

FORM 7

MONTHLY PROGRESS REPORT

Name of CNSX Issuer: TruTrace Technologies Inc. (the "Issuer" or "TruTrace").

Trading Symbol: TTT

Number of Outstanding Listed Securities: 82,244,382

Date: September 6, 2019

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The Issuer completed Phase I of the blockchain-secured pilot program (the "Pilot Program") with Shoppers Drug Mart ("Shoppers"). Shoppers has also engaged the Issuer and Deloitte Canada LLP ("Deloitte") to execute Phase 2 of the Pilot Program, with full production and implementation of the Issuer's StrainSecure platform targeted for late November 2019.

Phase 2 of the Pilot Program, using Deloitte's project management and advisory capacity and the Issuer's StrainSecure™ system, will be focused on developing a unified approach to medical cannabis standards, onboarding licenced producers and other partners to track and trace all product history—from genome to distribution. The program is expected to help researchers and clinicians to match therapeutic outcomes to specific genetic and chemical profiles, and provide physicians, pharmacists, and patients with greater confidence in the products they prescribe or consume.

The Issuer signed a letter of intent ("LOI") to establish a strategic working relationship with Anandia Laboratories Inc. ("Anandia"). The two companies intend to collaborate on an integrated testing solution in relation to the Issuer's development of a blockchain-secured traceability ecosystem for the cannabis industry.

Pursuant to the LOI, Anandia will serve as a primary analytical and genetic testing partner in the Issuer's ecosystem. The parties will also explore ways to work together on rapidly expediting and optimizing the testing processes under the Cannabis Act (Canada) as set forth by Health Canada, as well as evolving genetic testing practices in the cannabis industry.

Anandia is also expected to be one of the featured testing facilities in the Shoppers and the Pilot Program.

The Issuer closed a first tranche (the "First Tranche") of a non-brokered private placement financing (the "Financing"). The First Tranche consisted of 2,040,000 units (each, a "Unit") of the Company at a price of \$0.25 per Unit for gross proceeds of \$510,000. Each Unit consists of one common share and one non-transferable common share purchase warrant (each, a "Warrant"). Each Warrant entitles the holder to purchase one additional common share at a price of \$0.30 per common share for a period of three (3) years from the closing of the Financing. The Company paid cash finder's fees of \$7,500 to certain finders in connection with the closing of the First Tranche.

The Issuer and Segra International Corp. ("Segra"), an agriculture technology company, entered into a letter of intent ("Segra LOI") to establish Segra as a primary genetics verification provider for the Issuer. Pursuant to the Segra LOI, Segra will be a lead genetics partner in the Shoppers and the Pilot Program. Segra will extract DNA from cannabis samples

processed at its Genotyping and Molecular Lab Services Division and will provide unique DNA fingerprint codes, allowing for objective confirmation that as-supplied lots of cannabis remain isogenically pure to original reference material.

2. Provide a general overview and discussion of the activities of management.

See Item 1 above.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

None.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

None.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

See Item 1 above.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

None.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provides details of the relationship.

None.

8. Describe the acquisition of new customers or loss of customers.

See Item 1 above.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trademarks.

None.

10. Report on any employee hiring's, terminations or lay-offs with details of anticipated length of lay-offs.

None.

11. Report on any labour disputes and resolutions of those disputes if applicable.

None.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

None.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

None.

14. Provide details of any securities issued and options or warrants granted.

See Item 1 above.

15. Provide details of any loans to or by Related Persons.

None.

16. Provide details of any changes in directors, officers or committee members.

None.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

None.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated September 6, 2019

Swapan Kakumanu
Name of Director/Senior Officer

"Swapan Kakumanu"
Signature

CFO and Director
Official Capacity

Issuer Details Name of Issuer TruTrace Technologies Inc.	For Month End August 2019	Date of Report YY/MM/DD 19/09/06
Issuer Address 2303 4th Street SW		
City/Province/Postal Code Calgary, AB T2S 2S7	Issuer Fax No. 888.241.5996	Issuer Telephone No. 844.656.3629
Contact Name Swapan Kakumanu	Contact Position CFO and Director	Contact Telephone No. 844.656.3629
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