

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: NetCent Technology Inc. (the "Issuer").

Trading Symbol: **NC**

Number of Outstanding Listed Securities: **Issued 54,107,502; Reserved 14,405,789**

Date: **Oct 11, 2019**

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 continue to build its business:**

Over the past month, the Issuer 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.

September 6, 2019 – The Company announced an early warrant exercise program. Under the early warrant exercise program, one-half Incentive Warrant will be granted to Existing Warrant holders for each Existing Warrant exercised between the date of this news release and the close of business on December 31, 2019 (the "Incentive Period"). Each Full Incentive Warrant will be exercisable to acquire one common share of the Company at a price of \$1.25 per share for a period of two years from the date of issuance. The incentive warrant will be subject to an acceleration clause: should the closing price of the common shares of the Company on the CSE be \$1.50 or higher for five non-consecutive trading days, over a 365 day period, the Company may accelerate the expiry of the Warrants to the date that is 20 business days from the date of the issuance of a news release by the Company announcing the exercise of the acceleration right.

September 10, 2019 - Company issued CEO Letter to Shareholders.

The letter provided Company's view on the cryptocurrency sector which has seen a rebound and highlighted a few of the key strategic successes that has enabled NetCents to continue be a leader in the market. Shareholders were updated on the amount of issued and outstanding shares of the Company, new merchant sign ups, increased transactions volume, credit card program launch and plans for the 2019/2020.

September 12, 2019 – The Company announced that through its proprietary Merchant Gateway program, NetCents is winning the merchant share sign-up race and cementing its success as the seamless cryptocurrency processing payment model.

September 18, 2019 – The Company announced the signing of its 40th partnership agreement. A doubling of its partners in such a short period of time reflects the Company's aggressive trajectory to accelerate partner growth and keep pace with merchant adoption of cryptocurrency.

September 27, 2019 – The Company announced its capacity to deliver no processing limitations.

September 30, 2019 – The Company released and filed its financial statements and MD&A for the nine months ended July 31, 2019.

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

**During the month of September 2019, management's primary activities consisted of the following activities:**

- i) general management and administrative matters; and**
- ii) continue implementation of its strategic plan to increase merchant adoption, monitor and raise transaction volumes and partner on-boarding.**

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.

**There were no new products or services developed during the month of September 2019.**

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.

**There were no products or services discontinued during the month of September 2019.**

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.

**The following partnerships were signed in the month of September 2019:**

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.

**There were no contracts terminated in the month of September 2019.**

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. **N/A**

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

**During the month of September 2019, there were no acquisitions or dispositions of the Issuer's assets.**

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.
  - i) **Implement support for merchants to process in GBP.**
  - ii) **Partners can now download a list of merchants transactions as a CSV.**
9. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs. **There were no employee hirings, or lay-offs. There was one termination in the Sale Department in the month of September 2019.**
10. Report on any labour disputes and resolutions of those disputes if applicable. **There were no labour disputes in the month of September 2019.**
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. **N/A**
12. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness. **N/A**
13. Provide details of any securities issued and options or warrants granted.

<b>Security</b>	<b>Number Issued</b>	<b>Details of Issuance</b>	<b>Use of Proceeds<sup>(1)</sup></b>
Common share with full warrant	500,000 units	\$225,000 CAD	Operating costs

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

14. Provide details of any loans to or by Related Persons. **None**
15. Provide details of any changes in directors, officers or committee members. **No changes**
16. 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 October 11, 2019\_\_\_\_\_.

Clayton Moore\_\_\_\_\_
   
Name of Director or Senior
   
Officer
   
  
"Clayton Moore"\_\_\_\_\_
   
Signature
   
CEO\_\_\_\_\_
   
Official Capacity

<b>Issuer Details</b>		For Month	Date of Report
Name of Issuer		End	YY/MM/D
NetCents Technology Inc		Sept 2019	19/10/11
Issuer Address			
1000- 1021 West Hastings Street			
City/Province/Postal Code		Issuer Fax No.	Issuer Telephone No.
Vancouver, V6C 0B2		( )	( 604 ) 633- 9967
Contact Name		Contact Position	Contact Telephone No.
Sonja Bakgaard		Investor Relations	604-305- 2682
Contact Email Address		Web Site Address	
Sonja.bakgaard@net-cents.com		www.net-cents.com	