

DISCLOSURE POLICY

1. INTRODUCTION

Track Group, Inc. (the “Company”) is committed to fair disclosure of information about the Company without advantage to any particular analyst or investor, consistent with the regulations of the United States Securities and Exchange Commission (“SEC”) regarding fair disclosure (“Regulation FD”) and other regulatory bodies applicable to the Company including, but not limited to, any exchange upon which the shares of the Company are traded. While the Company believes it is important for the Company to maintain an appropriate dialogue with security holders and potential investors regarding the Company’s historical performance and future prospects, the Company also recognizes the need to protect the confidentiality of Company information as it may deem appropriate. It is the Company’s policy to comply with all applicable periodic reporting and disclosure requirements established by the SEC, including Regulation FD, and other regulatory bodies applicable to the Company.

2. OBJECTIVE AND SCOPE

This Disclosure Policy covers disclosure to the investment community, the press, industry consultants and other audiences. The purpose of this policy is to govern the disclosure of material, non-public information in a manner designed to provide broad, non-exclusionary distribution of information so that the public has equal access to the information. This Disclosure Policy aims to ensure that communications to the investing public about the Company are:

- Timely, factual and accurate; and
- Broadly disseminated in accordance with all applicable legal and regulatory requirements, including Regulation FD.

This Disclosure Policy confirms in writing the Company’s existing disclosure policies and practices. Its goal is to raise awareness of the Company’s approach to disclosure among the Board of Directors, Senior Management, employees and consultants. The purpose of the policy is also to ensure that the Company complies with applicable laws, including Regulation FD and the rules of any stock exchange on which its securities may be listed governing disclosure of material, non-public information to the investment community. The Company will comply with Regulation FD and with the disclosure guidelines of any exchange on which its securities may be listed.

This Disclosure Policy extends to all employees and Officers of the Company, its Board of Directors and those authorized to speak on its behalf, which includes consultants where appropriate. It covers disclosures in documents filed with the securities regulators and written statements made in the Company’s annual and quarterly reports, news releases (unreleased as well), letters to stockholders, presentations by senior management and information contained on the Company’s website and other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as speeches, press conferences and conference calls.

3. DISCLOSURE POLICY COMMITTEE

The Board of Directors has established a Disclosure Policy Committee (“Committee”) responsible for overseeing the Company’s disclosure practices. The Committee consists of the Chief Executive officer (CEO), the Chief Financial Officer (CFO), and the President (individually, a “Designated Executive”). The Committee reports to the Nominating and Corporate Governance Committee of the Board.

The Committee will meet as conditions dictate. **It is essential that the Committee be kept fully apprised of all pending material Company developments in order to evaluate and discuss those events and to**

determine the appropriateness and timing for public release of information. If it is deemed that the information should remain confidential, the Committee will determine how that inside information will be controlled.

The Committee will review and update, if necessary, this Disclosure Policy as needed to ensure compliance with changing regulatory requirements. The Committee will report to the full Board of Directors on an annual basis.

4. PRINCIPLES OF DISCLOSURE OF MATERIAL INFORMATION

Any information concerning the Company is considered material if there is a substantial likelihood that a reasonable investor would consider it important in determining whether to buy, sell or hold, or engage in other transactions concerning the Company's securities. Although not intended to be a comprehensive list, the following are examples of information that could be material depending on its scale and magnitude:

- Quarterly or annual earnings or operational results or projections
- Mergers, acquisitions, joint ventures, divestitures or other changes in company assets
- Management changes or changes in control of the Company
- Dividend payments
- Public or private sale of additional securities or assets
- New developments and inventions
- Stock splits
- Major litigation pending or threatened
- Company share buyback programs and their implementation or cessation
- Change in auditors and agreements/disagreements with auditors

Disclosures of material, non-public information to the investment community must be coordinated with the Investor Relations Department and shall be made in one or more of the following methods:

- A press release which is distributed in a manner designed to ensure wide dissemination
- A conference call and/or webcast or other meeting that is designed to provide broad, non-exclusionary distribution of the information to the public and to which the public has been provided adequate notice of the call or meeting and reasonable means for accessing it
- A filing with the Securities and Exchange Commission and any other regulatory body applicable to the Company, as determined by legal counsel
- Any other means, which after consultation with legal counsel is deemed to provide broad, non-exclusionary distribution of information to the public in a manner satisfying the requirements of Regulation FD and with the stock exchange disclosure guidelines.
- Any combination of the foregoing methods

In complying with the requirement to disclose forthwith all material information under applicable laws and stock exchange rules, the Company will adhere to the following basic disclosure principles:

- Material information will be publicly disclosed in a timely manner via a widely disseminated news release.
- Disclosure must include any information the omission of which would make the rest of the disclosure misleading (half-truths are misleading).

- Unfavorable material information must be disclosed as promptly and completely as favorable information.
- Previously undisclosed material information must not be disclosed to selected individuals (for example, in an interview with an analyst or in a telephone conversation with an investor). If previously undisclosed material information has been inadvertently disclosed to an analyst or any other person not bound by an express confidentiality obligation, such information must be broadly disclosed immediately via news release.
- Disclosure must be corrected immediately if the Company subsequently learns that earlier disclosure by the Company contained a material error at the time it was given.

The Company's policy is not to disclose any information that could be:

- Useful to a competitor, to someone negotiating with the Company, or in litigation with the Company. In such cases, information will be kept confidential until the Committee determines it is appropriate to publicly disclose and the Committee will cause a confidential material change report to be filed with the applicable securities regulators, and will periodically (at least every 10 days) review its decision to keep the information confidential (also see "Rumors").
- Unfair disparagement to competitors
- Unintentional disclosure of material non-public information

If a Company employee believes that there may have been an accidental or unintentional disclosure of material non-public information, the employee must immediately notify the CFO, or President of this incident. The Company will then determine, after consultation with legal counsel, whether to promptly file or issue a press release to fully disclose this information in accordance with SEC and stock exchange guidelines.

5. TRADING RESTRICTIONS AND BLACKOUT PERIODS

It is illegal for anyone to purchase or sell securities of any public company with knowledge of material information affecting that company that has not been publicly disclosed. Except in the necessary course of business, it is also illegal for anyone to inform any other person of material non-public information. Therefore, insiders, employees and consultants with knowledge of confidential or material information about the Company or counter-parties in negotiations of material potential transactions, are prohibited from trading shares in the Company or any counter-party until the information has been fully disclosed and a reasonable period of time has passed for the information to be widely disseminated. This restriction will also apply to any other security, such as an exchangeable or convertible security, which, whether or not issued by Company, is expected to trade at a price varying materially with the market price of the securities of the Company, and shall include derivative-based transactions that involve, directly or indirectly, securities of the Company.

Trading blackout periods will apply to those employees with access to material undisclosed information during periods when exploration results are being compiled or financial statements are being prepared but results have not yet been publicly disclosed.

Blackout may be prescribed from time to time by the Disclosure Committee as a result of special circumstances relating to the Company pursuant to which insiders of the Company would be precluded from trading in securities of the Company. All parties with knowledge of such special circumstances should be covered by the blackout. Such parties may include external advisors such as legal counsel, investment bankers and counter-parties in negotiations of material potential transactions.

6. MAINTAINING CONFIDENTIALITY

Any employee, Officer, Director or consultant privy to confidential information is prohibited from communicating such information to anyone else, unless it is necessary to do so in the course of business. Efforts will be made to limit access to such confidential information to only those who need to know the information and such persons will be advised that the information is to be kept confidential.

Communication by e-mail leaves a physical track of its passage that may be subject to later decryption attempts. Care must be taken when transmitting confidential information over the Internet by email. The information should be limited to only those who need to know and transmission should proceed after verification of the email addresses of the intended recipients. Care must be used to ensure that the information is not transmitted to unintended recipients and emails should carry a notice that if it has been received by accident that the recipient should delete the email immediately and notify the sender of the unintended receipt.

Outside parties privy to undisclosed material information concerning the Company will be told that they must not divulge such information to anyone else, other than in the necessary course of business and that they may not trade in the Company's securities until the information is publicly disclosed. Such outside parties will confirm their commitment to non-disclosure in the form of a written confidentiality agreement.

In order to prevent the misuse or inadvertent disclosure of material information, the procedures set forth below should be observed at all times:

- Documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals who "need to know" that information in the necessary course of business and code names should be used if necessary.
- Confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis.
- Care must be exercised if confidential matters need to be discussed on wireless telephones or other wireless devices. This should be limited as much as practical.
- Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them.
- Employees must ensure they maintain the confidentiality of information in their possession outside of the office as well as inside the office.
- Transmission of documents by electronic means, such as by fax or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions.
- Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed.
- Access to confidential electronic data should be restricted through either the use of passwords or controlled distribution by authorized senior management on a "need to know" basis.

7. DESIGNATED SPOKESPERSON

The Company designates a limited number of spokespersons responsible for communication with the investment community, regulators or the media. Only the following authorized spokespersons may discuss material information with the institutional and individual investment community:

- Chairman of the Board of Directors
- CEO
- CFO
- President
- Designated Public Relations professional

Individuals holding these offices may, from time to time, designate others within the Company to speak on behalf of the Company as back-ups or to respond to specific inquiries, including but not limited to an investor conference, a group meeting or a one-on-one meeting. Following the occurrence of the limited, specific communication, the employee's authorization shall expire.

Employees who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community, the media or others, unless specifically asked to do so by an authorized spokesperson. Employees and company representatives (other than the above authorized spokespersons) receiving any inquiries from the investment community shall not respond to such inquiries other than to refer the inquirer to the Investor Relations Department at peter.poli@trackgrp.com.

All Company meetings with members of the investment community shall be attended by a Designated Executive. Exceptions to this policy may be authorized only by one of the authorized spokespersons listed above.

8. NEWS RELEASES

Once the Committee determines that a development is material, it will first consider the issuance of a "Black Out Period" and then authorize the issuance of a news release, unless the Committee determines that such developments must remain confidential for the time being, ensure appropriate confidential filings are made (if necessary), and that control of that inside information is instituted. Should a material statement inadvertently be made in a selective forum, the Company will immediately issue a news release in order to fully disclose that information.

If the stock exchange upon which shares of the Company are listed is open for trading at the time of a proposed announcement, prior notice of a news release announcing material information must be provided to the market surveillance department to enable a trading halt, if deemed necessary by the stock exchanges. If a news release announcing material information is issued outside of trading hours, market surveillance may be notified before the market opens at the recommendation of the disclosure committee.

Annual and interim financial results will be publicly released following Board approval of the financial statements.

News releases will be widely disseminated through an approved news wire service that provides simultaneous national and/or international distribution.

News releases will be posted on the Company's web site after release over the news wire and are subject to the general legal disclaimer provisions posted on the web site.

9. CONFERENCE CALLS

Conference calls may be held for major corporate developments as the Committee may so determine from time to time, whereby discussion of key aspects is accessible simultaneously to all interested parties, some as participants by telephone and others in a listen-only mode by telephone or via a webcast over the Internet. The call will be preceded by a news release containing all relevant material information. At the beginning

of the call, a Company spokesperson will provide appropriate cautionary language with respect to any forward-looking information and direct participants to publicly available documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties.

The Company will provide advance notice of the conference call and webcast by issuing a news release announcing the date and time and providing information on how interested parties may access the call and webcast. In addition, the Company may send invitations to analysts, institutional investors, the media and others invited to participate. Any non-material supplemental information provided to participants will also be posted to the web site for others to view. A tape recording of the conference call and/or an archived audio webcast on the Internet will be made available following the call for a minimum of 30 days, for anyone interested in listening to a replay.

The Committee will hold a debriefing meeting immediately after the conference call and if such debriefing uncovers selective disclosure of previously undisclosed material information, the Company will immediately disclose such information broadly via news release.

10. RUMORS

The Company does not comment, affirmatively or negatively, on rumors. This also applies to rumors on the Internet. The Company's spokespersons will respond consistently to those rumors, saying, "It is our policy not to comment on market rumors or speculation." Should the stock exchange request that the Company make a definitive statement in response to a market rumor that is causing significant volatility in the stock, the Committee will consider the matter and decide whether to make a policy exception.

11. CONTACTS WITH ANALYSTS, INVESTORS AND THE MEDIA

Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered material non-public information. If the Company intends to announce material information at an analyst or stockholder meeting or a press conference or conference call, the announcement must be preceded by a news release.

The Company recognizes that meetings with analysts and significant investors are an important element of the Company's investor relations program. The Company will meet with analysts and investors on an individual or small group basis as needed and will initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this Disclosure Policy.

The Company will provide only non-material information through individual and group meetings, in addition to regular publicly disclosed information, recognizing that an analyst or investor may construct this information into a mosaic that could result in material information. The Company cannot alter the materiality of information by breaking down the information into smaller, non-material components.

Spokespersons will keep a record of meetings with analysts and investors.

12. REVIEWING ANALYSTS' REPORTS AND MODELS

It is the Company's policy to review, upon request, analysts' draft research reports or models. Draft analysts' reports and financial models may be reviewed and commented upon only by the authorized spokespersons for disclosures to the investment community. Company comments on these drafts will be limited to the following:

- Corrections of inaccurate historical public information
- Deviations from information and projections the company has publicly issued, specifying, without reaffirming, the date and/or occasion of such issuance

- Non-material information, whether in the public domain or not, and
- Industry-related information

It is the Company's policy, when an analyst inquires with respect to his/her estimates, to question an analyst's assumptions if the estimate is a significant outlier among the range of estimates and/or the Company's published financial guidance. The Company will limit its comments in responding to such inquiries to non-material information. The Company will not confirm, or attempt to influence, an analyst's opinions or conclusions. It should specifically be noted that the Company has not undertaken the obligation to update any forward-looking statement that it makes or has made, and that the Company, as a matter of policy, does not "embrace," "endorse" or state that it "is comfortable with" any analyst's report and/or financial model as a result of the Company's review process. In order to avoid appearing to endorse an analyst's report or model, the Company will provide its comments orally or will attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy.

13. FORWARD-LOOKING INFORMATION

All public disclosures of forward-looking information, including projections of future earnings or operational performance, shall be accompanied by appropriate cautionary language.

All public disclosures of forward-looking information must be made by and/or approved by a Designated Executive. Furthermore, once approved, the forward-looking information may be communicated to the public only by the foregoing, or his/her designated alternate.

Subsequent disclosures of forward-looking information may only be based upon information the Company has publicly disclosed, non-material information, whether in the public domain or not, and/or industry-related information, and each case in compliance with the following sentence.

Except to the extent imposed by law, the Company shall not undertake any obligation to update any forward looking information, and the Company will not respond, except by means of an appropriate public disclosure as provided herein, to any inquiries or rumors seeking reaffirmation of such information at any date subsequent to the date that such information was originally provided.

Should the Company elect to disclose forward-looking information in continuous disclosure documents, speeches, conference calls, etc.; the following guidelines will be observed.

- The information, if deemed material, will be broadly disseminated via news release, in accordance with this Disclosure Policy.
- The information will be clearly identified as forward looking.
- The Company will identify all material assumptions used in the preparation of the forward-looking information.
- The information will be accompanied by a statement that identifies, in very specific terms, the risks and uncertainties that may cause the actual results to differ materially from those projected in the statement, including a sensitivity analysis to indicate the extent to which different business conditions from the underlying assumptions may affect the actual outcome.
- The information will be accompanied by a statement that disclaims the Company's intention or obligation to update or revise the forward-looking information, whether as a result of new information, future events or otherwise. Notwithstanding this disclaimer, should subsequent events prove past statements about current trends to be materially off target, the Company may choose to issue a news release explaining the reasons for the difference. In this case, the Company will update its guidance on the anticipated impact on revenue and earnings (or other key metrics).

If the Company has issued a forecast or projection in connection with an offering document covered by applicable securities laws, the Company will update that forecast or projection periodically, as required by applicable securities laws.

14. QUIET PERIODS

In order to avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the Company will observe quiet periods as the Committee may so determine from time to time, during which the Company will not initiate or participate in any meetings or telephone contacts with analysts and investors and no forward looking statements will be provided to anyone, other than responding to unsolicited inquiries concerning factual matters. The quiet period procedures will be utilized whenever there are significant undisclosed material developments which are pending until the issuance of a widely disseminated public announcement.

15. RESPONSIBILITY FOR ELECTRONIC COMMUNICATIONS

This Disclosure Policy also applies to electronic communications. Accordingly, Officers, employees, Directors and consultants responsible for written and oral public disclosures shall also be responsible for electronic communications.

The CFO or designated Investor Relations firm is responsible for updating the investor relations section of the Company's web site and is responsible, along with outside counsel, for monitoring all Company information placed on the investor relations section of the web site to ensure that it is accurate, complete, up-to-date and in compliance with relevant securities laws.

The Committee should approve all links from the Company web site to a third party web site. Any such links will include a notice that advises the reader that he or she is leaving the Company's web site and that the Company is not responsible for the contents of the other site.

Investor relations material shall be contained within a separate section of the Company's web site and shall include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosures. Any material changes in information must be promptly updated.

Disclosure on the Company's web site alone does not constitute adequate disclosure of information that is considered material non-public information. Any disclosures of material information on its web site will be preceded by the issuance of a widely disseminated news release.

Any Designated Executive shall also be responsible for responses to electronic inquiries. Only public information or information which could otherwise be disclosed in accordance with this Disclosure Policy shall be utilized in responding to electronic inquiries.

In order to ensure that no material undisclosed information is inadvertently disclosed, employees are prohibited from participating in Internet chat rooms or newsgroup discussions on matters pertaining to the Company's activities or its securities without the prior approval of a Designated Executive. Employees who encounter a discussion pertaining to the Company should advise the immediately, so the discussion may be monitored.

16. COMMUNICATION AND ENFORCEMENT

This Disclosure Policy extends to all employees of the Company, its Board of Directors, Officers, consultants and authorized spokespersons. New Directors, Officers, employees and consultants will be

provided with a copy of this Disclosure Policy and will be educated about its importance. This Disclosure Policy will be circulated to all employees, Directors, Officers and consultants on a periodic basis and whenever changes are made.

Any employee, Officer, Director or consultant who violates this Disclosure Policy may face disciplinary action up to and including termination of his or her employment, directorship or contract with the Company without notice. The violation of this Disclosure Policy may also violate certain securities laws. If it appears that an employee, Officer, Director or consultant may have violated such securities laws, the Company may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

17. POLICY REVIEW

The Corporate Governance & Nominating Committee will review and reassess the adequacy of this Disclosure Policy and submit any recommended changes to the Board for approval every twelve to eighteen months.

18. ADOPTION

This Disclosure Policy was adopted by the Board on December 13, 2017.