

FORM 51-102F3 MATERIAL CHANGE REPORT

1. Name and Address of Company:

Torino Power Solutions Inc. (“Torino” or the “Company”)
7934 Government Road, Burnaby, BC, V5A 2E2

2. Date of Material Change:

November 25, 2019

3. News Release:

A news release disclosing the nature and substance of the material change was issued by the Corporation on November 26, 2019 via Newsfile Corp.

4. Summary of Material Change:

On November 26, 2019, the Company announced the signing of a Letter of Intent between the Company and KABN Systems North America Inc.

5. Full Description of Material Change:

On November 26, 2019 the Company announced that the Company and KABN Systems North America Inc. (“KABN North America”) have entered into a non-binding letter of intent (“LOI”) dated November 25, 2019 pursuant to which the Company will acquire all of the issued and outstanding shares in the capital of KABN North America, which will constitute a fundamental change of the Company and that will result in a reverse takeover (the “RTO”) of Torino by KABN North America.

The Company has filed this news release under its profile on SEDAR at www.sedar.com.

6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officer:

Inquiries in respect of the material change referred to herein may be made to:
Rav Mlait, Director - (604) 551-7831

9. Date of Report:

November 26, 2019

Schedule A

Torino Power Solutions Inc.
7934 Government Road, Burnaby, B.C., V5A 2E2
Phone: (604) 551-7831 Fax: 604-676-2767

KABN Systems North America Enters into LOI with Torino Power Solutions Inc.

Vancouver, British Columbia, November 26, 2019 - Torino Power Solutions Inc. (CSE: TPS) (the “**Company**” or “**Torino**”) is pleased to announce that the Company and KABN Systems North America Inc. (“**KABN North America**”) have entered into a non-binding letter of intent (“**LOI**”) dated November 25, 2019 pursuant to which the Company will acquire all of the issued and outstanding shares in the capital of KABN North America, which will constitute a fundamental change of the Company and that will result in a reverse takeover (the “**RTO**”) of Torino by KABN North America.

KABN North America is a Canadian FinTech company with assets of approximately \$1.7 million that specializes in continuous online Identity Verification, Identity Management and Monetization and is currently in development to launch a digital banking and financial services platform. It is developing a financial services platform in North America that consists of:

- **KABN ID:** a blockchain and biometrically based, patent-pending, EU General Data Protection Regulations (GDPR) compliant, “always on” ID validation and verification process at its core.
- **KABN Card:** new types of financial and related services through a payment card-approved, digital currency-linked prepaid card and mobile banking wallet program for a variety of digital currencies and multi-currency fiat transactions.
- **KABN KASH:** a robust loyalty and customer engagement platform.

KABN North America is the exclusive licensee in Canada and the United States of America of the intellectual property (the “**Licensed IP**”) that is comprised in the KABN ID, KABN Card and KABN KASH programs. KABN North America’s key shareholders are KABN (Gibraltar) PLC and Crypto KABN Holdings Inc. of Vancouver, British Columbia, Canada, which are the licensors of the Licensed IP.

As currently contemplated, immediately prior to the RTO, the Company will complete a 10 for 1 new share consolidation and issue one post-consolidation common share of the Company for each KABN North America common share being acquired. Assuming completion of a contemplated private placement of approximately 13 million shares by KABN North America prior to completion of the RTO, the shareholders of the Company following the RTO (the “**Resulting Issuer**”) will hold approximately 9.3% of the shares of the Resulting Issuer and the

shareholders of KABN North America will hold approximately 90.7% of the shares of the Resulting Issuer. Following completion of the RTO, management of KABN North America will become management of the Resulting Issuer. The directors of the Company will be determined by the parties in due course. The name of the Company is also expected to be changed to a name that reflects the new business of the Resulting Issuer.

The proposed RTO is an arm's length transaction and constitutes a fundamental change under the policies of the CSE and completion is subject to shareholder and CSE approval. Accordingly, trading in the shares of Torino has been halted, and will remain halted until the requirements of the CSE have been met and the resumption of trading is approved by the CSE. No finder's fee is proposed for the transaction.

Torino will file an application with the CSE to approve the RTO and for them to approve the listing of the shares of the Resulting Issuer on the CSE. The Company will be calling a special meeting of shareholders to approve the fundamental change and related matters and will be filing a management information circular containing disclosure on KABN North America, the Resulting Issuer and the RTO, which will be provided to shareholders of the Company prior to the shareholders' meeting.

The final structure for the RTO transaction is subject to satisfactory due diligence by both parties, legal and financial advice and applicable securities laws and policies of the CSE.

Completion of the proposed RTO transaction is subject to a number of conditions, including all necessary shareholder and regulatory approvals, the execution of a definitive agreement and related transaction documents, and conditional approval of the Canadian Securities Exchange (the "CSE") for the listing of the common shares of the Resulting Issuer following the completion of the RTO transaction.

Please visit www.torinopower.com for more information.

We seek Safe Harbor.

On behalf of the Board of Directors

"Rav Mlait"

CEO and Director
Torino Power Solutions Inc.

For further information, contact at info@torinopower.com; 604-551-7831

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

Disclaimer for Forward-Looking Information

Certain statements in this release are forward-looking statements, which reflect the expectations of management regarding the Company's completion of the RTO and related transactions. Forward-looking statements consist of statements that are not purely historical, including any statements regarding

beliefs, plans, expectations or intentions regarding the future, including but not limited to the Company completing the RTO, the Company entering into a definitive agreement for the RTO, the Company completing a 10 for 1 consolidation of its shares, KABN North America completing a private placement of 13 million shares of KABN North America, the percentage of shares of the resulting issuer to be held by shareholders of the Company and former shareholders of KABN North America, the change of name of the Company, the conditions to be satisfied for completion of the RTO, the listing of the Company's shares on the CSE following the RTO, and the timing of the resumption of trading of the Company's shares on the CSE. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements, including risks related to factors beyond the control of the Company. The risks include the following: the parties may not enter into the Definitive Agreement; the requisite corporate approvals of the directors and shareholders of the parties may not be obtained; the CSE may not approve the RTO; sufficient funds may not be raised by KABN North America pursuant to the private placement; and other risks that are customary to transactions of this nature. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them.

This press release is not an offer of the securities for sale in the United States. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.