the Non-Fungible Token industry and collector markets on Tuesday, April 13, 2021 at 12pm Eastern Time.

**Please see the Issuer's press release dated March 29, 2021 for further information.**

On March 30, 2021, the Issuer announced that Oasis Digital Studios, together with McCartney Multimedia Inc. are bringing award winning artist Shannon ([www.theshannongallery.com](http://www.theshannongallery.com)) and her exclusive collection of paintings and music, featuring major celebrities and rock 'n' rolls icons to the Non-Fungible Token collector market through Oasis Digital Studios.

**Please see the Issuer's press release dated March 30, 2021 for further information.**

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

Management of the Issuer remains active in the day-to-day operations of the business. Management continues to be actively engaged on developing, testing, and launching its product suite for the North American marketplace including, but not limited to Liquid Avatar, KABN KASH and its KABN Visa Card. Management remains active in pursuing its business objectives through corporate client onboarding and promoting user growth. During the month, management acted upon the previously obtained Board approval to effect a name change of the company to "Liquid Avatar Technologies Inc.", driven by the leading product proposition of the company being its Liquid Avatar verified-ID Credentials management app. This name change was a strategic complement to the launch of

the first two phases now complete of the Liquid Avatar App during the month, noted herein, and offers even greater clarity to the market.

Additionally, management continues to work with industry leaders in the healthcare and related industries to support the potential creation and distribution of a verifiable identity credential to support, for example, the issuance of an electronic vaccination record. Management continues to work towards completion of the biometrically verified digital wallet which will support the creation and distribution of a wide range of verifiable credentials and other access data that is controlled by the user.

Furthermore, as detailed herein, and as a complementary strategy to its foundation of personal ID Credentials through Liquid Avatar, Management has established and is partnering with others to build Oasis Digital Studios, an agency to support the development of Non-Fungible Tokens.

**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.**

During the month, the Company announced that it has partnered with ImagineAR Inc (CSE:IP) to create Oasis Digital Studios. Oasis is an agency supporting the development of AR Enhanced Non-Fungible Tokens (NFTs) together with listing, marketing, management, and other creative, avatar and digital icons, technology and blockchain services. Oasis already has multiple projects underway including the launch of Apex Comic Group's PHAZER Universe, a partnership with RARE.store, an NFT curated marketplace and a partnership with Ruth McCartney and McCartney Multimedia Inc. This partnership has already born fruit as Oasis has entered into agreements with May Pang to bring private images of "John Lennon's Lost Weekend" to light for the very first time, along with award winning artist Shannon's exclusive paintings and other art to the collectible market as AR enhanced NFTs.

The Company also announced the launch of phase 2 of its Liquid Avatar App in the Apple Store and Google Play stores. The Company will be utilizing a phased approach to the releases which began on February 18, 2021 and will continue through the end of Q2.

**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.**

No products or services were discontinued during the month.

**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.**

On March 10, 2021 the Issuer announced that together with ImagineAR Inc (CSE:IP) the Issuer would be launching Oasis Digital Studios, an agency supporting the development of AR Enhanced Non-Fungible Tokens.

On March 15, 2021, the Issuer announced that Oasis Digital Studios is teaming up with renowned entrepreneur Ruth McCartney and her firm McCartney Multimedia Inc. to support the development of AR Enhanced Non-Fungible Tokens for the entertainment and lifestyle sectors.

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At the present time, there are no material contracts, agreements or Related Person(s) of the Issuer associated with these programs.

- 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.**

There have been no expiry or termination of any contracts or agreements between the issuer, KABN Systems North America Inc. ("KABN"), KABN's affiliates or third parties, nor has the issuer had any cancellation of financing arrangements previously announced.

- 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.**

There were no changes in the Issuer's assets during the month. No assets were acquired or disposed of.

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

There were no acquisitions of new customers or loss of customers during the month.

- 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.**

The Company's various announcements during the month detailed above in section 1 may potentially have positive effects on its intangible products, and the Company's business as these developments may result in additional technology and business opportunities and relationships.

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

There were no hirings, terminations or lay-offs or anticipated lay-offs during the month.

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

There were no labour disputes or resolutions related to the Issuer.

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.

There were no legal proceedings to which the Issuer has become a party.

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

None.

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

The Issuer provided payments to consultants in the form of 14,091 common shares, 568,333 common shares for the exercise of common share purchase warrants and 30,000 common shares for the exercise of common share purchase options.

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
Common Shares	14,091 @ \$0.284	Restricted until July 17, 2021 – Issued in accordance with agreements for services	N/A
Common Shares	568,333 @ \$0.20	No Restrictions – Issued in accordance with Common Share Warrant Exercises	Working Capital
Common Shares	30,000 @ \$0.15	No Restrictions – Issued in accordance with Common Share Option Exercises	Working Capital

(1) State aggregate proceeds and intended allocation of proceeds.

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

There are no loans to or by Related Persons.

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

No changes in directors, officers or board committee members took place during the month.

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

The Issuer is unaware of any trends that are likely to impact its market or regulatory status.



## 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 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 April 7, 2021.

David Lucatch  
Name of Director or Senior  
Officer

Signed  
Signature  
President, CEO & Director  
Official Capacity

<b><i>Issuer Details</i></b> Name of Issuer  Liquid Avatar Technologies Inc.	For Month End  March 2021	Date of Report  21/04/07
Issuer Address  1-7357 Woodbine Avenue, Suite 605		
City/Province/Postal Code  Markham, Ontario, L3R 6L3	Issuer Fax No. N/A	Issuer Telephone No. (647) 725-7742
Contact Name: David Lucatch	Contact Position: CEO	Contact Telephone No. (647) 725-7742

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