

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: NetCents Technology Inc. (the “Issuer” or “NetCents”)

Trading Symbol: NC

Number of Outstanding Listed Securities: 96,148,277

Date: January 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.

See Item 2 below for a complete overview and discussion of the Issuer’s activities for the month of December 2020.

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

On December 4, 2020, the Issuer announced that it is developing a smart contract-based non-fungible token¹ (“NFT”) platform for use by its merchants, and ultimately its user base to allow authenticity and provenance tracking of products using Ethereum smart contract technology. This product opens up a whole new case for development of the blockchain universe.

Non-fungible tokens contain identifying information recorded in their smart contracts. It’s this information that makes each NFT different and as such, they cannot be directly replaced by another token. They cannot be swapped like for like, as no two are alike. Banknotes or Bitcoin, in contract, can be simply exchanged one for another, if they are the same value, there is no difference to the holder.

With this innovation, the Issuer is immediately focusing on the sports authentication/memorabilia market and has recently signed a partnership with The Human Interest Group based in Boulder, Colorado. Together, the Issuer and the Human Interest Group will be bringing the first application of the technology to market allowing buyers and sellers of merchandise to prove ownership and authenticity of the item when purchased through the Issuers platform. The companies will also be co-developing industry specific perks aligned with the Issuers’ cryptocurrency business solutions to benefit merchants, athletes, and consumers in active lifestyle markets.

Cryptocurrency experts expect NFTs to find broad acceptance in the collective, sports memorabilia, gaming, art, jewelry, and other areas where rare items are bought and sold. NFT's have already gained mainstream adoptions with Formula 1, NFT, NBA, Vodafone, Louis Vuitton, and Nike beginning to use NFT's for their products².

The Issuer experienced rapid growth in 2020 within its existing ecosystem. In October, the Issuer announced that it had exceeded \$27 million in transactions within the Issuer's platform in 2020, with much of this growth attributable to the Issuer's focus on B2B merchant base globally. To drive future growth and diversify the Issuer's revenue and technology portfolio, the Issuer will continue to innovate and bring new products to market, like the NFT platform and expand into new markets like the North American sports industry and their over USD 75 billion dollars in annual revenue³.

The Human Interest Group represents and has worked with world-class athletes worldwide and major sports leagues, including the NFL, NHL, and MLB. The goal of this collaboration is to bring merchants and athletes from around the world together in a specially created ecosystem that enables athletes, and ultimately their fans, to be part of combining their love for sports, and trading of unique sports paraphernalia, with the expanding interest in the use of cryptocurrencies around the world.

Owners of rare physical products, who are often subject to concerns around authenticity, will be able to utilize the Issuers' technology to create their won unique NFT. This one-of-a-kind authentication goes on the blockchain with a timestamp, thereby assuring merchants and consumers alike that the item in their possession is indeed the genuine item.

A potential use case of an NFT in this scenario would be a branded authenticated digital photo issued in a numbered series to purchasers from a specific Merchant, perhaps as part of a Holiday Promotion. The user would receive the memorabilia – which is authenticated on the blockchain. The only way to get the NFT would be to complete the transaction through the Issuers technology available through the dedicated website created in conjunction with the team at The Human Interest Group.

The Issuer and The Human Interest Group will be sharing the broad nature of their relationship and capabilities in a future press release.

About The Human Interest Group

The Human Interest Group ("HIG") is a sports marketing and business development firm focused on developing specialized projects between world-class endurance athletes, brands, and end-user consumers. They have designed, executed, and consulted in cutting-edge marketing campaigns for organizations of all sizes; from start-ups, to global brands, to foreign governments. The Human Interest Group has over 45 years of combined experience in business development, marketing, and brand association with world-class athletes, sports organizations, and corporations. HIG's principal and staff have a broad spectrum of work experience in many professional sports circles including Ironman triathlon, professional Cycling, NFL, MLB, NHL, Premier League Soccer, and various Olympic Committees, plus the insider knowledge of the sports worlds of triathlon, running, boxing, swimming, and skiing.

HIG works with 21 athletes currently and 19 are outside of North America. Some key players they have worked with in the past, or currently, include Justin Gatlin who is a 5X Olympic medalist, Dave Scott the first 6 X Ironman Hawaii Championship winner, and Craig Alexander, a former 2X Ironman World Champion.

HIG website is www.humaninterestgroup.org

About NetCents

NetCents Technology Inc., the transactional hub for all cryptocurrency payments, equips forward-thinking businesses with the technology to seamlessly intergrate cryptocurrency processing into their payment model without taking on the risk or volatility of the crypto market. NetCents Technology is registered as a Money Services Business ("MSB") with FINTRAC.

For more information, please visit the corporate website at www.net-cents.com or contact Investor Relations: investor@net-cents.com

¹A non-fungible token (“NFT”) is particular type of cryptographic token representing something unique; non-fungible tokens are thus not mutually interchangeable. This contrasts with cryptocurrencies like bitcoin and many networks or utility tokens that are fungible in nature. <https://cointelegraph.com/magazine/nonfungible-tokens/#/>

²<https://cointelegraph.com/magazine/nonfungible-tokens/#/fungible-vs-non-fungible>

³<https://www.statista.com/statistics/214960/revenue-of-the-north-american-sports-market/>

On December 14, 2020, the Issuer announced an update on the Issuer Cryptocurrency Credit Card.

To recap the recent progress on the credit card program, on August 10, 2020, the Issuer announced that it joined the Visa Fintech Fast Track Program – for the rollout of a Crypto-Based Visa Card, this project superseded the previous credit product since it was an opportunity to work in a direct relationship with Visa.

On October 24, 2020, the Issuer announced that it had partnered with i2c to be the backend provider that links directly into the Visa network. i2c, headquartered in Silicon Valley, has developed unique software that will accelerate the Issuers’ rollout of its Visa product. i2c is currently working with over 1,000 companies specialized in global payments and operates in over 200 Countries.

Finally, on November 17, 2020, the Issuer announced that it had been working diligently to sign an issuing bank for the credit card program and was working with their Risk and Compliance teams to gain approval. In order to do so, the Issuer was required to provide the bank with an expert legal opinion to certify the Issuers compliance with all relevant AML laws and Fintrac MSB requirements through the end of 2021, full program and corporate analysis, and full corporate compliance program documentation.

The bank compliance review is now completed, the Issuer is proceeding with:

- The bank’s treasury filing the forms with Visa and;
- I2c submitting the BIN (Bank Identification Number) paperwork. The BIN Number is the first six digits of a credit card number.

Once the BIN is issued by Visa, the Issuer will be able to complete the final set up by:

- Integrating the BIN into the Visa network via i2c
- Integrating into the Apple Pay and Google Pay networks to allow card holders to add the Issuers card to their Apple Pay and Google Pay digital wallets, enabling them to use it as a digital card
- Set up BIN with the credit card printer
- Complete credit card chip profiling

In addition, the Issuer has granted stock options for a total of one hundred and fifty thousand common shares of the Issuer to employees of the Issuer. These stock options are exercisable at \$0.95 per stock option and will expire on December 14, 2025. The stock options will vest immediately.

On December 17, 2020, the Issuer announced that in light of ongoing concerns related to the spread of COVID-19, and in order to mitigate potential risks to the health and safety of its shareholders, employees, communities and other stakeholders, the Issuer wishes to emphasize its priority to decrease the health risks associated with the spread of COVID-19 and adhere to the recommendations of Canadian public health officials in regards to the number of people allowed to attend any public meeting, in the context of the Annual General Meeting of the Shareholders of the Issuer (the “Meeting”) called to be held on December 22, 2020 at 10:00 a.m. The details of the Meeting, including the business items on which the shareholders will be asked to vote, are set out in the Notice of Meeting of the Issuer dated November 10, 2020 (“Notice of Meeting”) that was sent to shareholders and filed on SEDAR at <https://sedar.com>.

Accordingly, all shareholders are encouraged to vote on the matters before the meeting by proxy, and to participate in its annual general meeting of shareholders of the Issuer, on a non-voting capacity, to be held on December 22, 2020 at 10:00 A.M. (Vancouver Time) via teleconferencing as follows:

Dial In: 1-866-201-0079

Passcode: 515818#

On December 21, 2020, the issuer announced the recruitment of Nilang Vyas as Chief Technical Officer.

As Chief Technical Officer, Mr. Vyas will drive a hybrid approach to innovation, deploying technologies that will enhance the capabilities of the Issuer's current product offering and technologies that will improve business efficiencies. Before joining the Issuer, Mr. Vyas was the Chief Technology Officer of Decentral, an innovation hub for disruptive and decentralized technologies, notable spawning Ethereum and Jaxx Liberty. As CTO, Nilang created a multi-asset and multi-platform application Jaxx Liberty, a blockchain wallet, exchange, portfolio, market, and news app, as well as creating and maintaining the scalable infrastructure to support millions of users for Jaxx Classic.

Nilang is a software engineer and blockchain enthusiast with deep breadth and experience building applications with blockchain and distributed ledger technologies, including cryptocurrency wallets, an identity management application, and an e-commerce platform. The technology that he has developed is actively used by more than 1.2 million users across the globe on seven different platforms including Android, iOS, Linux, Windows, Mac, and Chrome Extension. Mr. Vyas has given multiple presentations at Twitter and Facebook headquarters on the best practices of securing private information and the role of blockchain to prevent identity theft.

Mr. Mehrtash will be transitioning to Vice President of Product. As VP Product, he will be responsible for the Issuer's strategic product direction including product innovation, product design, and product development to continue to build new products that deliver sustainable value to the Issuer. This increase in top level technical talent will provide the Issuer the capacity to analyze merger and acquisition opportunities and the staffing to handle potential acquisitions in addition to providing the Issuer increased senior level capacity to innovate and add features to the platform.

Key areas of Mr. Vyas's experience that he will be bringing to the Issuers team include:

- Creating on-demand scalable infrastructure
- Building and maintaining solutions for rapidly growing userbase for blockchain and cryptocurrency applications
- Working with over 80 cryptocurrencies and integrating them within an existing technology platform
- Developing platform architecture to access nodes with the capability of facilitating transaction growth

On December 30, 2020, the Issuer announced that it continued to increase its merchant base in December.

The Issuer has seen rapid growth in the merchant signups this month. In addition, this month, the Issuer has signed 330 merchants in the business to business ("B2B"), luxury retail, and high-ticket value retail industries that process large transactions frequently and have engaged right away. These merchants' categories have driven the Issuer's growth this year, whose average transaction value ranges between \$25,000 and \$500,000 per transaction, and the Issuer has specifically targeted these industries in its sales and marketing campaigns.

In November, the Issuer launched its omnichannel marketing strategy to drive new merchant and user signups to the platform, including a holiday promotional campaign with a \$1 million prize of transaction processing for the lucky client. The marketing strategy and holiday campaign have been very effective, which is reflected in the considerable growth of new merchants and users to the platform in a short period. Furthermore, the Issuer is also recording record growth figures in its user accounts.

The Issuer's marketing team is now considered a 'customer engagement team,' encompassing digital advertising, CRM, content marketing, social media marketing, support, and PR functions. Information Technology ("IT") is also part of the team. This allows the technical team to understand better and support marketing efforts and eliminates technical barriers.

In addition, the Issuer has granted incentive stock options to purchase a total of 1,250,000 common shares at an exercise price of \$1.20 per common share for a period of 5 years to certain directors, officers, employees, and consultants of the Issuer in accordance with the provisions of its stock option plan.

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.

See Item 2 above.

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.

N/A.

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.

As mentioned in item 2 above, the Issuer has entered into a partnership with HIG. HIG is a non-related party of the Issuer.

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.

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.

Please see Item 2 above.

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

None.

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.

Please see Item 2 above.

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

None.

11. Report on any labour disputes and resolutions of those disputes if applicable.
None.
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.
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.
On December 14, 2020, the Issuer granted 150,000 stock options to employees of the Issuer, exercisable at \$0.95 per share to expire December 14, 2025.
On December 17, 2020, the Issuer returned to treasury a total of 151,896 common shares.
On December 30, 2020, the Issuer granted 1,250,000 stock options to certain directors, officers, employees, and consultants of the Issuer, exercisable at \$1.20 per share to expire December 30, 2025.
15. Provide details of any loans to or by Related Persons.
None.
16. Provide details of any changes in directors, officers or committee members.
As mentioned in item 2 above, the Issuer hired Mr. Nilang Vyas as Chief Technology Officer. Mr. Mehrtash, the former Chief Technology Officer will be appointed as Vice President of Product.
17. Discuss any trends, which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.
N/A.

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 CNSX 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 CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: **January 5, 2021**_____.

Christopher P. Cherry
Name of Director or Senior Officer

"Christopher P. Cherry"
Signature

CFO & Director
Official Capacity

Issuer Details	For Month End	Date of Report
Name of Issuer NetCents Technology Inc.	December 2020	YY/MM/DD 21/01/05
Issuer Address 1021 West Hasting Street, Suite 1000		
City/Province/Postal Code Vancouver, BC, V6E 0C3	Issuer Fax No. N/A	Issuer Telephone No. (604) 633.9967
Contact Name Christopher P. Cherry	Contact Position CFO & Director	Contact Telephone No. (604) 633.9967
Contact Email Address chris.cherry@net-cents.com	Web Site Address https://net-cents.com	