

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1. Name and Address of Company

ZTEST ELECTRONICS INC. (the "Company" or "ZTEST")
523 McNicoll Avenue
North York, Ontario M2H 2C9

Item 2. Date of Material Change

The material change took place on August 11, 2021.

Item 3. News Release

The News Release attached hereto was disseminated on August 12, 2021.

Item 4. Summary of Material Change

ZTEST announced that Conversance, in which it owns 25.29% equity interest, acquired an initial 28% interest in 3955 Trading Inc., operating as Cannamerx, pursuant to a Purchase Agreement dated August 1, 2021 with Cannamerx and various shareholders of Cannamerx. Conversance has the opportunity to acquire a controlling interest in Cannamerx provided specific milestones are achieved.

Item 5. Full Description of Material Change

Cannamerx, a Canadian company based in Ottawa, Ontario, was launched in November 2017. Cannamerx operates an international cannabis and hemp exchange platform and facilitates trade in bulk cannabis, hemp, and cannabis and hemp products, between licensed producers worldwide. Cannamerx' international transaction capability was launched in October 2018, while trading of hemp and hemp products commenced in March 2019.

It is intended that Conversance will; (i) put in place an interim platform, ("TRADEX Alpha") by completing a re-write of the existing Cannamerx platform to automate certain brokering functions; and (ii) develop a new, improved trading exchange platform ("TRADEX Gamma") based upon its proprietary Chronicle technology. Conversance will receive additional shares of Cannamerx upon completion of each of these objectives as well as when Cannamerx achieves a certain level of operations based upon these new platforms. Based upon Cannamerx' current share structure, Conversance would hold a controlling interest in Cannamerx after these shares are issued.

It is also expected that the Chronicle distributed ledger and matching engine will replace the current auction process. The current process is limited to seller-initiated "English" style auctions while the Chronicle engine is intended to enable many other forms of specialized auctions, including buyer-initiated auctions, "Dutch" auctions, or partial-fill auctions.

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

Confidentiality is not requested.

Item 7. Omitted Information

No information has been omitted in respect of the material change.

Item 8. Executive Officer

Steve Smith, CEO
email: info@ztest.com

Item 9. Date of Report

August 17, 2021