

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1: Name and Address of Reporting Issuer

NetCents Technology Inc. (the “Company” or “NetCents”)
1000 – 1021 West Hastings Street
Vancouver, BC, V6E 0C3

Item 2: Date of Material Change

July 4, 2020.

Item 3: News Release

A news release was issued and disseminated on July 6, 2020 and filed on SEDAR (www.sedar.com).

Item 4: Summary of Material Changes

The Company announced that it will be forming a wholly-owned subsidiary in Germany. See Item 5 below.

Item 5: Full Description of Material Change

The Company, a cryptocurrency payments technologies company, announced that, it is forming a wholly owned subsidiary in Germany to support its growing European business. It has also set up its first European banking relationship to support its rapidly growing European client base.

The Company has been encouraged with the growth of its core merchant base over the course of 2020, and has determined that a local presence is necessary to efficiently manage the large processing clients it has developed in the market.

NetCents will be forming a subsidiary in support of the businesses that it intends to operate in the European market. These businesses include:

- Merchant Processing;
- Invoicing for subscription based businesses; and the
- Crypto-Banking Stack/Solution as a white label offering for commercial banks.

On March 3, 2020, the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) (the German Banking regulator) has released guidelines and definitions for financial institutions interested in Cryptocurrency products¹. NetCents has a white-label solution it can offer these commercial banks that are interested in allowing their client base to trade in cryptocurrency alongside traditional financial products.

European institutions are more inclined to participate in the crypto markets vs. North American institutions according to a recent survey published by Bitcoin.com, with 82% of European respondents inclined favorably to cryptocurrencies.²

1

https://www.bafin.de/SharedDocs/Veroeffentlichungen/DE/Meldung/2020/meldung_2020_03_02_mb_kryptoverwahrgeschaeft.html

² <https://news.bitcoin.com/80-us-european-institutional-investors-cryptocurrency-appealing/>

Item 6: Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

None.

Item 8: Executive Officer

For further information, please contact:

Clayton Moore
CEO
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Item 9: Date of Report

July 9, 2020.