



## NetCents Technology - Corporate Update

VANCOUVER, May 24, 2018 /CNW/ - **NetCents Technology Inc.** ("**NetCents**" or the "**Company**") (CSE: NC / Frankfurt: 26N). The Company is providing an update regarding the halt on trading on the Company's shares on the Canadian Stock Exchange (CSE).

On April 20, 2018 trading of the Company's shares on the CSE was halted. The Company was notified by the CSE that the halt was due to the Company not being compliant in regard to Continuous Disclosure Requirements. The British Columbia Securities Commission (BCSC) had notified the CSE that it had requested clarification and additional information regarding our Q4 October 31, 2017 year end filings and our Q1 January 31, 2018 filings, as well as information on the status of the not for profit organization to be established to manage the NetCents coin (NCCO), the status of the NCCO sales, and the proceeds of the sale of the NCCO.

The Company has submitted to the BCSC:

- The Year End October 31, 2017 annual MD&A with amendments to include more detailed discussion and reporting on the coin and a more thorough explanation of the bad debt expense recorded in the October 31, 2017 financial statements.
- The Q1 January 31, 2018 Financial Statements with updated coin proceeds showing a higher balance than previously disclosed and note disclosure to explain the same. The updated financial statements also include in the expenses transaction costs related to the expenses of the coin and NetCents wallet setup.
- The Q1 January 31, 2018 MD&A with amendments to include more detailed discussion and reporting on the coin sales and proceeds. Included in the MD&A is an explanation of the transaction costs associated with deploying the coin and the NetCents wallet.
- Company also provided further clarification and detail on the status of the Foundation and coin proceeds.

The Company expects to issue amended and restated annual MD&A and Q1 MD&A and financial statements once the BCSC has completed their review. The Company expects the trading halt will remain in place until the BCSC has completed their review.

### Non-profit Organization Update

It is the Company's intention that an independent non-profit organization (NPO) will manage the release of the NetCents coin (NCCO) and the proceeds from the sale of the coin. The delays in finalizing both the domicile and structure of the non-profit Foundation are due to the complex legal and tax issues which are involved. The Company looked at both Trust and Foundation structures for the NPO. Different domiciles for the NPO were also considered. Decision criteria included the legal and financial environment and the impact of Canada Revenue Agency (CRA) taxation policies. The initial location for the NPO was to be in the canton of Zug Switzerland. As an alternative, the Company also looked at locating the NPO in the Cayman Islands. The Company has received legal advice from firms in both jurisdictions to ensure future sales of the NCCO would not breach any Swiss or Cayman Island financial regulations as well as comply with Canada Revenue Agency (CRA) requirements. A final decision on the chosen location is forthcoming.

### Coin Update

Proceeds from the sale of the NCCO are being held in trust by a third party institution and will be delivered to the Foundation once it is fully operational. None of the proceeds have been spent or used for the Company's operational purposes.

During the halt period, the Company has continued to process transactions and meet with interested parties to develop business opportunities for the processing of crypto-currency payments, NC Exchange, and the NCCO. Once the BCSC has completed their review, the Company will release further information.

The Company appreciates the patience and support of its shareholders as the company works through this process.

### **About NetCents**

NetCents is a next-generation online payment processing platform, offering consumers and merchants online services for managing electronic payments. The Company is focused on capturing the migration from cash to digital currency by utilizing innovative Blockchain Technology to provide payment solutions that are simple to use, secure and worry-free. NetCents works with its financial partners, mobile operators, exchanges, etc., to streamline the user experience of transacting online.

NetCents Technology is registered as a Money Services Business (MSB) with FINTRAC, which ensures our consumer's security and privacy. NetCents is available for deposits from 194 Countries around the World, providing you with the freedom to choose to Pay. Your Way. <sup>TM</sup>

On Behalf of the Board of Directors  
NetCents Technology Inc.

"Clayton Moore"  
Clayton Moore, CEO, Founder and Director

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### Cautionary Note Regarding Forward-Looking Information

This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance, and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include regulatory actions, market prices, and continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates, and opinions of the Company's management on the date the statements are made. Except as required by applicable securities laws, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

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