

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

TruTrace Technologies Inc. (the “Company”)
2303 4 Street SW
Calgary, AB T2S 2S7

Item 2 Date of Material Change

July 30, 2019

Item 3 News Release

The news release dated July 30, 2019 was disseminated through CNW on July 30, 2019.

Item 4 Summary of Material Change

On July 30, 2019, the Company announced that its common shares commenced trading on the OTCQB Venture Market under the symbol TTTSF.

The Company also announced that it has granted an aggregate of 1,500,000 stock options to certain directors and officers of the Company, and a consultant for the purchase of up to 1,500,000 common shares of the Company pursuant to its Stock Option Plan. Each option is exercisable for a period of five years at a price of \$0.25 per common share.

The stock options granted to directors and officers vest annually with 1/3 vesting immediately on the date of grant, 1/3 vesting one year after the date of grant, and 1/3 vesting two years after the date of grant.

The stock options granted to the consultant vest upon the completion of certain vesting milestones, as to 25% on the completion of a first vesting milestone, 10% on the completion of a second vesting milestone, 15% on the completion of a third vesting milestone, 15% on the completion of a fourth vesting milestone, 15% on the completion of a fifth vesting milestone, 15% on the completion of a sixth vesting milestone, and 5% on the completion of the seventh and final milestone.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

A full description of the material change is described in Item 4 above and in the attached news release which was filed on SEDAR.

5.1 Disclosure for Restructuring Transactions

N/A

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

N/A

Item 7 Omitted Information

None

Item 8 Executive Officer

Robert Galarza, Chief Executive Officer, 1-844-656-3629

Item 9 Date of Report

July 30, 2019

TruTrace Technologies Announces OTCQB Listing

TORONTO, July 30, 2019 /CNW/ - **TruTrace Technologies Inc. (CSE: TTT; OTCQB: TTTSF)** ("**TruTrace**" or the "**Company**"), creator of the first fully-integrated blockchain platform that registers and tracks intellectual property for the cannabis industry, today announced that its common shares have commenced trading on the OTCQB® Venture Market, under the symbol TTTSF. The Company believes that trading on the OTCQB, along with the DTC eligibility it secured earlier this year, provides additional liquidity and exposure amongst U.S. investors.

"As our company continues to execute on its growth strategy, the United States market is becoming increasingly important both in terms of investor interest and strategic opportunities," said TruTrace Technologies CEO Robert Galarza. "The expansion of the legal cannabis market throughout the largest economy in the world should not be ignored in today's market."

The OTCQB Venture Market offers early stage and developing companies the benefits of being publicly traded in the U.S. with lower cost and complexity than a U.S. exchange listing. Investors benefit from convenient trading through their preferred broker or financial advisor, transparent pricing with real-time quotes, and trusted disclosure that is made broadly available to broker-dealers and market data providers. Investors can find information and trading statistics on TruTrace at <https://www.otcm Markets.com>.

Company Announces Grant of Options

The Company also announced that it has granted an aggregate of 1,500,000 stock options to certain directors and officers of the Company, and a consultant (the "Optionees") for the purchase of up to 1,500,000 common shares of the Company pursuant to its Stock Option Plan. Each option is exercisable for a period of five years at a price of \$0.25 per common share.

The options and the shares issuable upon the exercise of the options held by the Optionees are subject to a Canadian Securities Exchange hold period of four months from the date of grant of the stock options.

The stock options granted to directors and officers vest annually with 1/3 vesting immediately on the date of grant, 1/3 vesting one year after the date of grant, and 1/3 vesting two years after the date of grant.

The stock options granted to the consultant vest upon the completion of certain vesting milestones, as to 25% on the completion of a first vesting milestone, 10% on the completion of a second vesting milestone, 15% on the completion of a third vesting milestone, 15% on the completion of a fourth vesting milestone, 15% on the completion of a fifth vesting milestone, 15% on the completion of a sixth vesting milestone, and 5% on the completion of the seventh and final milestone.

About TruTrace Technologies:

TruTrace Technologies has developed the first integrated blockchain platform to register and track intellectual property in the cannabis industry. TruTrace's technology allows cannabis growers and breeders to identify and secure rights to their intellectual property. It also streamlines the administrative process and reduces the costs of genetic and mandatory quality-control testing for legal cannabis. TruTrace's technology is proprietary, immutable and cryptographically secure, thereby establishing an accurate and permanent account for cannabis strains from ownership to market.

Disclaimer for Forward-Looking Information

This news release includes forward-looking information within the meaning of Canadian securities legislation, concerning the business of TruTrace, including statements regarding: the perceived benefits of

trading on the OTCQB®, including that it provides additional liquidity and exposure amongst U.S. investors; the execution of the Company's growth strategy; and the increasing importance of the United States market both in terms of investor interest and strategic opportunities. Although the Company believes that the expectations and assumptions on which such forwardlooking information is based are reasonable, undue reliance should not be placed on the forwardlooking information because the Company can give no assurance that it will prove to be correct and actual results and future events could differ materially from those anticipated in such information. Forward-looking information necessarily involves known and unknown risks, including, without limitation, risks associated with: general economic conditions; adverse industry events; loss of markets; future legislative and regulatory developments in Canada, the United States, and elsewhere; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; and other risks beyond the Company's control. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company. Readers are cautioned not to place undue reliance on any forward-looking information contained in this news release. Forward-looking information contained in this news release is provided as of the date of this news release. The Company disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

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<http://www.newswire.ca/en/releases/archive/July2019/30/c3523.html>

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