

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: **ShiftCarbon Inc.** (the "Issuer").

Trading Symbol: **SHFT**

Number of Outstanding Listed Securities: **70,474,426**

Date: **February 6, 2023** (for the month of January 2023)

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.

**During the month of January 2023, the Issuer continued business development activities and new product development activities.**

On January 24, 2023, the Issuer announced that its trading symbol has been changed on the OTC Markets in the United States from "UTOLF" to "SHIFF" effective January 24, 2023.

The Issuer's common shares will continue to trade under the symbol "SHFT" on the Canadian Securities Exchange.

Furthermore, the Issuer also announced that it has granted 250,000 options with an exercise price of \$0.10 to its independent directors; Jeremy Gardner, Murray Tevlin, Greg Kallinikos.

The aforementioned news release can be viewed under the Issuer's profile on SEDAR ([www.sedar.com](http://www.sedar.com)) and on the Issuer's Disclosure Page on the Canadian Securities Exchange's website ([www.thecse.ca](http://www.thecse.ca)).

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

**During the month of January 2023, the management of the Issuer continued business development activities, product development of a new carbon tracking product, and arranging financing to expand operations.**

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 of January 2023, the issuer continued the development of its carbon accounting tool - ShiftCarbon Measure, which is capable of calculating scope 1,2 and 3 emissions across multiple company sites with enhanced automation features.**

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 during the month of January 2023.**

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.

**None to report during the month of January 2023.**

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.

**None to report during the month of January 2023.**

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.

**None to report during the month of January 2023.**

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

**None to report during the month of January 2023.**

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.

**During the month of January 2023, the Issuer continued developing additional features to its platform technology for the purpose of marketing to different markets such as asset tracking and workplace safety.**

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

**None to report during the month of January 2023.**

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

**On December 16, 2022, a payment order was issued regarding the notice of claim in the Provincial Court of British Columbia (Small Claims Court) filed on October 25, 2022, by a recently terminated employee of the Issuer. The claim was for unpaid severance of approximately \$27k CAD. An agreement has since been reached with the terminated employee where the Issuer will pay the severance over a period of instalments over the next 6 months.**

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.

**As more detailed in Item 11, severance payments are being paid by the Issuer as per agreement over the next six months.**

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

**None to report during the month of January 2023.**

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

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
Warrants	300,000	The Warrants were granted on January 19, 2023, at an exercise price of \$0.10 per Warrant.	Not applicable.

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
Options	750,000	The Options were granted on January 20, 2023.	Not applicable.
Common Shares	1,500,000	The securities were issued on January 25, 2023, to a consultant as compensation for services provided, at a deemed price per common share of \$0.10.	Not applicable.

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

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

**None to report during the month of January 2023.**

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

**None to report during the month of January 2023.**

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

**The trends and risks which are likely to impact the Issuer are detailed in the Issuer's Annual Financial Statements and Management's Discussion and Analysis for the years ended December 31, 2021, 2020 and 2019, and the Issuer's Condensed Consolidated Interim Financial Statements for the three months ended September 30, 2022, 2021 and 2020.**

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## 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 February 6, 2023.

Mark Leung  
Name of Director or Senior  
Officer

/s/ "Mark Leung"  
Signature  
Chief Financial Officer  
Official Capacity

<b>Issuer Details</b> Name of Issuer  ShiftCarbon Inc.	For Month End  January 2023	Date of Report YY/MM/D  23/02/06
Issuer Address Craigmuir Chambers, P.O. Box 71		
City/Province/Postal Code Road Town, Tortola, British Virgin Islands VG1110	Issuer Fax No. (   )	Issuer Telephone No. (604) 629-9975
Contact Name Mark Leung	Contact Position CFO	Contact Telephone No. (778) 655-4242
Contact Email Address wayne@shiftcarbon.io	Web Site Address <a href="https://www.shiftcarbon.io/">https://www.shiftcarbon.io/</a>	