



TruTrace Technologies Inc. Announces Postponement in Filing of First Quarter Statements

Toronto, Ontario – **September 28, 2020**, **TruTrace Technologies Inc. (CSE: TTT; OTCQB: TTTSF)** (“**TruTrace**” or the “**Company**”), developer of a fully-integrated blockchain platform for the legal cannabis, food and pharmaceutical industries, announces that it will not be in a position to file its financial statements for the first fiscal quarter for the three months ended July 31, 2020 and the related management's discussion and analysis, as required by Part 4 and Part 5 of National Instrument 51-102: Continuous Disclosure Obligations (collectively, the "Quarterly Filings") by the filing deadline of September 29, 2020.

This news release is being issued in accordance with the blanket relief of a 45-day extension, provided by Canadian Securities Administrators and Ontario Instrument 51-502: Temporary Exemption from Certain Corporate Finance Requirements, for periodic filings normally required to be made by issuers.

In response to recent proclamations from Canadian health authorities and the challenges resulting from the COVID-19 pandemic, the Company has taken the necessary precautions to protect the health and safety of its employees and the public. Accordingly, a significant portion of the Company's staff as well as its auditor's staff have been working from home, and travel for in-person meetings has been curtailed. While working remotely, the coordination of tasks and work product has been more difficult, the completion of audit procedures due to limited access to paper-based supporting evidence has been delayed, and the entire audit process has been slowed. Furthermore, since the Company's various suppliers and clients have also been working remotely, their responses to standard audit inquiries have slowed, including responses from significant Company clients. In light of these circumstances, the Company was forced to postpone the filing of its audited annual financial statements for the fiscal year ended April 30, 2020 (collectively the “Annual Filings”) until no later than October 12, 2020.

The challenges posed by COVID-19 and the subsequent delay in the filing of the Annual Filings have resulted in a delay in the finalization and filing of the Quarterly Filings. However, the Company's board of directors and its management confirm that they are working expeditiously to meet the Company's obligations relating to the filing of the Quarterly Filings. At this time, the Company anticipates being able to complete the Quarterly Filings on or before November 13, 2020.

The Company confirms that its management and other insiders are subject to an insider trading black-out policy that reflects the principles in section 9 of National Policy 11-207: Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions, such that

they are in a black-out period until the end of the second trading day after the Annual Filings have been disclosed by way of a news release.

Since March 27, 2020, the date of filing of the Company's unaudited interim financial statements for the three months ended January 31, 2020, the Company has announced:

On June 26, 2020, the Company announced that it settled CAD \$950,000 of indebtedness previously owed to Heated Details, Inc., the primary vendor responsible for software development, design and maintenance of the Company's proprietary StrainSecure™ platform and thereby securing all rights to TruTrace's intellectual property.

On July 3, 2020, the Company announced it signed a software license agreement with OrionOne Global, Inc., a global supply chain provider delivering best-in-class technology which serves as a logistics and tracking smart-hub for navigating shipments and logistics worldwide.

On July 3, 2020, the Company announced the acquisition, by way of private transactions, of control and direction over an aggregate of 17,200,000 common shares in the capital of the Company by Thomas Stephenson, Chief Technology Office of the Company.

On August, 14, 2020, the Company advised the Security Holders that the Annual General and Special Meeting of the Company is to be held on October 16, 2020

On August 25, 2020, the Company announced that it teamed with Riviera & West One Logistics to ensure the highest quality for its line of products including Hygen-X™ hand and surface sanitizer products.

On August 26, 2020, the Company announced that medical distributor, Safe Company selected the TruTrace Enterprise™ SaaS platform to manage inventory and quality assurance processes for its medical and protective consumables, hospital supplies and air purification solutions.

On September 2, 2020, the Company announced the closing of a non-brokered private placement financing (the "Financing") of subordinated secured convertible debentures (each, a "Debenture") pursuant to which the Company issued Debentures in the aggregate principal amount of \$360,000 (the "Principal Amount") to subscribers to the Financing. The terms of the Debentures include a maturity date of three years from the date of issuance (the "Maturity Date") and the principal amount of a Debenture, together with any accrued and unpaid interest, will be payable on the Maturity Date, unless earlier converted in accordance with its terms. Each debenture bears interest (the "Interest") at the rate of 8.25% per annum, which Interest will be payable monthly in arrears, unless earlier converted.

The principal amount of a Debenture, together with all accrued and unpaid interest thereon, is convertible into units of the Company (each, a "Debenture Unit"), at the option of the holder, at a conversion price of \$0.05 per Debenture Unit (the "Conversion Price"), with each Debenture Unit comprised of one common share of the Company (each, a "Debenture Share") and one transferable share purchase warrant (each, a "Debenture Warrant"), with each Debenture Warrant exercisable into one additional Debenture Share (each, a

“Debenture Warrant Share”) at an exercise price of \$0.05 per Debenture Warrant Share for a period of two years from the date of issue.

The Company has the right, at its sole option and, at any time prior to the Maturity Date, to require the holder to convert all or any portion of the outstanding Principal Amount and any accrued but unpaid Interest thereon into Debenture Units at the Conversion Price if the daily volume-weighted average price of the common shares of the Company on the Canadian Securities Exchange (or such other stock exchange on which the common shares may be traded at such time) for any 10 day consecutive trading day period is greater than \$0.20, subject to adjustment as provided for in the certificate representing the Debenture.

The Company also announced that a holder of a debenture issued in October 2019 has agreed to convert an outstanding debenture with an amount owing of \$213,538 into 4,273,160 common shares in the capital of the Company, at a revised conversion price of \$0.05 per share, in full settlement of the amount owing under the debenture. The debenture had been previously convertible into a conversion unit at a price of \$0.25 per conversion unit, with each such conversion unit comprised of a common share and a share purchase warrant exercisable at \$0.30 per share.

The Canadian Securities Exchange has not reviewed this news release and does not accept responsibility for the adequacy or accuracy of this news release.

On behalf of the Board of Directors:

Robert Galarza, Chief Executive Officer and Director

For More Information:

Robert Galarza, Chief Executive Officer and Director, 888-775-4888

Disclaimer for Forward-Looking Information

This news release contains forward-looking information that involves various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company. Forward-looking statements made in this news release relate to the anticipated timing of the Quarterly Filings. There are numerous risks and uncertainties that could cause actual results and the Company’s plans and objectives to differ materially from those expressed in the forward-looking information, including adverse market conditions. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. 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.