

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: CSE:LQID

Number of Outstanding Listed Securities: 103,189,526 Common Shares

Date: March 5, 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 section (2). During the month, the Issuer and its management focused on continued testing of its Liquid Avatar platform, and then on February 18th, Released as previously announced the first phase of the Liquid Avatar App.

The issuer has also continued onboarding of new merchants for its KABN KASH program. Management has launched, in addition to its own version of KABN KASH, a white label program that will allow other brands to offer the KABN KASH service offerings to their customer base. Management remains active in the final development of its KABN prepaid Visa Card program including the required partner readiness during the month.

On February 3, 2021, the Issuer announced it has entered into an agreement with Indicio, a professional services firm specializing in decentralized identity architecture, engineering and consultancy to build the Liquid Avatar verifiable credential ecosystem which will allow consumers, governments and businesses to manage, issue and verify digital identity and personal data.

Please see the Issuer's press release dated February 3, 2021 for further information.

On February 9, 2021 the Issuer announced the formal creation of its Industry Advisory Committee and its appointments thereto.

Please see the Issuer's press release dated February 9, 2021 for further information.

On February 11, 2021, the Issuer announced that it has entered into an initial agreement with UK and Barbados based Tokenise International Limited to develop verifiable identity credentials for account holders to gain access to Tokenise financial and brokerage services and other related platforms, starting in the UK and Barbados.

Please see the Issuer's press release dated February 11, 2021 for further information.

On February 16, 2021, the Issuer announced that its Board of Directors has approved a name change of the Company to "Liquid Avatar Technologies Inc." subject to all other necessary approvals. It is expected that the name and a trading symbol change will take effect within the next 45 to 90 days.

Please see the Issuer's press release dated February 16, 2021 for further information.

On February 18, 2021, the Issuer announced it has launched the first phase of its Liquid Avatar App in the Apple Store and Google Play.

Please see the Issuer's press release dated February 18, 2021 for further information.

On February 24, 2021, the Issuer announced that it has partnered with iconic toy brand, The Outer Space Men to create a series of limited edition 2D and 3D Liquid Avatar digital icons, which will be available for sale in the Liquid Avatar Marketplace.

Please see the Issuer's press release dated February 24, 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 also sought and 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 is a strategic complement to the launch of the first phase of the App during the month, noted herein and to offer 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 the issuance of a COVID-19 electronic vaccination record. Management continues to pursue the creation of biometrically verified digital wallets to support creation and distribution of a wide range of verifiable credentials and other access data that is controlled by the user.

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 Indicio to build the Liquid Avatar verifiable credential ecosystem to support digital identity credentials for everyday use. The Company believes the solution will be one of the first global platforms able to support governments, healthcare, workplaces, hospitality and other businesses and organizations as they begin to issue digital credentials. Individuals or "holders" will be provided with a digital ID wallet that will be able to support a wide range of credentials, within Liquid Avatar, based on the Trust over IP open-source governance and technology stacks.

The Company also announced that it has partnered with UK and Barbados based Tokenise International to develop verifiable identity credentials for regulated tokenized securities stock exchange. Together the Companies are working on initiatives to integrate Liquid Avatar with Tokenise and issue verifiable identity credentials to account holders and to use these credentials to gain access to Tokenise financial and brokerage services and other related platforms. The Company believes the partnership with Tokenise will assist Liquid Avatar in expanding into the UK and the Caribbean.

The Company also announced the launch of the Liquid Avatar App in the Apple Store and Google Play stores. The Company will be utilizing a phased approach to the release 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 February 3, 2021, the Issuer announced it has entered into an agreement with Indicio, a professional services firm specializing in decentralized identity architecture, engineering and consultancy to build the Liquid Avatar verifiable credential ecosystem which will allow consumers, governments and businesses to manage, issue and verify digital identity and personal data.

On February 9, 2021 the Issuer announced the formal creation of its Industry Advisory Committee and its appointments thereto, of many diversely experienced industry leaders to assist the company with business intelligence and development.

On February 11, 2021, the Issuer announced that it has entered into an initial agreement with UK and Barbados based Tokenise International Limited to develop verifiable identity credentials for account holders to gain access to Tokenise financial and brokerage services and other related platforms, starting in the UK and Barbados.

On February 24, 2021, the Issuer announced that it has partnered with The Outer Space Men to create a series of limited edition 2D and 3D Liquid Avatar digital icons, which will be available for sale in the Liquid Avatar Marketplace.

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, 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.

During the month, the Company entered an initial agreement with Tokenise International Limited as described in the press released dated February 11, 2021.

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 15,459 common shares, 2,312,500 common shares for the exercise of common share purchase warrants, 71,500 common shares for the exercise if common share finders warrants and 30,000 common shares for the exercise of common share purchase options. The Issuer also granted 6,800,000 common share purchase options.

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Common Shares	15,459 @ \$0.25875	Restricted until June 17, 2021 – Issued in accordance with agreements for services	N/A
Common Shares	2,115,625 @ \$0.15	No Restrictions – Issued in accordance with Common Share Warrant Exercises	Working Capital
Common Shares	196,875 @ \$0.15	Restricted under Escrow - Issued in accordance with	Working Capital

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		Common Share Warrant Exercises	
Common Shares	71,500 @ \$0.20	No Restrictions – Issued in accordance with Common Share Finder Warrant Exercises	Working Capital
Common Shares	30,000 @ \$0.15	No Restrictions – Issued in accordance with Common Share Option Exercises	Working Capital
Common Share Purchase Options	6,800,000 @\$0.345	Issued February 15, 2021 to Directors, Management, Employees and Consultants	N/A

(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 March 5, 2021.

David Lucatch
Name of Director or Senior
Officer

Signed
Signature
President, CEO & Director
Official Capacity

<i>Issuer Details</i> Name of Issuer Liquid Avatar Technologies Inc.	For Month End February 2021	Date of Report 21/03/05
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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