

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of CNSX Issuer: **TraceSafe Inc. (the "Issuer").**

Trading Symbol: **TSF**

Number of Outstanding Listed Securities: **49,870,033**

Date: **September 2, 2022 (for the month of August 2022)**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered, nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **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 continued business development activities and new product development activities.**
2. Provide a general overview and discussion of the activities of management.  
**The Issuer continued business development activities and arranging financing to expand operations.**

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.

Please refer to news release dated August 9, 2022.

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.

Please refer to news release dated August 22, 2022.

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 provide details of the relationship.

Please refer to material change report dated July 29, 2022.

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

N/A

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

The Issuer is developing additional features to its platform technology for the purpose of marketing to different markets such as asset tracking and workplace safety.

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

The Issuer continues to add consultants and employees as required for business development and finance functions.

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

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. **N/A.**
13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.  
**N/A.**
14. Provide details of any securities issued and options or warrants granted.

**On August 18, Tracesafe issued 1,012,709 common shares. 1,012,709 warrants were granted with \$0.30 exercise price per share.**

<b>Security</b>	<b>Number Issued</b>	<b>Details of Issuance</b>	<b>Use of Proceeds<sup>(1)</sup></b>
<b>Units</b>	<b>1,012,709</b>	<b>Units consist of one common share at \$0.15 per Unit and one Warrant. Each Warrant entitles the holder to acquire one common share at an exercise price of \$0.30 per Warrant for a period of 24 months from the date of issuance</b>	<b>(i) costs related to development and creation of new technology and Issuer projects, (ii) acquisition of new technology and related bodies corporate, and (iii) working capital and general corporate purposes</b>
<b>Warrants</b>	<b>1,012,709</b>	<b>Each warrant is exercisable at \$0.30 per warrant for a period of 24 months.</b>	<b>N/A</b>

*(1) State aggregate proceeds and intended allocation of proceeds.*

15. Provide details of any loans to or by Related Persons.  
**N/A**
16. Provide details of any changes in directors, officers or committee members.  
**N/A**
17. Discuss any trends, which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

**The trends and risks which are likely to impact the Issuer are detailed in the Issuer's Annual Financial Statements and Management's Discussion and Analysis for the years ended December 31, 2021, 2020 and 2019, and the Issuer's Condensed Consolidated Interim Financial Statements for the three months ended June 30, 2022, 2021 and 2020.**

## 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, 2022.

Mark Leung  
Name of Director or Senior  
Officer

Signed: "Mark Leung"  
Signature

Chief Financial Officer  
Official Capacity

<b>Issuer Details</b>		
Name of Issuer	For Month End	Date of Report YY/MM/DD
TraceSafe Inc.	August 31, 2022	2022/09/06
Issuer Address		
Craigmuir Chambers, P.O. Box 71		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Road Town, Tortola, British Virgin Islands VG1110		(604) 629-9975
Contact Name	Contact Position	Contact Telephone No.
Mark Leung	CFO	(778) 655-4242
Contact Email Address	Web Site Address	
mark@tracesafe.io	https://tracesafe.io	