

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: XTM Inc. (the "Issuer").

Trading Symbol: PAID

Number of Outstanding Listed Securities: 93,512,943

Date: July 5, 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

On June 9, 2020, the Company announced that it signed a deal with DCBank enabling XTM to provide an instantly activated and loaded prepaid Mastercard through a cash accepting kiosk. Kiosks will be placed at retail venues or throughout business-premises such as Stadiums or Shopping Malls to help completely eliminate cash from their ecosystems.

On June 18, 2020, XTM announced the filing of its Financial statements and Management discussion and Analysis for the year ended December 31, 2019 and highlighted the record card processing and interchange revenues in 2019 of \$1,051,786 an increase of 45% as compared to 2018 revenues of \$723,594.

Even though the spread of COVI-19 posed huge challenges to XTM, the Company has been experiencing a dramatic increase in demand for its Today Instant gratuity and wage disbursement solution in 2020.

On June 23, 2020, XTM Inc. announced that it has completed the technology build enabling automated data collection from Regis Corporation point of sale and salon management platform facilitating instant earnings payouts to the Today card and digital wallet.

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

We continue to support revenues from our legacy business outside of hospitality and employee incentive payouts and we are quickly exploring other opportunities and managing the impacts of COVID-19 on our business daily.

During the month of June 2020, the Company received the support payments related to the 10% Canada Temporary Wage Subsidy program and the 75% wage subsidy program.

The Company continues maintaining a company wide COVID-19 risk mitigation policy to protect the health and safety of our staff, clients, and community.

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.

See #1 for details

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.

See #1 for details

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.

See #1 for details

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.

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.

Shares issued /options granted during the month of June 2020:

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Common shares	147,059	Shares issuance	\$25,000-To support operating activities
Common shares	1,250,000	Warrants/options exercised	\$96,500-To support operating activities
Common shares	695,000	Warrants/options exercised	\$34,750-To support operating activities
Common shares	613,333	Warrants/options exercised	\$61,333-To support operating activities
Common shares	500,000	Warrants/options exercised	\$50,000-To support operating activities

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

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.

As XTM’s unicorn vertical is hospitality, the spread of COVID-19 posed huge challenges to the Company’s business. The Company is constantly discussing relaxing payment terms with the suppliers considering the ongoing COVID-19 crisis and exploring other government relief programs available under COVID-19.

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 July 5, 2020.

Marilyn Schaffer

Name of Director or Senior
Officer



Signature

CEO, President Official Capacity <i>Issuer Details</i> Name of Issuer XTM Inc.	For Month End June 30, 2020	Date of Report YY/MM/D 20/07/05
Issuer Address 437-67 Mowat Avenue		
City/Province/Postal Code Toronto, ON M6K 3E3	Issuer Fax No. ()	Issuer Telephone No. (416) 260-1641
Contact Name Marilyn Schaffer	Contact Position CEO, President	Contact Telephone No. (416) 260-1641
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