

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: TTT

Number of Outstanding Listed Securities: 80,204,382

Date: August 7, 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.

During the month of July 2019, the Issuer's common shares commenced trading on the OTCQB Venture Market, under the symbol TTTSE.

The Flowr Corporation joined the Shoppers Drug Mart ("Shoppers") medical cannabis verification pilot program (the "Pilot Program"). Flowr has a supply agreement with Shoppers to supply its FlowrRx brand of medical cannabis products. The Pilot Program is intended to increase transparency, interoperability and product identification within the medical cannabis industry.

The Pilot Program uses TruTrace's StrainSecure technology as a central hub for identity management, asset tracking, validation and product authentication. StrainSecure will also serve as a master registry for standardized testing, product verification and quality assurance.

Under the StrainSecure program, the TruTrace team collects plant testing data and performs genomic verification in plant batches which are then registered in a blockchain-enabled database for intellectual property protection and strain validation. All information gathers from the plants, including their molecular and chemical makeup, can be tracked via the program.

A&L Canada Laboratories ("A&L") agreed to be one of the inaugural testing facilities in the Pilot Program. A&L was one of the earliest testing facilities to receive a Health Canada testing license under the Access to Cannabis for Medical Purposes Regulations (ACMPR) and provides a wide range of analytical services to the cannabis industry. A&L was recently presented the award for the Best Testing Facility at the 2019 O'Cannabiz Awards Gala - a national annual event honouring cannabis professionals and companies, recognizing excellence and innovation in the industry.

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.

On July 30, 2019, the Issuer granted an aggregate of 1,500,000 stock options to the following persons:

Name of Optionee	Position (Director/ Officer/ Employee/ Consultant/ Management Company)	Insider Yes or No?	No. of Optioned Shares	Exercise Price	Expiry Date	No. of Options Granted in Past 12 Months
Robert Galarza	Director and Officer	Y	175,000	\$0.25	July 30, 2024	Nil
Thomas Stephenson	Officer	Y	175,000	\$0.25	July 30, 2024	Nil
Buckingham Group Limited	Management Company (Director)	Y	100,000	\$0.25	July 30, 2024	Nil
Cameron Chell	Director	Y	100,000	\$0.25	July 30, 2024	Nil
James Carter	Director	Y	100,000	\$0.25	July 30, 2024	300,000
Swapan Kakumanu	Director and Officer	Y	100,000	\$0.25	July 30, 2024	300,000
2706877 Ontario Inc.	Consultant	N	750,000	\$0.25	July 30, 2024	500,000

The stock options granted to directors and officers vest annually with 1/3 vesting immediately on 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.

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.

On October 17, 2018, the Cannabis Act came into effect providing for the legalization and regulation of recreational cannabis use in Canada. The Issuer's business is subject to a variety of laws, regulations and guidelines relating to marketing, distribution, cultivation, management and sale and disposal of medical marijuana but also laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. Changes to such laws, regulations and guidelines may cause adverse effects to the Issuer's operations.



The legislative framework pertaining to the Canadian recreational cannabis market will be subject to significant provincial and territorial regulation. The Issuer's business involves certain risks and uncertainties that are inherent to the Issuer's industry. For disclosure on risks related to an investment in the Issuer, please refer to the Issuer's Listing Statement dated June 13, 2019, which is available on SEDAR at www.sedar.com.

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 August 7, 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 July 2019	Date of Report YY/MM/DD 19/08/07
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
Contact Email Address swapan@trutrace.co	Web Site Address https://strainsecure.com	