

Form 51-102F3
MATERIAL CHANGE REPORT

ITEM 1 Reporting Issuer

TRACKX HOLDINGS INC. (the “Company”)
Suite 1430 – 800 West Pender St.
Vancouver, BC V6C 2V6

ITEM 2 Date of Material Change

June 19, 2017

ITEM 3 News Release

A news release setting out information relating to the material change described herein was issued by the Company on June 20, 2017 and disseminated through the facilities of Nasdaq (formerly Marketwired).

ITEM 4 Summary of Material Change

The Company announced its first accretive acquisition by signing a definitive agreement to acquire broTECH Solutions LLC (“broTECH”), a California based provider of asset management and IIoT (Industrial Internet of Things) solutions (the “Transaction”).

On closing of the Transaction (“Closing”), which is subject to TSX Venture Exchange acceptance, TrackX will pay broTECH aggregate consideration of US \$2.5 million (approximately CAD \$3.25 million), as follows:

- a) US \$1 million (approximately CAD \$1.3 million) in cash on closing;
- b) US \$500,000 (approximately CAD \$650,000) in cash payable on a quarterly basis at US \$41,666 per quarter (approximately CAD \$54,165) over a period of 36 months from Closing; and,
- c) US \$1 million (approximately CAD \$1.3 million) of TrackX common shares (calculated on the basis of \$0.38 of value for each one common share) to be held by TrackX in trust for the benefit of broTECH and released to broTECH on a quarterly basis at a rate of 8.33% of the total Common Shares, per quarter for a period of 36 months from the Closing with the initial release on the 12-month anniversary of Closing.

ITEM 5 Full Description of Material Change

See the news release attached.

ITEM 6 Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable

ITEM 7 Omitted Information

Not Applicable

ITEM 8 Executive Officer

Timothy Harvie, President
Tel: (604) 638-8063

ITEM 9 Date of Report

June 20, 2017



News Release

TrackX Acquires broTECH Solutions, Transaction Adds Technology, Leadership and Customer Solutions

DENVER, CO — June 20, 2017— TrackX Holdings Inc. (TSX.V:TKX) (“TrackX” or the “Company”), is pleased to announce its first accretive acquisition by signing a definitive agreement to acquire broTECH Solutions LLC (“broTECH”), a California based provider of asset management and IIoT (Industrial Internet of Things) solutions (the “Transaction”).

“Joining forces with broTECH will be a tremendous benefit to TrackX customers, partners, and shareholders,” said Tim Harvie, President and CEO of TrackX. “Acquiring broTECH adds proven and complimentary technology, a strong customer base, and experienced leadership. Its sales, and engineering teams will accelerate our growth, improve our competitive position, add several new customers with incremental revenue, and expand our technical resources to more effectively execute on our increasing pipeline of new business opportunities.”

broTECH, based in Riverside, California, provides software solutions and services primarily to the transportation, distribution and logistics industries. broTECH has extensive experience providing solutions that span the entire supply chain including asset management, yard management, transportation management, dock management, warehouse management, and carrier management.

“After working together in serving the interests of common customers, it became obvious that this consolidation would realize greater value to the companies we serve,” said broTECH CEO Chris Brumett. “With so many synergies, this transaction represents a win for our customers, our employees, and our shareholders.”

Key Benefits:

- Broadens the TrackX product offerings for customers
- Expands the TrackX GAME (Global Asset Management for Enterprises) platform with complimentary technologies including support of iOS and Android mobile devices
- Expands technical and development resources to more effectively respond to customer implementation and service demand
- Extends industry leadership in asset tracking and Industrial Internet of Things (IIoT) technologies and markets
- Will be materially accretive to revenue and cash flow



Pursuant to the Transaction, TrackX Inc., a wholly owned subsidiary of TrackX Holdings Inc., will acquire 100% of the assets and certain liabilities of broTECH Solutions under the terms of an Asset Purchase Agreement (the “Purchase Agreement”) dated June 19, 2017.

On closing of the Transaction (“Closing”), which is subject to TSX Venture Exchange acceptance, TrackX will pay broTECH aggregate consideration of US \$2.5 million (approximately CAD \$3.25 million), as follows:

- d) US \$1 million (approximately CAD \$1.3 million) in cash on closing;
- e) US \$500,000 (approximately CAD \$650,000) in cash payable on a quarterly basis at US \$41,666 per quarter (approximately CAD \$54,165) over a period of 36 months from Closing; and,
- f) US \$1 million (approximately CAD \$1.3 million) of TrackX common shares (calculated on the basis of \$0.38 of value for each one common share) to be held by TrackX in trust for the benefit of broTECH and released to broTECH on a quarterly basis at a rate of 8.33% of the total Common Shares, per quarter for a period of 36 months from the Closing with the initial release on the 12-month anniversary of Closing.

About TrackX

TrackX, based in Denver, Colorado, is an enterprise Industrial Internet of Things (IIoT) software platform provider leveraging multiple auto-ID technologies for the comprehensive management of physical assets. TrackX’s Global Asset Management for Enterprises (GAME) platform enables the IIoT by providing unique item level tracking, workflow processing, event management, alerts and powerful analytics to deliver solutions across a growing number of industries. This platform creates unprecedented visibility and business intelligence of man-to-machine and machine-to-machine interaction. TrackX delivers significant value to a growing list of Fortune 500 companies and for customers in industries such as transportation, beverage, brewery, healthcare, hi-tech, hospitality, mining, agriculture, horticulture, manufacturing and government.

For more information, please contact:

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Neither TSX Venture Exchange nor its Regulations Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This news release includes certain “forward-looking statements” under applicable Canadian securities legislation. Forward looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. All statements that address future plans, activities, events or developments that the Company believes, expects or anticipates will or may occur including the Company’s anticipated pipeline and value of current and customer deployments and future opportunities are the managements best estimates and cannot be guaranteed or relied upon and is forward-looking information. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements in this news release, whether as a result of new information, future events or otherwise, except as required by law.