

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **NetCents Technology Inc.** _____ (the "Issuer").

Trading Symbol: **NC** _____

Number of Outstanding Listed Securities: **42,445,467** _____

Date: **August 7, 2018** _____

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 to build its business:

On July 16th NetCents announced the addition of Anthony Ribas as a Strategic Business Advisor.

The Company announced that it is preparing to launch the Company's new native Apple and Android applications. The apps will be pushed to the Google Play and iTunes stores the week of July 30, 2018.

The new apps will allow NetCents users to transact with Bitcoin, Litecoin, Ether, and NCCO at any merchant, worldwide, that accepts these coins as payment. The key innovation for NetCents users through these applications is their ability to spend their cryptocurrency, online and off, simply by scanning the QR code with their NetCents app.

On July 19th, the Company announced the formation of the NCCO Foundation set up in the Cayman Islands and subsequently on July 29th, the Company announced that a Coin Technology Sale Agreement (the "Sale Agreement") and Technology Support and Service Agreement (the "Service Agreement") with the NCCO Foundation Company ("Foundation") in regard to the NetCents Coin ("NCCO") had been signed. IP related to the coin was sold to the foundation for a nominal charge of \$1 and the Company is being reimbursed for all costs incurred in the development of the technology as well as the costs associated with the setup of the foundation.

On April 23, 2018 the CSE issued the following statement: *NetCents Technology Inc. is in default of CSE requirements. Effective immediately, NetCents Technology will be suspended pursuant to CSE Policy 3. The suspension is considered a Regulatory Halt as defined in National Instrument 23-101 Trading Rules.* the CSE halted trading in the securities of the Issuer because the British Columbia Securities Commission (BCSC) had advised the CSE that the Issuer was in default of continuous disclosure reporting requirements. On May 24, 2018 the Issuer issued a news release advising of the nature of the additional disclosure sought by the BCSC in its annual MD&A and first quarter MD&A and financial statements. The halt is expected to remain in place until the Issuer has satisfied the BCSC's continuous disclosure review and is removed from the list of reporting issuers in default... The Issuer is working diligently to satisfy the comments of the BCSC

On July 12, 2018, the Company requested an extension to the 90-day policy as outlined in CSE Policy 3, Section 4, Disqualifications and Withdrawal of Listing.

On July 13, 2018, the CSE responded to the Company's request. The CSE will extend the suspension time period until further notice in order to accommodate the ongoing discussions with the BCSC.

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

Over the past month, management has continued to focus on expanding the company's global reach working to build a pipeline of new potential partners to further increase revenue of the business.

Refer to Item 1 above.

Management has also been focused on providing all the required information to have the Regulatory Halt lifted. The discussions continue and management cannot predict an expected date for the resolution of the outstanding items. The CSE has granted the Company time to resolve the BCSC issues – refer to Item 1 above.

2. 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.

Refer to Item 1 above

3. 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

4. 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.

Refer to Item 1 above

5. 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.

None

6. 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.

Refer to Item 1 above re: sale of IP related to the coin to NCCO foundation

7. Describe the acquisition of new customers or loss of customers.

See Item 1 above

8. 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.

Refer to item 1 above.

9. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs. **None**

10. Report on any labour disputes and resolutions of those disputes if applicable.

None

11. 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.

The issuer is currently in a legal dispute with an unrelated third party over the issuance of shares and warrants and is working to resolve this matter. A writ was filed by the party claiming damages for non-delivery of share and warrant certificates. The Issuer is working through legal counsel to resolve this issue. No change from prior month.

The issuer is also in a legal dispute with a merchant regarding the advancement of funds which the issuer has not as yet received. No change from prior month.

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

Full Name & Residential Address of Placee	Number of Securities Purchased or to be Purchased	Purchase price per Security (CDN\$)	Conversion Price (if Applicable)	Prospectus Exemption	No. of Securities, directly or indirectly, Owned, Controlled or Directed	Payment Date(1)	Describe relationship to Issuer (2)

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾

(1) State aggregate proceeds and intended allocation of proceeds. **N/A.**

13. Provide details of any loans to or by Related Persons.

None

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

On August 1, Jean-Marg Bougie resigned as director of the Company.

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

The Resulting Issuer is operating in the payment processing industry, which is strictly regulated. Regulation is extensive and designed to protect consumers and the public, while providing standard guidelines for business operations. In the offering of its products, the Resulting Issuer is subject to certain federal and provincial laws and regulations relating to its financial product offerings, including laws and regulations governing such things as Know-Your-Customer (KYC), Anti-Money Laundering (AML), Anti-Terrorist Financing (ATF) and safeguarding the privacy of customers' personal information. Failure to comply with, or changes to, existing or future laws and regulations could result in significant unforeseen costs and limitations, and could have an adverse impact on the Resulting Issuer's business, results of operations and/or financial condition.

Accordingly, there are certain risks related to crypto currencies, including the risk of regulation reforms which may prohibit payment processing transactions related to the business of the Resulting Issuer. Additionally, financial institutions may impose restrictions on persons that engage in business that is based on crypto currency transactions. Risks related to the acceptance and use of crypto currencies will have a significant impact on the volume of crypto currency transactions. Such acceptance or lack thereof, and reforms in regulation could adversely affect the Resulting Issuer's assets, liabilities, business, financial condition, prospects and results of operations.

The Issuer endeavours to offset or mitigates these potentialities by ensuring they are working in concert with the appropriate legal counsel and regulatory bodies. The Resulting Issuer believes that at this time it is in compliance with all laws and regulations although many of the rules that apply to it have only recently been implemented, are complex and sometimes ambiguous and, accordingly, the Resulting Issuer cannot assure that it is in 100% compliance with all applicable laws, much less that all courts, arbitrators and regulators would agree that it is in 100% compliance.

The market for payment processing is rapidly evolving and intensely competitive, and the Issuer expects competition to intensify further in the future. There is high potential the Issuer will face competition from other companies, some of which can be expected to have longer operating histories and more financial resources and marketing experience. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of the Issuer.

Certificate Of Compliance

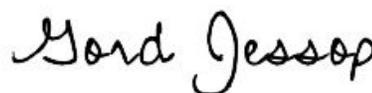
The undersigned hereby certifies that:

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: August 7th, 2018

Gordon Jessop

Name of Director or Senior
Officer



Signature
President COO
Official Capacity

Issuer Details		For Month End	Date of Report
Name of Issuer		July 2018	YY/MM/D
NetCents Technology Inc.			18/08/07
Issuer Address			
1000 – 1021 West Hastings St.			
City/Province/Postal Code		Issuer Fax No.	Issuer Telephone No.
Vancouver, BC, V6C 0B2		()	(604) 638-5556
Contact Name		Contact Position	Contact Telephone No.
Gordon Jessop		President COO	604 638-5556
Contact Email Address		Web Site Address	
gord.jessop@net-cents.com		www.net-cents.com / blog.net-cents.com	