

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: Netcoins Holdings Inc. (the "Issuer").

Trading Symbol: NETC

Number of Outstanding Listed Securities: 121,414,613

Date: August 6, 2019 (for the month ended July 31, 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.

Netcoins enables crypto transactions via a self-serve crypto purchase portal and 171,000+ retail locations across the world where consumers can simply walk into a store to buy crypto using cash, debit or credit. During the month of February, Netcoins partnered with Simplex to enable credit card payments for crypto purchase. Netcoins currently allows users to purchase crypto through its retail

network, prepaid vouchers and online with account funds (done via bank transfers, bill payments or wires).

On April 2, 2019, the Company announced that it will be undertaking a strategic review of the company's cryptocurrency business model and direction. The Company has observed that publicly traded cryptocurrency companies, regardless of their business models, are not receiving fair valuations and are not creating incremental shareholder value. While the Netcoins operating subsidiaries are generating revenue, and advancing on their business plans, the Netcoins stock is under performing the expectations of the Board due to overall sector weakness and the fact that the business is currently not profitable and may require significant additional capital to develop the business. The Board is currently reviewing options, including but not limited to, divestiture of the Netcoins operating business. There is no certainty of achieving a sale of the company's operating business given the current state of the sector. The public Company maintains a healthy cash balance of approximately \$4.5 million, positive net working capital, no debt, and believes shareholder value can be increased by reinvesting its capital in other well-established sectors. The Company expects further announcements to be made and any subsequent decision shall be subject to regulatory approval.

On May 27, 2019, the Company entered into a share purchase agreement ("Definitive Agreement") with BIG Blockchain Intelligence Group Inc. ("BIG") regarding the sale of the Netcoins Inc., NTC Holdings Corp., and NTC Holdings USA Corp. (all together referred to as "Netcoins Subsidiaries") to BIG (the "Transaction"). The total purchase of the Netcoins Subsidiaries to be paid by BIG is valued at approximately \$3 million payable by the issuance of 37.5 million BIG shares at a deemed price of \$0.08 per share ("Payment Share"). In connection with the Transaction, BIG will be purchasing all of the issued and outstanding common shares of the Netcoins Subsidiaries. The Netcoins Subsidiaries will include a target net working capital of approximately \$750,000. Subject to approval by shareholders and the Canadian Securities Exchange (the "CSE"), the Company intends to distribute the Payment Shares by way of a special dividend or distribution out of earnings or surplus.

On July 24, 2019, the Company held its annual general meeting and special meeting to approve the Transaction and the return of capital and corresponding reduction of stated capital through the distribution of common shares in the capital of Big Blockchain Intelligence. The Transaction closed on July 31, 2019.

The Company is in the process of changing the business name and CSE trading symbol. Moving forward, the Company will be seeking a transaction in other well established sectors.

2. Provide a general overview and discussion of the activities of management.  
See # 1 above.
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.

None to report

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.

None to report.

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 above.

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.

See #1 above. In connection with the Transaction, Mark Binns and the operating team of Netcoins subsidiary joined BIG Blockchain Intelligence Group.

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.

See #1 above.

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

None to report.

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.

No changes to report.

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

See #6 above.

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

No labour disputes.

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.

None to report.

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

The Issuer incurs trade payable in the normal course of its business. For further details, see the Issuer's periodic Financial Statements and accompanying management discussion and analysis filed on SEDAR and available under the Issuer's SEDAR profile at [www.SEDAR.com](http://www.SEDAR.com)

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

None

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

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

None.

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

In connection with the annual general meeting, the following directors were elected for the ensuring year: Michael Vogel, Kevin Ma, Desmond Balakrishnan, Alex Tong, and Emmery Wang. Mark Binns and Mark Healy ceased to be directors of the company.

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's business involves certain risks and uncertainties that are inherent to the Issuer's industry. Please refer to the "Risk Factors" section of the Listing Statement dated February 28, 2018, which is available on the Canadian Securities Exchange's website at [www.thecse.com](http://www.thecse.com) and under the Issuer's SEDAR profile at [www.sedar.com](http://www.sedar.com). Please also refer to the "Financial Risk Factors" section of Netcoin's management discussion and analysis for the year ended December 31, 2018.

## 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 6, 2019 .

Kevin Ma  
Name of Director or Senior  
Officer

/s/ Kevin Ma  
Signature

Chief Financial Officer  
Official Capacity

<b>Issuer Details</b> Name of Issuer Netcoins Holdings Inc.	For Month End July 31, 2019	Date of Report YY/MM/D 2019/08/06
Issuer Address: 488 – 1090 West Georgia Street		
City/Province/Postal Code Vancouver, BC, V6E 3V7	Issuer Fax No. (604) 608-9110	Issuer Telephone No. (604) 687-7130
Contact Name Kevin Ma	Contact Position CFO	Contact Telephone No. (604) 687-7130
Contact Email Address kevin@calibrecapital.ca	Web Site Address <a href="#">N/A</a>	