

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

NetCents Technology Inc. (the “**Company**”)
505 Burrard Street, Suite 880
Vancouver, British Columbia
V7X 1M4

Item 2 Date of Material Change

April 30, 2018

Item 3 News Release

The Company disseminated a news release on April 30, 2018 and subsequently filed a copy on www.sedar.com (the “**News Release**”).

Item 4 Summary of Material Change

The Company has accepted a loan advanced from Mr. Jean-Marc Bougie, a director of the Company, with respect to a loan for a principal amount of up to \$1,000,000, subject to certain parameters.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

(1) Description of the Transaction and its Material Terms

The Company has entered into a loan agreement (the “**Loan Agreement**”) with Mr. Jean-Marc Bougie (the “**Lender**”), a director of the Company with respect to a loan for a principal amount of up to \$1,000,000, subject to certain parameters, in favour of the Company (the “**Loan**”). The Loan is repayable in full (the “**Maturity Date**”) on the earlier of: (i) six months after the Closing Date (as defined in the Loan Agreement) (ii) the date the Company completes an aggregate \$1,000,000 in equity financing (the “**Equity Financing**”). The Loan bears interest at a rate of 8% per annum, calculated daily and payable on the Maturity Date. At any time prior to the Maturity Date, the Lender has the option to convert the principal amount of the Loan into common shares in the capital of the Company (the “**Shares**”) at the market price of such Shares at the end of day on April 27, 2018 (the “**Market Price**”). As security for the payment of the Company’s obligations under the Loan Agreement, the Company has, concurrently with the Loan Agreement, granted the Lender a security interest in all personal property of the Company.

The proceeds of the Loan will be used by the Company to provide general working capital. As consideration for advancing the Loan, the Company will pay the Lender a one-time payment of \$30,000 and issue 369,000 common share purchase warrants of the Company (“**Warrants**”) by private placement. Each Warrant will entitle the Lender to purchase one Share (a “**Warrant Share**”) at the Market Price of \$2.71 per Warrant Share for a 48 month term from the Closing Date.

(a) The Purpose and Business Reasons for the Transaction

The proceeds of the Loan will be used for providing general working capital.

(b) The Anticipated Effect of the Transaction on the Issuer's Business and Affairs

(c) Description of

i. the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:

Jean-Marc Bougie, a director of the Company, is the sole lender and accordingly has a financial interest in the above stated transaction.

ii. the anticipated effect of the transaction on the percentage of securities of the Issuer, or of an affiliated entity of the Issuer, beneficially owned or controlled by each person referred to in subparagraph (i) for which there would be a material change in that percentage:

Not applicable.

(d) Review and Approval Process: The review and approval process adopted by the board of directors and the special committee, if any, of the Issuer, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee.

The Loan and related transactions were approved unanimously by the board of directors of the Company, with Mr. Jean-Marc Bougie abstaining. There was no materially contrary view by a director or any material disagreement among the board of directors of the Company in respect of the Loan and related transactions.

(e) Summary, in accordance with section 6.5 of 61-101 *Protection Of Minority Security Holders In Special Transactions* ("MI 61-101"), of the Formal Valuation, if any, unless the formal valuation is included in the material change report or will be included in another disclosure document.

Not applicable. No formal valuation was prepared.

(f) Disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the Issuer that relates to the subject matter or is otherwise relevant to the transaction

i. that has been made in the 24 months before the date of the material change report:

Not Applicable.

ii. the existence of which is known, after reasonable inquiry, to the Issuer or to any director or senior officer of the Issuer:

Not Applicable.

- (g) **General nature and material terms of any agreement entered into by the Issuer, or a related party of the Issuer, with an interested party or a joint actor with an interested party, in connection with the transaction**

The Company entered into a loan agreement with the Lender, who is a director of the Company. The material terms of the loan agreement are set out under section 5(1)(a) above.

- (h) **Disclosure of the formal valuation and minority approval exemptions, if any, on which the Issuer is relying under section 5.5 and 5.7, respectively, of MI 61-101, and the facts supporting reliance on the exemptions**

The Company is relying on Sections 5.5(b) and 5.7(1)(a) of MI 61-101, respectively, for exemptions from the formal valuation and minority approval requirements under MI 61-101, as the Company is listed on the CSE and the amount of the Loan does not exceed 25% of the market capitalization of the Company.

- (2) **Explain why MCR filed less than 21 days before transaction per 5.2(2) of 61-101.**

The above transaction is expected to be completed less than 21 days after the date of the News Release, as several material matters were uncertain and not ascertainable until at, or close to, the date of the release of the News Release. These matters include the terms of the Loan Agreement and additional matters tied to the execution of the Loan documents. Due to, in part, the foregoing, the Company was unable to file the Material Change Report prior to the closing of the loan, and in the Company's opinion this shorter period was unavoidable and reasonable and necessary in the circumstances

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Michael Laitinen
Chief Financial Office
Tel: 604 638-7569

Item 9 Date of Report

May 10, 2018.