

Sensor Clarifies Its Proposed Change of Business

Toronto, Ontario--(Newsfile Corp. - December 16, 2021) - Further to its press release of December 7, 2021, Sensor Technologies Corp. (CSE: SENS) ("Sensor") would like to clarify that if the proposed transactions with each of Robotic StemCell BioTech Ltd. ("Robotic") and Blockchain Assets Management Group Limited ("BAM"), both of which are arm's length parties, is subject to Sensor obtaining shareholder and regulatory approval to change its current business from an industrial issuer to an investment issuer (the "Proposed COB"). The Proposed COB considered a fundamental change / change of business under Policy 8 of the Canadian Securities Exchange ("CSE") and, as such, will be subject to all of the requirements of Policy 8 including, but not limited to, CSE and shareholder approval. The proposed BAM and Robotic transactions, as described in Sensor's press release of December 7, 2021, are not considered to be a fundamental change under CSE Policy 8.

After a thorough evaluation of Sensor's existing resources and a review of strategic options for the corporation generally, Sensor's board of directors and management determined to refocus its business operations from an "industrial issuer" to an "investment issuer." The Board believes that its network of business contacts, the depth of experience of its management team and its overall entrepreneurial approach will enable it to identify and capitalize upon investment opportunities as an "investment issuer." The closing of the proposed Robotic and BAM transactions will be the first investments of Sensor as an investment issuer.

If shareholder and regulatory approval is obtained, the Proposed COB, Sensor's primary focus will be to seek returns through investments in the securities of other companies. Sensor will continue to review opportunities to extract residual value from its existing assets, provided Sensor may abandon some or all of such assets if it determines appropriate.

If shareholder and regulatory approval is obtained, Sensor will operate as a diversified investment and merchant banking firm focused on public companies and commodities. Sensor's proposed investment activities will include (i) public companies, (ii) near public companies and private capital, (iii) global venture capital initiatives and (iv) strategic physical commodities. However, Sensor may take advantage of special situations and merchant banking opportunities, as such opportunities arise, and make investments in other sectors which the Corporation identifies from time to time as offering particular value.

The investment objective of Sensor will be to provide investors with long-term capital growth by investing in a portfolio of undervalued companies.

Completion of the Proposed COB is subject to a number of conditions, including the acceptance and approval of Sensor's disclosure document by the CSE and shareholder approval. The Proposed COB cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed COB will be accepted by the CSE and/or completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular and/or listing statement to be prepared in connection with the Proposed COB, any information released or received with respect to the Proposed COB may not be accurate or complete and should not be relied upon. Trading in the securities of Sensor should be considered highly speculative.

The CSE has in no way passed upon the merits of the Proposed COB and has neither approved nor disapproved the contents of this press release.

About Sensor

Sensor currently develops non-intrusive asset health monitoring sensor systems for the oil and gas market to help operators track the thinning of pipelines and refinery vessels due to corrosion/erosion, strain due to bending/buckling and process pressure and temperature. Sensor's FT fiber optic sensor and corrosion monitoring systems allow cost-effective, 24/7 remote monitoring capabilities to improve scheduled maintenance operations, avoid unnecessary shutdowns, and prevent accidents and leaks.

In addition, Sensor announces that pursuant to a share purchase agreement (the "Agreement") with an arm's length party (the "Buyer"), Sensor sold 49% of the issued and outstanding securities (the "Subject Shares") in the capital of Sensor Technologies Inc., a wholly owned subsidiary of Sensor to the Buyer. As part of the sale, the Buyer assumed debt related to Sensor Technologies Inc. The sale of the Subject Shares allows Sensor to continue to realize the benefits of owning Sensor Technologies Inc. while removing a significant amount of debt of its balance sheet.

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The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

Cautionary Note regarding Forward-looking Statements

This news release includes certain information and forward-looking statements about management's view of future events, expectations, plans and prospects that constitute forward-looking statements. These statements are based upon assumptions that are subject to significant risks and uncertainties. Because of these risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements or performance may differ materially from those anticipated and indicated by these forward-looking statements. Although the Corporation believes that the expectations reflected in forward-looking statements are reasonable, it can give no assurances that the expectations of any forward-looking statement will prove to be correct. Except as required by law, the Corporation disclaims any intention and assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise.

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