

FORM 7

MONTHLY PROGRESS REPORT

Name of CNSX Issuer: Torino Power Solutions Inc. (the "Issuer").

Trading Symbol: TPS

Number of Outstanding Listed Securities: 59,722,988 common shares

Date: for February 5, 2020

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 the CNSX 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 CNSX.ca 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 CNSX Policies. The discussion in this report must be factual, balanced and non-promotional. *See cautionary note on forward looking statements at the end of this report.

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, "Torino Power Solutions Inc.", or "Torino", or "the Company" or "the Corporation" is a provider of Power Line Monitoring (PLM) systems, also known as Dynamic Thermal Circuit Rating (DTCR) technology that increases the capacity of congested high voltage power lines of electric utilities by providing real-time temperature

data to utilities and other vital information.

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

The Corporation is commercializing its patented Power Line Monitoring (PLM) System or Dynamic Thermal Circuit Rating (DTCR) technology and proprietary system architecture for application in overhead transmission lines to address the growing demand by electric utilities to adequately increase the capacity of congested transmission lines of electric utilities in North America and Europe. The Corporation does not currently generate revenue.

The Company and entered into a definitive agreement with KABN Systems North America Inc. on January 13, 2020 in relation to a proposed reverse takeover (the “**RTO**”) as described in a news release dated November 26, 2019.

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 be held on March 31, 2020) 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.

Summary of the Transaction

The Proposed Transaction will be structured as an amalgamation of KABN North America and a wholly-owned subsidiary of the Company whereby the shareholders of KABN North America will receive post-Consolidation common shares of the Company (“Torino Shares”) in exchange for their common shares of KABN North America (“KABN Shares”).

Completion of the Proposed Transaction is subject to a number of conditions, including receipt of all necessary shareholder and regulatory approvals, including approval of the existing shareholders of the Company, and conditional approval of the Canadian Securities Exchange (the “CSE”) for the listing of the common shares of the resulting issuer (the “Resulting Issuer”) following completion of the Proposed Transaction.

In connection with the Proposed Transaction, the Company will be required to, among other things: (i) change its name to a name requested by KABN North America and acceptable to applicable regulatory authorities (the “Name Change”), (ii) consolidate its outstanding Torino Shares on a basis of ten old Torino Shares for one post-Consolidation Torino Share (the “Consolidation”) and (iii) replace certain directors and officers of the

Company on closing of the Proposed Transaction with nominees of KABN North America.

Management and Board of the Resulting Issuer

Upon completion of the Proposed Transaction, it is anticipated that the persons identified below will serve as directors and officers of the Resulting Issuer:

Houssam (Sam) Kawtharani – Director

Mr. Kawtharani is a director of KABN North America and the co-founder of Corl Financial Technologies Inc., a fintech that offers data-driven growth capital to startups. Prior to co-founding Corl Financial Technologies Inc. Mr. Kawtharani was the Head of Product at IOU Financial Inc., a publicly-listed online lender (TSX:IOU), where he supported the company in originating over \$500 million in loans across the United States of America and Canada through continuous product development and innovation Mr. Kawtharani is also the founder and director of Sam Kay Consultancy Inc. o/a FinBlox Labs, a fintech and blockchain advisory services firm for startups, enterprises and financial institutions. Mr. Kawtharani is also currently an advisor at KABN, AuBit International, EzyStayz Holiday Rentals Pty Ltd., OmniPsarx PBC and Trusted Inc. Holdings Limited. Mr. Kawtharani has a Bachelor of Science in computer science and business administration from the American University of Beirut and a Masters in Engineering from Concordia University.

Benjamin Kessler – Director, Interim Chief Executive Officer

Mr. Kessler has over 20 years of account management, business development, marketing and partnership experience in the financial services sector. Mr. Kessler is currently Chief Executive Officer and a director of KABN North America, as well as Chief Executive Officer of KABN (Gibraltar) Limited. Most recently, Mr. Kessler served as Managing Director, Payments Solution Group – Banc of California from January 2016 to 2017. Prior to that, Mr. Kessler served as Vice President, Global Account Management at Earthport North America TLC from 2013 to 2015. Mr. Kessler has also served as Vice President, Emerging Verticals at Mastercard Worldwide from 2006 to 2011. Mr. Kessler has a Bachelor of Arts degree from Brandeis University and a Master of Business Administration from the New York University Stern School of Management.

David Lucatch – Director, President

Mr. Lucatch has more than 30 years inventing technology and business solutions in the international marketing arena and over 20 years of that developing and taking to market internet and mobile based platforms. Mr. Lucatch has held senior management posts and directorships at both private and public media and technology firms and is currently President and a director of KABN North America. Mr. Lucatch has a Bachelor of Arts degree with a double major in commerce and economics from the University of Toronto.

J. Patrick Mesina – Director

Mr. Mesina is currently a director of the Company, KABN North America and Cortland Credit Group Inc., as well as a director and audit committee member of TSX Venture Exchange-listed Brockton Ventures Inc. Mr. Mesina presently works as a director with a Canadian based institutional investment firm, Cortland Credit Group Inc. Mr. Mesina had served as Vice President with a Toronto based institutional investment firm AIP Private Capital Inc. from March 2012 to September 2017. Since September 2017 he has been a consultant for several companies, including Vive Crop Protection Inc. and Northern Lights Partners Inc. Mr. Mesina has an Honours Bachelor of Arts degree in economics and political science from the University of Toronto.

Craig McCannell – Interim Chief Financial Officer

Mr. McCannell is currently the Chief Financial Officer of KABN North America, Chief Executive Officer of KABN (Gibraltar) Limited, and the Chief Financial Officer of Pegasus Fintech Canada Inc., a full service blockchain, technology and growth accelerator advisory firm. Mr. McCannell had served as Chief Financial Officer at two publicly traded companies and was a senior manager at Ernst & Young LLP. Mr. McCannell has an Honours Bachelor of Business Administration from Wilfred Laurier University and obtained his Certified Professional Accountant (Chartered Accountant) designation in 2002.

Ravinder Mlait – Director

Mr. Mlait has served as director of the Company since February 2015 and Chief Executive Officer of the Company since December 2015. From December 2013 to present, Mr. Mlait has served as Chief Executive Officer of Cannabix Technologies Inc., an early stage technology company listed on the CSE. Mr. Mlait has served as director and officer of Brockton Ventures Inc., a capital pool company listed on the TSX Venture Exchange since February 22, 2018. From June 2010 to present, Mr. Mlait has served as Chief Executive Officer and President of Rockland Minerals Corp., a mineral exploration company listed on the TSX Venture Exchange. Mr. Mlait obtained a Bachelor of Arts degree (Economics) from Simon Fraser University in 1999 and obtained his Masters of Business Administration from Royal Roads University in Victoria, British Columbia in 2010.

Torino Shareholder Meeting

It is anticipated that a special shareholder meeting of the Company (the “Special Meeting”) will take place in Q1 of 2020 to approve, among other matters: (i) a special resolution authorizing the Name Change; and (ii) an ordinary resolution authorizing the fundamental change of the Company resulting from the Proposed Transaction. Assuming completion of a contemplated private placement of approximately 13 million shares by KABN North America prior to completion of the Proposed Transaction, the shareholders of Torino Power following the Proposed Transaction 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.

Other Conditions Precedent

Other conditions to completion of the Proposed Transaction include, but are not limited to:

- The representations and warranties being true and correct in all material respects as of the closing of the Proposed Transaction.
- No material adverse change prior to completion of the Proposed Transaction.
- The Company not having undertaken any business, other than in connection with the completion of the Proposed Transaction, from and after November 21, 2019.
- Conditional approval by the CSE of the listing of post-Consolidation Torino Shares.
- Cancellation of the stock options of the Company held by certain officers and directors (and former officers and directors) of the Company.
- Resignation of certain directors and officers of the Company and its subsidiaries without payment by or any liability to the Company, its subsidiary and KABN North America.
- KABN North America having raised aggregate gross proceeds of at least \$750,000 prior to and in connection with the Proposed Transaction through issuances of KABN Shares and share purchase warrants to purchase KABN Shares.
- No order or decree restraining the Proposed Transaction.

Termination Rights

The Definitive Agreement may, with certain exceptions, be terminated prior to the closing of the Proposed Transaction:

- by mutual consent of TPS, its subsidiary and KABN North America;
- by a party if a condition in its favour or a mutual condition is not satisfied by April 30, 2020;
- by the Company or KABN North America if:
 - there has been a breach of any of the representations, warranties, covenants and agreements on the part of the other party, which breach has or is likely to result in the failure of the conditions precedent set out in the Definitive Agreement and is not cured within ten business days following receipt by the breaching party of written notice of such breach by the non-breaching party;
 - any permanent order or decree preventing the consummation of the Proposed Transaction has become final and non-appealable;
 - the other party (or the board of directors or any committee of such party) withdraws or modifies in a manner adverse to the initial party its approval of the Definitive Agreement or its recommendation to shareholders to vote in favour of the resolutions necessary to the completion of the Proposed Transaction; or
 - the Proposed Transaction is not completed by April 30, 2020.

Trading Halt

Trading in the Torino Shares will remain halted until all the requirements of the CSE have been met and the resumption of trading is approved by 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.

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 to report.

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.

There were no products or services discontinued.

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.

None to report.

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.

There were no expirations or terminations of material contracts or agreement, nor cancellations of previously announced financing arrangements.

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.

There were no material acquisitions or dispositions by the Issuer.

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

None to report.

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.

None to report.

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

None to report.

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

There were no material labour disputes during the month.

11. 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.

There were no legal proceedings to which the Issuer became a party during the month.

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

None to report.

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

None to report.

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

There were no new loans to, or by, Related Persons during the month.

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

None to report.

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

The electrical grid faces (at least) three looming challenges to meet future growth requirements:

1. Existing limitations in its organization;
2. Technical ability to meet 25 and 50-year of electricity needs;
3. Capacity to increase efficiency without diminishing reliability and security.

Global investment for Transmission & Distribution (T&D) has been steadily increasing over the past few years and is expected reach into the hundreds of billions of dollars over the next 15 years. Much of this investment is necessary to support the global explosion of growth of new generation sources, particularly new renewable energy resources. The need to expand and modernize inadequate infrastructure to deliver power to a wider customer base is another key driver for growth in this sector of the industry. In many parts of the world, there is a movement to close existing fossil fuel power stations, making it necessary to bring power to load centers from other sources. In other instances, there are world regions where demand from growing industrial installations is driving the need for T&D system improvements and increase efficiency. Torino's Power Line Monitoring system focusses on key T&D system improvements with regards to: real time data collection for the improved Asset Management and planning. Additional benefits include improved overhead line resiliency, reliability and analytics.

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 were 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: February 5, 2020_____.

Rav Mlait
Name of Director or Senior Officer
(signed) "Rav Mlait"
Signature

Chief Executive Officer
Official Capacity

Issuer Details		For Month End	Date of Report YY/MM/DD
Name of Issuer		January 31 2020	2020/02/05
Torino Power Solutions Inc.			
Issuer Address			
7934 Government Rd			
City/Province/Postal Code		Issuer Fax No.	Issuer Telephone No.
Burnaby, BC, V5A 2E2		604-676- 2767	604-551- 783 1
Contact Name		Contact Position	Contact Telephone No.
Rav Mlait		CEO	604-551- 783 1
Contact Email Address		Web Site Address	
info@ torinopower.com		http://www.torinopower.com	

*Cautionary Statement Regarding Forward-Looking Statements

This document contains forward-looking information that involves various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company, such as final development of a commercial or prototype product(s), successful trial or pilot of company technologies, no assurance that commercial sales of any kind actually materialize; no assurance the Company will have sufficient funds to complete product development. There are numerous risks and uncertainties that could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information, including: (i) adverse market conditions; (ii) risks regarding protection of proprietary technology; (iii) the ability of the Company to complete financings; (v) the ability of the Company to develop and market its future product; and (vi) risks regarding government regulation, managing and maintaining growth, the effect of adverse publicity, litigation, competition and other factors which may be identified from time to time in the Company's public announcements and filings. There is no assurance that the DTCR/PLM business will provide any benefit to the Company, and no assurance that any proposed new products will be built, work successfully or proceed. There is no assurance that existing "patent pending" technologies licensed by the Company will receive patent status by regulatory authorities. The Company is not currently selling DTCR/PLM systems. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Except as required by law, the Company does not intend to update these forward-looking statements.