

FORM 7

**MONTHLY PROGRESS REPORT**

Name of Listed Issuer: Exro Technologies Inc. (the "Issuer").

Trading Symbol: XRO

Number of Outstanding Listed Securities: 82,960,154 (as at May 31, 2020)

Date: **June 3, 2020**

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**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.

**Exro continues to commercialize its first product derived from its technology, the "Electric Gearbox". (formerly Electronic Transmission Replacement). The Electric Gearbox allows a variable motor to switch coil configurations to permit increased torque or increased speed, negating the need for a separate gear box. This product could have utility in many applications, particularly in transportation sectors.**

**Exro currently has four partnerships underway for commercializing its technology: Motorino Electric Bike for e-bike applications; Potencia for automotive; Templar Marine for electric boats; Aurora Power Trains for recreational vehicle applications and Clean Seed Capital Group for agricultural products.**

**The Issuer is also utilizing machine learning to develop new battery management ("BMS") software technology, which it is calling the "intelligent battery management system" ("IEMS"), which should provide an improvement over existing BMS applications. Exro expects that the new IEMS being developed, when fully commercialized, will allow for constant monitoring and manipulation of energy inflows and outflows, at rates of up to 100k manipulations per second. The goal is total control of the flow of energy, in effect allowing better, more balanced storage of energy, especially under changing conditions, while also making battery banks of any size inherently electrically safe.**

**The Issuer is also continuing to explore other potential collaborations.**

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

**On May 12, 2020 the Issuer announced that its Chief Commercial Officer, Josh Sobil, provided an update of the Issuer's technology and commercialization strategy.**

**In his interview with Andrew O'Donnell, host of the investment program SuperCharged Stocks, Mr. Sobil discussed the long-term move toward electrification in industries which will benefit from Exro's technology, which dramatically improves the performance of electric motors and powertrains. Sobil outlines how, during the pandemic, the company is advancing its strategy to commercialize Exro technology in the automotive, agricultural, e-bike and last mile transportation, recreational markets, and other sectors that rely on electric motors.**

**The interview can be viewed online at <https://superchargedstocks.com/in-conversation/in-converstaion-with-josh-sobil-from-exro-technologies/>.**

**On May 21, 2020 the Issuer announced announced that Eric Hustedt, a proven industry innovator in automotive and power electronics, has joined Exro as its new Chief of Engineering.**

As the Chief of Engineering of the Company's engineering department, based in in Calgary, Alberta, Hustedt will be instrumental in advancing the next phase of the rapid commercialization of Exro's technology, which dramatically improves the performance of the world's electric motors and power trains.

In this new role, Hustedt will be consolidating the previous responsibilities of the VP of Engineering held by Torsten Broeer, who is retiring, and Chief Technology Officer, Ari Berger who will complete his role with Exro in June. We wish to thank Broeer and Berger for all their contributions to Exro and we wish them both well with their new endeavours. Both Broeer and Berger will continue to support Exro in consulting positions on an as needed basis.

With more than two decades of experience in automotive power and electronic innovations, as well as product development, Exro CEO Sue Ozdemir said Hustedt offers the Company a unique technological skill set to ensure we continue to develop and innovate technology and align with our focus on commercialization.

A graduate of the Engineering School of the University of Canterbury, in New Zealand, Hustedt's career includes more than 20 years leading innovations in all facets of automotive power electronics. He spent 15 years with International Rectifiers Automotive and most recently was the senior engineer at KSR International, a global manufacturer of automotive power technologies and products.

Hustedt will relocate from Halifax to Calgary, with his wife.

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.

**None.**

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.

**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 trade-marks.

**None.**

10. Report on any employee hirings, 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.

**Not applicable.**

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.

**Not applicable.**

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.

**None.**

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

**None.**

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

**Ari Berger's employment as Chief Technology Officer ended effective May 12, 2020.**

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

**The outbreak of the coronavirus ("COVID-19") pandemic is likely to impact the Issuer's plans and activities. The Issuer may face disruption to operations, supply chain delays, travel and trade restrictions and impact on economic activity in affected countries or regions can be expected and can be difficult to quantify. Such pandemics or diseases represent a serious threat to maintaining a skilled workforce industry and could be a health-care challenge for the Issuer. There can be no assurance that the Issuer's personnel will not be impacted by these pandemic diseases and ultimately that the Issuer would see its**

workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. Additional cybersecurity risks exist due to personnel working remotely. In addition, the COVID-19 pandemic has created a dramatic slowdown in the global economy. The duration of the COVID-19 outbreak and the resultant travel restrictions, social distancing, government response actions, business closures and business disruptions, can all have an impact on the Issuer's operations and access to capital. There can be no assurance that the Issuer will not be impacted by adverse consequences that may be brought about by the COVID-19 pandemic on global financial markets, may reduce share prices and financial liquidity and thereby that may severely limit the financing capital available.

The Issuer continues to monitor developments and innovations related to motor and generator systems technology to operate more efficiently, providing benefit to sustainable and renewable electricity generation markets, as well as variable load industrial and commercial applications for motors.

## 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 the Exchange 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 Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: June 3, 2020.

John Meekison  
Name of Director or Senior Officer

"John Meekison"  
Signature  
CFO  
Official Capacity

<b>Issuer Details</b> Name of Issuer <b>Exro Technologies Inc.</b>	For Month End <b>May 2020</b>	Date of Report YY/MM/D <b>20/06/03</b>
Issuer Address <b>2300 – 1177 West Hastings Street</b>		
City/Province/Postal Code <b>Vancouver BC, V6E 2X3</b>	Issuer Fax No. <b>N/A</b>	Issuer Telephone No. <b>(604) 674 7746</b>
Contact Name <b>John Meekison</b>	Contact Position <b>CFO</b>	Contact Telephone No. <b>(604) 649 8778</b>
Contact Email Address <b>jmeekison@exro.com</b>	Web Site Address <b>www.exro.com</b>	