

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: TTT

Number of Outstanding Listed Securities: 110,061,732

Date: August 7, 2020

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 2020, the Issuer signed a software license agreement (the "License Agreement") with OrionOne Global, Inc. ("OrionOne"), 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. Under the License Agreement, the Issuer has agreed to pay OrionOne, a company controlled by an officer of the Issuer, Tommy Stephenson, an initial license fee of CAD \$385,000 which shall be paid through the issuance of 7,700,000 common shares of the Issuer (each, a "Common Share") at a deemed price of \$0.05 per Common Share to OrionOne. The initial term of the License Agreement is five years, renewable for consecutive five year terms with the license being perpetual in nature. In addition, the Issuer agreed to pay OrionOne a fee of US\$25,000 within 30 days of the closing of the Issuer's next equity financing, or six months from the date of the License Agreement, whichever is sooner. The Issuer also agreed to pay OrionOne a nominal annual license fee in lieu of royalty payments.

The Issuer continues to closely monitor the ongoing impact of the COVID-19 pandemic and adjusting its operations and priorities as necessary. As a technology company, the Issuer is well suited to adopting remote working arrangements while maintaining its high standards of client service. The Issuer will continue to place the highest priority on the health and safety of its employees and other stakeholders and remain in full compliance with guidelines from public health authorities. The Issuer is also exploring ways to adapt its technology to help support an ecosystem of solution providers offering assistance in our current or future global crises.

The Issuer's business is currently focused on the Canadian medical cannabis sector, which continues to service patients and is generally considered to be an essential service. Full-scale implementation continues on the Shoppers Drug Mart ("Shoppers") medical cannabis verification pilot program (the "Pilot Program"), which was built around the Issuer's StrainSecure™ traceability platform, and is now a fundamental part of a first of its kind Real World Evidence study with University Health Network led by Dr. Hance Clarke, Director of Pain Services, Toronto General Hospital. The issuer anticipates the addition of several cannabis industry participants as a part of the study. Notwithstanding, the Issuer also recognizes that some cannabis industry participants may, however, opt to delay their plans for adoption of the Issuer's technology as part of their own cost-reduction efforts in response to the overall economic slowdown. While the Issuer does not foresee a decrease in long-term demand for its technology, the potential delay of certain near-term initiatives may affect operating results in the coming quarters.

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.

See Item 1 above.

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.

None.

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.

On July 13, 2020, a Notice of Claim was filed against the Issuer by Gina Conte for failure to pay an aggregate of \$42,393.75 owing for services rendered by Gina Conte pursuant to a consulting agreement dated April 8, 2019 between the Issuer and Gina Conte. Gina Conte is seeking damages of an aggregate of \$35,186, including interest and costs in full settlement of the amount owing.

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 August 7, 2020

Robert Galarza
Name of Director/Senior Officer

/s/ Robert Galarza
Signature

CEO, interim CFO and Director
Official Capacity

Issuer Details Name of Issuer TruTrace Technologies Inc.	For Month End July 2020	Date of Report YY/MM/DD 20/08/07
Issuer Address L120, 2303 4th Street SW		
City/Province/Postal Code Calgary, AB T2S 2S7	Issuer Fax No. 888.241.5996	Issuer Telephone No. 844.775.4888
Contact Name Robert Galarza	Contact Position CEO, interim CFO and Director	Contact Telephone No. 844.775.4888
Contact Email Address robert@trutrace.co	Web Site Address https://trutrace.co	