

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Fortress Technologies Inc.
320-638 Broughton Street
Vancouver, British Columbia
V6G 3K3

Item 2 Date of Material Change

July 27, 2020

Item 3 News Release

The press release attached as Schedule "A" was disseminated on July 27, 2020.

Item 4 Summary of Material Change

The material change is described in the press release attached as Schedule "A".

Item 5 Full Description of Material Change

The material change is fully described in the press release attached hereto.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Aydin Kilic
Chief Executive Officer
Fortress Technologies Inc.
Ph: 604 477 9997
E: a@fortressblockchain.io

Item 9 Date of Report

August 6, 2020



Fortress Announces Normal Course Issuer Bid For Common Shares

TORONTO, July 27, 2020 -- Fortress Technologies Inc. (TSX-V: FORT) ("Fortress" or the "Company") today announced that it intends commence a normal course issuer bid (the "NCIB") to purchase for cancellation from time to time up to an aggregate of 5,688,227 common shares of the Company ("Common Shares"), representing 8.0% of the Company's issued and outstanding Common Shares and 10% of the Company's "Public Float" (as such term is defined in the TSX-V Corporate Finance Manual) as of July 27, 2020.

Fortress may purchase common shares under the NCIB over the next twelve-month period beginning on or about July 29, 2020. The NCIB will terminate upon the earliest of (i) the Company purchasing 5,688,227 Common Shares, (ii) the Company providing notice of termination of the NCIB, and (iii) July 28, 2021.

Fortress has engaged Canaccord Genuity Corp. ("Canaccord") to act as broker for the NCIB. Any purchases under the NCIB will be conducted on the open market through the facilities of the TSXV or alternative Canadian trading systems at market prices or by such other means as may be permitted under applicable securities laws. Any daily purchases on the TSXV under the NCIB will be subject to all limitations as set forth in the policies of the TSXV. All common shares purchased by Fortress will be cancelled. The funding for any purchase pursuant to the NCIB will be from the working capital of the Company.

The NCIB is being undertaken as the Company believes the share price of its Common Shares, from time to time, is not reflecting of the underlying value of the Company. The Company believes the purchase of Common Shares is an appropriate use of its financial resources and is advantageous to shareholders when Common Shares are purchased at a price below their underlying value and cancelled, as this increases the proportionate share of ownership of the Company for the remaining shareholders. The NCIB will also afford an increased degree of liquidity to those shareholders of Fortress who wish to dispose of their Common Shares.

About Fortress Technologies

Fortress Technologies Inc. (TSX-V: FORT) is a well-capitalized company currently evaluating emerging opportunities in technology sectors. Fortress is focused on developing projects where access to growth capital is highly valued.

For further information, please contact:

Aydin Kilic
Chief Executive Officer
604 477 9997
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Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.

Forward Looking Statements:

This news release contains certain "forward-looking information" within the meaning of applicable Canadian securities laws that are based on expectations, estimates and projections as at the date of this news release. The information in this release about future plans and objectives of the Company, are forward-looking information. Other forward-looking information includes but is not limited to information concerning: the intentions, plans and future actions of the Company, the status and impact of new electrical power rates and the status of deliberations by the Grant County Public Utility District, as well as the Company's ability to successfully mine digital currency, revenue increasing as currently anticipated, the ability to profitably liquidate current and future digital currency inventory, volatility in digital currency prices and the resulting significant negative impact on the Company's operations, the construction and operation of expanded blockchain infrastructure, and the regulatory environment of cryptocurrency in the United States and other jurisdictions where the Company may operate.

Any statements that involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information and are intended to identify forward-looking information.

This forward-looking information is based on reasonable assumptions and estimates of management of the Company at the time it was made, and involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others: the status and impact of new electrical power rates and the status of deliberations by the Grant County Public Utility District, risks relating to the global economic climate; dilution; the Company's limited operating history; future capital needs and uncertainty of additional financing; the competitive nature of the industry; currency exchange risks; the need for the Company to manage its planned

growth and expansion; the effects of product development and need for continued technology change; protection of proprietary rights; the effect of government regulation and compliance on the Company and the industry; network security risks; the ability of the Company to maintain properly working systems; reliance on key personnel; global economic and financial market deterioration impeding access to capital or increasing the cost of capital; and volatile securities markets impacting security pricing unrelated to operating performance. In addition, particular factors which could impact future results of the business of the Company include but are not limited to: the impact of new electrical power rates which could impair profitably and operating performance; deliberations by the Grant County Public Utility District which could limit the ability of the Company to carry on business on a profitable basis or at all; the construction and operation of blockchain infrastructure may not occur as currently planned, or at all; expansion may not materialize as currently anticipated, or at all; the digital currency market; the ability to successfully mine digital currency; revenue may not increase as currently anticipated, or at all; it may not be possible to profitably liquidate the current digital currency inventory, or at all; a decline in digital currency prices may have a significant negative impact on operations; the volatility of digital currency prices; the anticipated growth and sustainability of hydroelectricity for the purposes of cryptocurrency mining in the Grant County of the State of Washington, the ability to complete current and future financings, any regulations or laws that will prevent the Company from operating its business; historical prices of digital currencies and the ability to mine digital currencies that will be consistent with historical prices; and there will be no regulation or law that will prevent the Company from operating its business. The Company has also assumed that no significant events occur outside of the Company's normal course of business. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. 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 information. The Company undertakes no obligation to revise or update any forward-looking information other than as required by law.